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**MERDEKA FINANCIAL SERVICES GROUP LIMITED**

**(萬德金融服務集團有限公司\*)**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8163)

**VOLUNTARY ANNOUNCEMENT  
DISPOSAL OF SUBSIDIARIES**

This announcement is a voluntary announcement made by Merdeka Financial Services Group Limited (the “Company”, and together with its subsidiaries referred to as the “Group”) to provide its shareholders (the “Shareholders”) and potential investors (the “Potential Investors”) with the updated information of the Company and the Group.

The Board of Directors of the Company (the “Board”) announces that on 30 November 2016, the Company as the vendor (the “Vendor”) had entered into a sale and purchase agreement (the “Agreement”) with a purchaser (the “Purchaser”), who to the best of the Directors’ knowledge, information and belief, after having made all reasonable enquiries is an independent third party of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) (the “GEM Listing Rules”), in relation to the disposal of 100% equity interest in Merdeka Timber Group Ltd. (the “Disposal Company”, together with its subsidiaries collectively referred to as the “Disposal Group”) (the “Disposal”).

The Disposal Group is principally engaged in the forestry and plantation businesses. As of the date of the Agreement, the Vendor has 100% equity interest in the Disposal Company.

Following the Disposal, the Company will cease to have a shareholding interest in the Disposal Group.

*\* for identification purposes only*

As the percentage ratios (as defined under the GEM Listing Rules) in respect of the Disposal are less than 5%, it did not constitute a notifiable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

The Group is principally engaged in financial services business, trading business and information technology business. As explained in the annual report of the Company dated 11 March 2016, the Group's forestry project in Indonesia was suspended with no revenue generated from it. It is expected that the Disposal, will enable the Group to concentrate its resources in its other existing business segments, including financial leasing, money lending and securities brokerage, and/or other higher return potential investment to enhance the value of the Company and the Shareholders and Potential Investors as a whole.

The Directors consider that the terms and conditions of the Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders and Potential Investors as a whole.

By Order of the Board of  
**MERDEKA FINANCIAL SERVICES GROUP LIMITED**  
**Cheung Wai Yin, Wilson**  
*Chairman and Chief Executive Officer*

Hong Kong, 30 November 2016

As at the date of this announcement, the Directors are:

*Executive Directors:*

Mr. Cheung Wai Yin, Wilson (*Chairman and Chief Executive Officer*)

Mr. Lau Chi Yan, Pierre (*Managing Director*)

*Independent Non-executive Directors:*

Ms. Yeung Mo Sheung, Ann

Mr. Ng Kay Kwok

Mr. Yip Kat Kong, Kenneth

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.*