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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Merdeka Financial Services Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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 circular 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 circular misleading.

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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)****PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;  
RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM of Merdeka Financial Services Group Limited to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Thursday, 20 June 2019 at 11:00 a.m. is set out on pages 14 to 17 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for the AGM is also published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

This circular 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 will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.

\* *For identification purpose only*

17 May 2019

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## CHARACTERISTICS OF GEM

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

|                          |  |
|--------------------------|--|
| “2008 Convertible Bonds” | the convertible bonds, originally due 2011 and extended to 2020 issued by the Company on 12 August 2008 as part of consideration to acquire the forestry business. These bonds are interest-free and convertible into Shares at the conversion price of HK\$0.095 per Share (subject to adjustment in accordance with the terms of the convertible bonds); |
| “2015 Convertible Bonds” | the convertible bonds, due 2018 issued by the Company on 21 April 2015 as part of consideration to acquire the financial leasing business. These bonds are interest-free and convertible into Shares at the conversion price of HK\$0.23 per Share (subject to adjustment in accordance with the terms of the convertible bonds);                          |
| “AGM”                    | the annual general meeting of the Company to be convened and held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Thursday, 20 June 2018 at 11:00 a.m. or any adjournment thereof (as the case may be);  |
| “Articles”               | the articles of association of the Company as amended, supplemented or modified from time to time;   |
| “associate(s)”           | has the same meaning as ascribed to it under the GEM Listing Rules;  |
| “Board”                  | the board of the Directors;  |
| “Company”                | Merdeka Financial Services Group Limited (萬德金融服務集團有限公司*), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM of the Stock Exchange (stock Code: 8163);  |
| “Director(s)”            | the director(s) of the Company;  |
| “GEM”                    | GEM operated by the Stock Exchange;  |
| “GEM Listing Rules”      | the Rules Governing the Listing of Securities on GEM of the Stock Exchange;  |
| “Group”                  | the Company and its subsidiaries;  |
| “Hong Kong”              | the Hong Kong Special Administrative Region of the People’s Republic of China;   |

\* *For identification purpose only*

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## DEFINITIONS

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|                              |   |
|------------------------------|---|
| “HK\$”                       | Hong Kong dollar(s), the lawful currency of Hong Kong;  |
| “Latest Practicable Date”    | 14 May 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;   |
| “Repurchase Mandate”         | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the number of issued shares of the Company on the date of passing of the relevant resolution pursuant to and in accordance with the relevant resolution;  |
| “Repurchase Resolution”      | the proposed ordinary resolution No. 5(B) set out in the notice of the AGM contained in this circular in respect of the proposal to grant the Repurchase Mandate;   |
| “SFO”                        | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);  |
| “Share(s)”                   | the ordinary share(s) of HK\$0.001 each in the share capital of the Company;  |
| “Share Issue Mandate”        | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all power of the Company to allot, issue and otherwise deal with additional shares of the Company up to a maximum of 20% of the number of issued shares of the Company on the date of passing of the relevant resolution pursuant to and in accordance with the relevant resolution; |
| “Share Option(s)”            | share options to subscribe for the Shares granted and to be granted under the share option scheme adopted by the Company on 3 May 2012;   |
| “Shareholder(s)”             | the holder(s) of the Share(s);  |
| “Stock Exchange”             | The Stock Exchange of Hong Kong Limited;  |
| “substantial shareholder(s)” | has the same meaning as ascribed to it under the GEM Listing Rules;   |
| “Takeover Code”              | the Code on Takeovers and Mergers approved by the Securities and Futures Commission;  |
| “%”                          | per cent.   |



**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)**

*Executive Directors:*

Mr. Cheung Wai Yin, Wilson  
*(Chairman and Chief Executive Officer)*  
Mr. Lau Chi Yan, Pierre *(Managing Director)*  
Ms. Tsang Kwai Ping

*Independent Non-executive Directors:*

Ms. Yeung Mo Sheung, Ann  
Mr. Au-yeung Sei Kwok  
Ms. Ng Ka Sim, Casina

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands  
British West Indies

*Head Office and Principal Place  
of Business in Hong Kong:*

Room 1108, 11/F,  
Wing On Centre  
111 Connaught Road Central  
Central, Hong Kong

17 May 2019

*To the Shareholders and, for information only,  
the holders of the Convertible Bonds,*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;  
RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with, amongst other things, the relevant information regarding and to seek the approval of the Shareholders at the AGM for (i) the granting of the general mandate to issue Shares; (ii) the granting of the general mandate to repurchase Shares; (iii) the re-election of retiring Directors and to give you the notice of the AGM.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the number of issued shares of the Company as at the date of passing of the resolution and allowing the addition to such general mandate so granted to the Directors any Shares repurchased by the Company pursuant to the Repurchase Mandate following the passing of the Repurchase Resolution.

#### **The Share Issue Mandate**

At the annual general meeting of the Company held on 20 June 2018, a general mandate was given by the Company to the Directors to allot, issue and deal with Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,040,094,152 Shares. Subject to the passing of the resolution to allot, issue and deal with Shares not exceeding 20% of the number of issued shares of the Company in accordance with resolution No. 5(A) set out in the notice of the AGM contained in this circular and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Company will be allowed to issue a maximum of 408,018,830 Shares representing not more than 20% of the number of issued shares of the Company as at the date of passing of resolution No. 5(A) set out in the notice of the AGM.

#### **The Repurchase Mandate**

At the annual general meeting of the Company held on 20 June 2018, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. The Directors propose to seek Shareholders' approval of the Repurchase Resolution to be proposed at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,040,094,152 Shares. Subject to the passing of the Repurchase Mandate in accordance with resolution No. 5(B) set out in the notice of the AGM contained in this circular and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Company will be allowed under the Repurchase Resolution to repurchase a maximum of 204,009,415 Shares representing not more than 10% of the number of issued shares of the Company as at the date of passing of the Repurchase Resolution.

An explanatory statement as required under the GEM Listing Rules to provide the requisite information in respect of the Repurchase Mandate is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Cheung Wai Yin, Wilson; Mr. Lau Chi Yan, Pierre and Ms. Tsang Kwai Ping (“**Ms. Tsang**”), and the independent non-executive Directors are Ms. Yeung Mo Sheung, Ann, Mr. Au-yeung Sei Kwok (“**Mr. Au-yeung**”) and Ms. Ng Ka Sim, Casina (“**Ms. Ng**”).

Pursuant to Articles 86(2) and 86(3), Ms. Tsang and Ms. Ng will retire at the AGM. Pursuant to Article 87, Mr. Au-yeung will retire by rotation at the AGM. All retiring Directors are eligible and will offer themselves for re-election at the AGM. The re-election of each retiring Director will be subject to separate resolutions to be considered and if, thought fit, approved by Shareholders at the AGM.

The Company has received from Ms. Ng the confirmation of independence and Mr. Au-yeung an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules.

The details and brief biography of each of Ms. Tsang, Ms. Ng and Mr. Au-yeung are set out in Appendix II to this circular.

### THE AGM AND PROXY ARRANGEMENT

At the AGM, resolutions will be proposed to approve, among others, the grant of the Share Issue Mandate, the Repurchase Mandate and the re-election of the retiring Directors.

A notice convening the AGM is set out on pages 14 to 17 of this circular.

In accordance with the requirement under Rule 17.47(4) of the GEM Listing Rules, the votes for all resolutions by the Shareholders at the AGM must be taken by poll. The chairman of the AGM will therefore demand a poll at the beginning of the AGM on all of the resolutions put forward at the AGM pursuant to Article 66 of the Articles. The poll results of the AGM will be published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>) after the AGM.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend and vote at the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person or any adjournment thereof (as the case may be) should you so wish.



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## LETTER FROM THE BOARD

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To the best of the Directors' knowledge, information and belief having all reasonable enquiries, no Shareholder has a material interest that is required to abstain from voting on any of the resolution to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

### RECOMMENDATION

The Directors consider that the granting of the Share Issue Mandate and the Repurchase Mandate and the re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole and therefore recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,  
For and on behalf of the Board  
**MERDEKA FINANCIAL SERVICES GROUP LIMITED**  
**Cheung Wai Yin, Wilson**  
*Chairman and Chief Executive Officer*

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the Shareholders with the requisite information to make an informed decision whether to vote for or against the Repurchase Resolution to approve the grant of the Repurchase Mandate to the Directors at the AGM.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, there were 2,040,094,152 Shares in issue representing an issued share capital of approximately HK\$2,040,094. As at the Latest Practicable Date, the 2008 Convertible Bonds with the principal amount of HK\$124,068,000 were outstanding, which may be convertible into 1,305,978,947 Shares; and the 2015 Convertible Bonds with the principal amount of HK\$40,000,000 were outstanding, which may be convertible into 173,913,043 Shares.

As at the Latest Practicable Date, the Company has 360,244 Share Options with the exercise price of HK\$3.60 per Share, 30,611 Share Options with the exercise price of HK\$2.13 per Share and has 233,000,000 Share Options with the exercise price of HK\$0.147 per Share granted to the Directors and other eligible participants pursuant to which an aggregate of 233,390,855 Shares would be issued.

If the resolution no. 5(B) authorising the Directors to repurchase Shares is passed at the forthcoming AGM, and assuming that none of the outstanding 2008 Convertible Bonds and 2015 Convertible Bonds is converted and no Share Options is exercised as well as no further Shares is issued, allotted or repurchased by the Company prior to the date of passing the said resolution, based on the 2,040,094,152 Shares in issue as at the Latest Practicable Date, up to 204,009,415 Shares, representing 10% of the existing issued share capital of the Company may be repurchased by the Company, during the period from the date of passing the resolution no. 5(B) and ending on either the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles or applicable laws of the Cayman Islands or the date upon which the resolution no. 5(B) is revoked or varied by the Shareholders at a general meeting of the Company (whichever is the earliest).

## **2. REASONS FOR REPURCHASE OF SHARES**

The Directors believe that it is in the interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchase may, depending on market conditions and funding arrangements at that time, lead to enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

### 3. FUNDING OF REPURCHASE OF SHARES

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles, the GEM Listing Rules and any applicable laws of the Cayman Islands and Hong Kong. The Company may not repurchase the Shares on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is envisaged that the funds required for any repurchase of the Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the financial statements contained in the annual report of the Company for the year ended 31 December 2018) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

| Month   | Traded Prices Per Share |                |
|---|-------------------------|----------------|
|   | Highest<br>HK\$         | Lowest<br>HK\$ |
| <b>2018</b>   |                         |                |
| May   | 0.086                   | 0.072          |
| June  | 0.091                   | 0.072          |
| July  | 0.096                   | 0.068          |
| August  | 0.086                   | 0.066          |
| September   | 0.088                   | 0.053          |
| October   | 0.085                   | 0.065          |
| November  | 0.074                   | 0.053          |
| December  | 0.070                   | 0.045          |
| <b>2019</b>   |                         |                |
| January   | 0.045                   | 0.029          |
| February  | 0.070                   | 0.030          |
| March   | 0.120                   | 0.026          |
| April   | 0.029                   | 0.022          |
| May (up to and including the Latest Practicable Date) | 0.026                   | 0.020          |

## 5. CODE ON TAKEOVERS AND MERGERS

If a Shareholder's proportionate interest in the voting rights of the Company increases on exercise of the power of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders were interested in more than 5% of the Shares in issue:

| Name of the Shareholders                                  | Number of<br>the Shares<br>interested in | Approximate<br>percentage of<br>the existing<br>shareholding<br>(%) | Approximate<br>percentage of<br>the shareholding<br>if exercised in<br>full the power to<br>repurchase<br>(%) |
|---|--|---|---|
| Team Sunny International Holdings Limited ( <i>Note</i> ) | 471,640,000                              | 23.12   | 25.69   |
| Wong Hin Shek ( <i>Note</i> )                             | 471,640,000                              | 23.12   | 25.69   |

*Note:* The interest is held by Team Sunny International Holdings Limited, a company incorporated in the British Virgin Islands owned as to 100% by Mr. Wong Hin Shek.

In the event that the Directors shall exercise in full the power to repurchase Shares in accordance with the terms of the resolution no. 5(B) to be proposed at the AGM and assuming none of the outstanding 2008 Convertible Bonds and 2015 Convertible Bonds is converted and no Share Options is exercised as well as no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the total interests of the above substantial shareholders of the Company would be increased to the respective approximate percentages shown in the last column above. Such increase will result in the shareholding of Team Sunny International Holdings Limited being increased from 23.12% to 25.69% and the shareholding of Mr. Wong Hin Shek will be deemed to be increased from 23.12% to 25.69%.

Save as disclosed above and based on information known to date, the Directors are not aware of any other consequence which would arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Directors have no present intention to exercise the power to repurchase Shares to such extent as would, in the circumstances, trigger off any potential consequence under the Takeovers Code. However, the Company may not repurchase the Shares which would result in the amount of the Shares held by the public being reduced to less than 25%.

**6. UNDERTAKING**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the GEM Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders at the AGM and exercised.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company or its subsidiaries nor has any such core connected person undertaken not to do so in the event that the Repurchase Mandate is granted.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Articles, the GEM Listing Rules, the applicable laws of the Cayman Islands and Hong Kong.

**7. SHARES REPURCHASES MADE BY THE COMPANY**

The Company has not repurchased any Shares (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars (as required by the GEM Listing Rules) of the Directors who will retire and, being eligible, will offer themselves for re-election at the AGM:

1. **Ms. Tsang Kwai Ping** (“**Ms. Tsang**”), aged 40, was appointed as an executive Director on 1 April 2019. Ms. Tsang was an assistant director of Veda Corporate Services Limited, a subsidiary of the Group from January 2012 to May 2018. Ms. Tsang holds master degree in corporate governance from The Hong Kong Polytechnic University and a bachelor degree in accountancy from City University of Hong Kong. Ms. Tsang is a member of both of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. She is also an associate member of both of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom. She is the company secretary of DeTai New Energy Group Limited (stock code: 559) (“**DeTai**”), a company listed on the main board of the Stock Exchange. She was the chief financial officer of DeTai from July 2013 to October 2017. Ms. Tsang has extensive experience in accounting, financial management and company secretarial matters.

There is a service agreement between the Company and Ms. Tsang (the “**Service Agreement**”). She shall hold office for an initial term of two years and thereafter renewable automatically for successive terms of one year each commencing from the day after the expiry of the then current term of her appointment and is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Ms. Tsang is entitled to receive a monthly salary of HK\$20,000 on a thirteen month basis, which is HK\$260,000 per annum. Her remuneration is fixed in the Service Agreement and has been determined by reference to prevailing market conditions, her position as an executive Director and her responsibilities in the Group. Ms. Tsang may at the discretion of the Company receive an annual bonus in addition to her normal remuneration. Bonus awards are determined by reference to, among other factors, the operating results and requirements of the Group and Ms. Tsang’s contribution to the performance of the Group.

Ms. Tsang is a director of a company incorporated in Hong Kong with limited liability which principally engaged in the provision of company secretarial services for non-listed Hong Kong companies in Hong Kong. Ms. Tsang has irrevocably and unconditionally provided the Company an undertaking in accordance with the terms and conditions under outside interests and non-competition undertaking set out in the Service Agreement. Save as disclosed above, Ms. Tsang is not directly or indirectly interested in any other business that constitutes or may constitute a competing business of the Company.

As at the Latest Practicable Date, Ms. Tsang did not have any interests in the shares or other securities of the Company within the meaning of Part XV of the SFO.

2. **Ms. Ng Ka Sim, Casina** (“**Ms. Ng**”), aged 46, was appointed as an independent non-executive Director on 7 May 2019. Ms. Ng was also appointed as a member of each of the nomination committee, the remuneration committee and the audit committee of the Company on the same date. Ms. Ng holds a Bachelor of Business (Accountancy) degree from Royal Melbourne Institute of Technology. Ms. Ng is a member of both the Hong Kong Institute of Certified Public Accountants and the CPA Australia. She was the group financial controller of Luxey International (Holdings) Limited (stock code: 8041), a company listed on the GEM of the Stock Exchange from 2011 to 2018. Ms. Ng has over 20 years of experience in auditing, accounting and financial management.

There is a letter of appointment between the Company and Ms. Ng. She holds office for an initial term of one year and thereafter from year to year subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Ms. Ng is entitled to receive a director’s fee of HK\$120,000 per annum. The fee is determined by reference to her duties and responsibilities with the Company and prevailing market conditions and on the same basis as that paid by the Company to other independent non-executive Directors.

The Company has received from Ms. Ng the independence guideline as set out in rule 5.09 of the GEM Listing Rules and considers her to be independent.

As at the Latest Practicable Date, Ms. Ng did not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

3. **Mr. Au-yeung Sei Kwok** (“**Mr. Au-yeung**”), aged 59, has served as an independent non-executive Director since February 2017 and is a member of the nomination committee, the remuneration committee and the audit committee of the Company. He has over 30 years of experience in business development and management. Mr. Au-yeung holds a Master degree of Business Administration in Business Management from University of Hull and a Bachelor of Science degree in Mechanical Engineering from University of Newcastle upon Tyne, the United Kingdom. Mr. Au-yeung is also enthusiastic in social affairs and currently serves as the Vice Chairman of Senate of Democratic Alliance for Betterment of Hong Kong.

There is a letter of appointment between the Company and Mr. Au-yeung. He holds office form year to year subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Au-yeung is entitled to receive a director’s fee of HK\$120,000 per annum. The fee is determined by reference to his duties and responsibilities with the Company and prevailing market conditions and on the same basis as that paid by the Company to other independent non-executive Directors.

The Company has received from Mr. Au-yeung an annual confirmation of independence as set out in rule 5.09 of the GEM Listing Rules and considers him to be independent.

As at the Latest Practicable Date, Mr. Au-yeung did not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, save as disclosed above:

- (a) each of Ms. Tsang, Ms. Ng and Mr. Au-yeung does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company;
- (b) each of Ms. Tsang, Ms. Ng and Mr. Au-yeung has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas; and
- (c) there is no information relating to Ms. Tsang, Ms. Ng and Mr. Au-yeung that is required to be disclosed pursuant to rules 17.50(2)(h) to (w) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with their re-election as Directors.





**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)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Merdeka Financial Services Group Limited (the “**Company**”) will be held on Thursday, 20 June 2019 at 11:00 a.m. at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report of the Company for the year ended 31 December 2018.
2. To re-elect retiring directors of the Company (the “**Director(s)**”).
3. To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint Messrs Elite Partners CPA Limited as auditor and authorise the board of Directors to fix the remuneration of the auditor.
5. To consider and, if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTIONS**

(A) “**THAT:**

- (i) subject to paragraph (iii) of this resolution and pursuant to the Rules Governing the Listing of Securities on GEM (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or options, warrants, or similar rights to subscribe for any shares and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company), which might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* *For identification purpose only*

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- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (iii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined), or (b) the exercise of rights of conversion under any securities which are convertible into shares of the Company, or (c) any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or a part of a dividend on shares of the Company pursuant to the articles of association of the Company from time to time, or (d) the grant or exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, shall not in aggregate exceed 20 per cent. of the aggregate number of shares of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means the allotment or issue of shares in the share capital of the Company pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares of the Company or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional

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entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

(B) **“THAT:**

- (i) subject to paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own issued shares in the share capital of the Company on GEM of the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange in accordance with all the applicable laws and the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution shall not exceed 10 per cent. of the aggregate number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) **“THAT** subject to the passing of resolutions numbered 5(A) and 5(B) set out in the notice convening this meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to resolution numbered 5(A) in the notice convening this meeting be and is hereby increased by the addition thereto of the aggregate number of shares of the Company repurchased by the Company under the authority granted

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pursuant to the resolution numbered 5(B) set out in the notice convening this meeting, provided that such number of shares of the Company so repurchased shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of the said resolution.”

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

Hong Kong, 17 May 2019

*Notes:*

1. Any shareholder of the Company entitled to attend and vote at the annual general meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the annual general meeting (or any adjournment thereof).
3. Completion and return of a form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the annual general meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Where there are joint holders of any shares of the Company, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the annual general meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
5. With respect to the resolutions set out in resolution numbered 2 of this notice, Ms. Tsang Kwai Ping, Ms. Ng Ka Sim, Casina and Mr. Au-yeung Sei Kwok, being eligible, will offer themselves for re-election at the annual general meeting of the Company. Biographical details of the above Directors are set out in the circular of the Company which will be sent to the shareholders of the Company.
6. With respect to the resolutions set out in resolutions numbered 5(A) and 5(C) of this notice, approval is being sought from the shareholders for the general mandates to be given to the Directors to allot, issue and deal with new shares of the Company.
7. With respect to the resolution set out in resolution numbered 5(B) of this notice, approval is being sought from the shareholders for a general mandate to be given to the Directors to repurchase the shares of the Company. An explanatory statement containing further information with respect to such resolution will be sent to the shareholders of the Company.

*As at the date hereof, the executive Directors are Mr. Cheung Wai Yin, Wilson (Chairman and Chief Executive Officer); Mr. Lau Chi Yan, Pierre (Managing Director) and Ms. Tsang Kwai Ping, the independent non-executive Directors are Ms. Yeung Mo Sheung, Ann; Mr. Au-yeung Sei Kwok and Ms. Ng Ka Sim, Casina.*