

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



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)

INSIDE INFORMATION UPDATE ON LITIGATION — WINDING UP PETITION

This announcement is made by the Company pursuant to Rule 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Reference is made to the announcements of Merdeka Financial Services Group Limited (the “**Company**”, together with its subsidiaries the “**Group**”) dated 22 January 2015 and the subsequent various announcements, including financial results announcements (the “**Announcements**”) and the subsequent various financial reports (the “**Reports**”) disclosing, inter alia, the litigation in relation to the High Court case numbered HCA 170 of 2015 and the winding up petition made against the Company. Terms used herein shall have the same meanings as defined in the Announcements and the Reports unless defined otherwise.

LITIGATION IN RELATION TO HCA 170 OF 2015

As announced by the Company in its announcement on 14 November 2017, the Company has appealed against the Judgment by way of Notice of Appeal filed on 25 October 2017 with the Court of Appeal. The Company’s appeal is numbered CACV 237 of 2017. Additionally, after seeking further legal advice on the Judgment, the Appeal, the Petition and other appropriate actions to be taken thereon, the Company will be applying for a stay of execution in HCA 170 of 2015 shortly.

IMPACT OF THE PETITION

The Company has sought legal opinions under Hong Kong laws in respect of the effect of the Petition on the Company’s operations as a whole and on the subsequent transfer of Shares after the Petition.

The Company has been advised that pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (cap 32), when a winding up petition has been made, any disposition of the Company's property and any transfer of shares or alteration in the status of the Company's members made after the commencement of the winding up is void, unless the Court orders otherwise. Accordingly, the Company will apply to court for a validation order as soon as is practicable.

The Company wishes to announce that the Company is solvent and the normal course of operation of the Company has not been adversely affected by the Judgement, the Appeal, or the Petition. The Company is endeavouring to mount a successful appeal and oppose the Petition against the Company.

The Company will keep its shareholders and the public informed of any further significant developments by making further announcements as and when appropriate.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 16 November 2017

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. Au-yeung Sei Kwok

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>.