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**港橋金融控股有限公司**

**HKBridge Financial Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2323)**

## **DISCLOSEABLE TRANSACTION TRANSFER OF INTEREST IN AN INVESTMENT FUND**

### **THE TRANSFER**

The Board is pleased to announce that on 6 December 2019 after trading hours, the Transferee, an indirect wholly-owned subsidiary of the Company, the Transferor and the Investment Fund entered into the Deed of Adherence and Assignment, pursuant to which the Transferee shall acquire the Target Interest at the consideration of HK\$160,000,000. The Investment Fund is managed by the General Partner and the Manager with the objective of generating returns by investing its assets in equity securities of portfolio companies in the industry of wireless network engineering and services.

### **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios as defined under Chapter 14 of the Listing Rules in relation to the Transfer are more than 5% but all applicable percentage ratios are less than 25%, the Transfer constitutes a discloseable transaction on the part of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 6 December 2019 after trading hours, the Transferee an indirect wholly-owned subsidiary of the Company, the Transferor and the Investment Fund entered into the Deed of Adherence and Assignment.

### **DEED OF ADHERENCE AND ASSIGNMENT**

The principal terms of the Deed of Adherence and Assignment are as follows:

#### **Date**

6 December 2019

## **Parties to the Deed of Adherence and Assignment**

- (1) Idea Excel Investments Limited, the Transferee, an indirect wholly-owned subsidiary of the Company;
- (2) HKBridge Special Situations Fund, L.P., the Transferor; and
- (3) HKBridge Absolute Return Fund, L.P., the Investment Fund

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Transferor, the Investment Fund and their ultimate beneficial owner(s) are Independent Third Parties.

## **Purpose of the Investment Fund**

The investment objective of the Investment Fund is to generate returns by investing all or substantially all its assets in equity securities of portfolio companies in the industry of in-flight wireless network engineering and services with their main business in Hong Kong.

## **Consideration**

The Transferee shall acquire the Target Interest at the amount of HK\$160,000,000. The Consideration will be funded with the internal resources of the Group and will be paid in full on or before 12 December 2019. The Consideration was determined with reference to the unaudited management accounts of the Investment Fund as at 30 November 2019 and after arm's length negotiation between the Transferee and the Transferor on normal commercial terms.

## **Term of the Investment Fund**

The term of the Investment Fund shall be up to three years from the Contribution Closing Date, subject to a maximum extension of two years, at the discretion of the General partner, together with the consent of the limited partners of the Investment Fund.

## **STRUCTURE OF THE INVESTMENT FUND**

### **General Partner and the Manager of the Investment Fund**

HKBridge (Cayman) GP2 Limited, the General Partner of the Investment Fund, which takes the role for overall management of the operation and affairs of the Investment Fund, is an indirect wholly-owned subsidiary of the Company. The General Partner has no interest in the Investment Fund, nor does it receive benefit other benefit and remuneration from the Transferee, Transferor and/or the Investment Fund in connection with the Transferor and/or the management of the Investment Fund.

Hong Kong Bridge Investments Limited, the Manager of the Investment Fund, which takes the role for providing management services to the General Partner, is an indirect wholly-owned subsidiary of the Company, in return of a management fee payable by the Investment Fund. The Manager has no interest in the Investment Fund, nor does it receive other benefit and remuneration from the Transferee, Transferor and/or the Investment Fund in connection with the Transfer and/or the management of the Investment Fund.

Following completion of the Transfer, the Transferee and the Transferor will hold 75% and 25% of the entire limited partnership interest of the Investment Fund respectively. The Transferee will become a limited partner of the Investment Fund and the Investment Fund will become a subsidiary of the Company and its financial results will be consolidated into the accounts of the Group.

## FINANCIAL INFORMATION OF THE INVESTMENT FUND

Set out below is the unaudited management accounts as at 30 November 2019 and audited financial information for the year ended 31 December 2019 of the Investment Fund:

	<b>As at 30 November 2019 HK\$'000</b>	As at 31 December 2018 HK\$'000
Non-current assets	<b>192,444</b>	384,888
Current assets	<b>5,329</b>	5,329
Net assets attributable to Partner	<b>197,074</b>	389,518

## DISTRIBUTION OF INVESTMENT PROCEEDS

The General Partner of the Investment Fund may, in its discretion, retain any income or proceeds generated by the Investment Fund for reserves to meet the expenses and other liabilities of the Investment Fund. All other income or proceeds will be distributed to the limited partners of the Investment Fund in proportion to their respective interests in the Investment Fund.

## INFORMATION OF THE TRANSFEROR AND THE INVESTMENT FUND

The Transferor is an exempted limited partnership registered in the Cayman Islands and has an investment objective of investing in the portfolio investment.

The Investment Fund is an exempted limited partnership registered in the Cayman Islands and is managed by the General Partner and the Manager. The Transfer is a passive investment and the Transferee, as a holder of the Target Interest after completion of the Transfer, is entitled to receive dividends which may be declared by the General Partner of the Investment Fund. The Transferee shall have no right to participate in the day-to-day operations of the Investment Fund, nor does it have control over the management of the Investment Fund or the appointment and removal of the directors of the Investment Fund. The General Partner of the Investment Fund, who is the ultimate party responsible for the investment decisions, will periodically review the operation and performance of the Investment Fund.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Transferor and the Investment Fund is an Independent Third Party.

## INFORMATION OF THE GROUP AND THE TRANSFEE

The principal businesses of the Group are (a) the manufacture and sales of a broad range of PCBs; (b) carrying out of treasury investments, including investment in securities and other related activities; and (c) rendering of financial services including asset management, investment and other consultancy related services.

The Transferee is principally engaged in investment holding.

## **REASONS FOR AND BENEFITS OF THE TRANSFER**

With reference to the investment purpose of the Investment Fund and the extensive experience and skills of the directors of the Investment Fund and the Manager, the Board believes the Transfer will enable the Group to capture investment opportunities and further diversify the Group's investment portfolio. The Transfer is also in alignment with the Group's plan on identifying new investment and business development opportunities, such as the broad application of artificial intelligence technology in telecommunications and finance industries and the construction of intelligent cities as stated in the company's announcement dated 29 November 2019.

The Board considers that the terms of the Deed of Adherence and Assignment and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios as defined under Chapter 14 of the Listing Rules in relation to the Transfer are more than 5% but all applicable percentage ratios are less than 25%, the Transfer constitutes a discloseable transaction on the part of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless otherwise defined, terms used herein shall have the following meaning:

“Board”	the board of Directors
“Company”	HKBridge Financial Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2323)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$160,000,000 for the Transfer
“Contribution Closing Date”	2 August 2017
“Deed of Adherence and Assignment”	the deed of adherence and assignment dated 4 December 2019 entered into between the Transferee, the Transferor and the Investment Fund in relation to the Transfer
“Director(s)”	director(s) of the Company
“General Partner”	HKBridge (Cayman) GP2 Limited, a Cayman Islands exempted company incorporated with limited liability, an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and its subsidiaries and connected persons
“Investment Fund”	HKBridge Absolute Return Fund, L.P., an exempted limited partnership registered in the Cayman Islands
“Listing Rule”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	Hong Kong Bridge Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Interest”	75% of the entire limited partnership interest of the Investment Fund
“Transfer”	the transfer of the Target Interest from the Transferor to the Transferee pursuant to the Deed of Adherence and Assignment
“Transferee”	Idea Excel Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Transferor”	HKBridge Special Situations Fund, L.P., an exempted limited partnership registered in the Cayman Islands
“%”	per cent

By order of the Board  
**HKBridge Financial Holdings Limited**  
**Su Zhiyang**  
*Company Secretary*

Hong Kong, 6 December 2019

*As at the date of this announcement, the Board comprises Mr. Liu Tingan, Mr. Cheok Ho Fung and Mr. Shan Yongxin being executive Directors; and Mr. Li Yongjun being non-executive Director; and Mr. Ng Man Kung, Mr. Lau Fai Lawrence and Mr. Mak Kwok Kei being independent non-executive Directors.*