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FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED

匯財金融投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

DISCLOSEABLE TRANSACTION: ACQUISITION OF THE ENTIRE ISSUED SHARES OF THE TARGET

THE ACQUISITION

The Board is pleased to announce that after trading hours on 7 March 2016, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Shares, representing the entire issued shares of the Target at the Consideration of HK\$25,900,000.

IMPLICATION UNDER THE GEM LISTING RULES

As more than one of the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition exceed 5% but all relevant percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

The Board is pleased announce that after trading hours on 7 March 2016, the Purchaser and the Vendor entered into the Agreement in respect of the Acquisition.

The principal terms of the Agreement are set out below:

THE AGREEMENT

Date

7 March 2016

Parties

Purchaser: Wise Link International Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

* *for identification purpose only*

Vendor: Colorful Focus Limited, a company incorporated in the British Virgin Islands with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the principal business of the Vendor is investment holding and (ii) the Vendor and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Assets to be acquired

The Vendor has conditionally agreed to sell to the Purchaser, and the Purchaser has conditionally agreed to purchase the Sale Shares with effect from Completion free from all encumbrances together with all rights of any nature now or hereafter attaching thereto including but not limited to all dividends or distributions which may be paid, declared or made in respect thereof at any time on or after the Completion Date at the Consideration of HK\$25,900,000.

Consideration

The Consideration for the Sale Shares payable by the Purchaser to the Vendor is HK\$25,900,000 and shall be paid in the following manner:

- (1) as to HK\$2,590,000 ("**Deposit**") within 7 calendar days from the date of signing of the Agreement as refundable deposit; and
- (2) as to the remaining HK\$23,310,000 upon Completion.

The Consideration shall be payable by the Purchaser to the Vendor by cheque drawn in favour of the Vendor (or to the Vendor's order) against a licensed bank in Hong Kong (or in such other manner as agreed between the Vendor and the Purchaser). The Consideration will be funded by the internal resources of the Group.

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms principally with reference to the preliminary valuation of the Properties of approximately HK\$26,200,000 as at 4 March 2016 conducted by an independent professional valuer.

Conditions precedent

Completion shall be conditional upon the following conditions precedent:

- (1) the Purchaser being reasonably satisfied with the results of the due diligence exercise (whether on legal, accounting, financial, operational, properties or other aspects that the Purchaser may consider necessary) on the Target and its assets, properties, liabilities, activities, operations, prospects and other status which the Purchaser, its agents or professional advisers think reasonably necessary and appropriate to conduct;

- (2) the Purchaser being satisfied, from the date of the Agreement and at any time before the Completion, that the warranties, representations and undertakings given by the Vendor (“**Warranties**”) in the Agreement remain true, accurate and not misleading and that no events have occurred that would result in any breach of any of the Warranties or other provisions of the Agreement by the Vendor;
- (3) there being no Material Adverse Change up to Completion;
- (4) (if applicable) all such waivers, consents or other documents as the Purchaser may require in relation to the completion of the transactions contemplated under the Agreement having been obtained; and
- (5) (if applicable) all such waivers, consents or other documents as the Vendor may require in relation to the completion of the transactions contemplated under the Agreement having been obtained.

The Purchaser may waive any of the conditions precedent referred to in paragraphs (1) to (5) above at any time before the Long Stop Date by written notice to the Vendor. If any of the above conditions precedent have not been fulfilled or waived on or before 5:00 p.m. Hong Kong time on the Long Stop Date, then the Deposit, without interest, shall be refunded by the Vendor to the Purchaser within three business days from the Long Stop Date and upon the refund of the Deposit, the Agreement shall lapse immediately thereafter and be of no further effect and neither party to the Agreement shall have any claim against or liability or obligation to other party under the Agreement save for any antecedent breaches.

Completion

Subject to the fulfillment or waiver (as the case may be) of all the above conditions precedent, Completion shall take place on the Completion Date. The Purchaser shall not be obliged to purchase the Sale Shares unless the sale and purchase of the Sale Shares are completed simultaneously.

Upon Completion, the Target will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target will be consolidated with the results of the Group.

INFORMATION ON THE TARGET

The Target is a company incorporated in Hong Kong with limited liability on 6 September 2006. The principal business of the Target is properties holding and its principal assets are the Properties, which are currently leased to and occupied as (i) private residence, (ii) retail shop for image and photo printing and gift items and (iii) retail shop for home necessities under three respective tenancy agreements by third parties independent of the Company and connected persons of the Company at an aggregate monthly rental of HK\$89,500.

The unaudited total asset value and net asset value of the Target as at 4 March 2016 were approximately HK\$26,356,000 and HK\$25,909,000 respectively.

The financial information of the Target for the years ended 31 December 2014 and 2015 are set out below:

	For the year ended 31 December 2014 HK\$ <i>approximately</i> (audited)	For the year ended 31 December 2015 HK\$ <i>approximately</i> (unaudited)
Turnover	1,154,000	1,074,000
Net profit (before taxation)	640,000	834,000
Net profit (after taxation)	640,000	697,000

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, securities investments, provision of corporate finance advisory services, property management and property agency services in Hong Kong.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The principal assets of the Target are the Properties, which are located in residential area of Siu Sai Wan and Taikoo Shing. The Directors believe that the Acquisition represents a good investment opportunity in residential and retail properties for the Group, will generate stable rental income to the Group and improve the Group's operating performance in the medium to long run.

The terms of the Agreement were determined after arm's length negotiations between the parties thereto and the Directors are of the view that the terms of the Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATION UNDER THE GEM LISTING RULES

As more than one of the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition exceed 5% but all relevant percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Acquisition”	the acquisition of the Sale Shares
“Agreement”	the agreement dated 7 March 2016 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Company”	Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	the date of Completion, which means a day within five business days after the last outstanding condition precedent above shall have been fulfilled or waived (or such other date as the Vendor and the Purchaser may agree in writing) on which Completion is to take place
“connected person(s)”	has the meaning as ascribed to it in the GEM Listing Rules
“Consideration”	the aggregate sum of HK\$25,900,000, being the consideration for sale and purchase of the Sale Shares
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“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 People’s Republic of China
“Long Stop Date”	the 7th day after the date of the Agreement (or such later date as the Vendor and the Purchaser may agree in writing)
“Material Adverse Change”	any change (or effect) which has a material and adverse effect on the financial position, business or prospects or results of operations, of the Target as a whole

“Properties”	Flat G on 14th Floor, Tai Shan Mansion, Kao Shan Terrace, No. 7 Taikoo Shing Road, Taikoo Shing, Hong Kong, and shops Nos. 53 and 56, 54 and 57 on Ground Floor, Commercial Centre, Fullview Garden, No. 18 Siu Sai Wan Road, Hong Kong
“Purchaser”	Wise Link International Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Sale Shares”	100 issued shares in the share capital of the Target, which shall represent the entire issued shares of the Target as at Completion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	China Universal Limited, a company incorporated in Hong Kong with limited liability and is wholly owned by the Vendor as at the date of the Agreement
“Vendor”	Colorful Focus Limited, a company incorporated in the British Virgin Islands with limited liability

By order of the Board
Finsoft Financial Investment Holdings Limited
Chan Sek Keung, Ringo
Chairman

Hong Kong, 7 March 2016

As at the date of this announcement, the Board consists of Mr. Li Hoi Kong and Mr. Lawrence Tang being the executive Directors, Mr. Chan Sek Keung, Ringo being the non-executive Directors and the chairman of the Board and Ms. Lee Kwun Ling, May Jean, Mr. Yuen Shiu Wai and Mr. Lam Kai Yeung being the independent non-executive Directors.

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 “Latest Company Announcements” page of the website of GEM at www.hkgem.com for a minimum period of seven days from the date of its publication and on the Company’s website at www.finsofthk.com.