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## **KVB KUNLUN FINANCIAL GROUP LIMITED**

**昆侖國際金融集團有限公司**

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

**(Stock Code: 8077)**

### **(1) ANNOUNCEMENT PURSUANT TO INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF SFO, RULE 17.10 OF THE GEM LISTING RULES AND RULE 3.7 OF THE TAKEOVERS CODE; AND (2) RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules, Part XIVA of SFO and Rule 3.7 of the Takeovers Code.

The Board has noted the recent unusual movements in the Company's share price and in the volume of share turnover. The Board is not aware of any specific reason that caused such movements.

For information, the Board has been acknowledged by the Controlling Shareholder that it has been approached by an independent potential investor in relation to a possible acquisition of all or part of the Shares owned by the Controlling Shareholder. Discussions are at a preliminary stage without any definitive agreement in any form whatsoever and may or may not result in any transaction.

**Securities holders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**") and Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**").

Reference is also made to the announcement of KVB Kunlun Financial Group Limited (the "**Company**") dated 11 November 2014 on the Stock Exchange in respect of trading halt in shares of the Company ("**Shares**") on the Stock Exchange relating to possible inside information.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted the recent unusual movements in the Company’s share price and in the volume of share turnover. The Board is not aware of any specific reason that caused such movements. For information, the Board has been acknowledged by the controlling shareholder of the Company, KVB Kunlun Holdings Limited (the “**Controlling Shareholder**”), that it has been approached by an independent potential investor (the “**Potential Purchaser**”) in relation to a possible acquisition of all or part of the 1,500 million Shares owned by the Controlling Shareholder. Discussions are at a preliminary stage without any definitive agreement in any form whatsoever and may or may not result in any transaction.

As at the date of this announcement, the relevant securities of the Company comprise (i) 2,000 million Shares in issue and (ii) (as at 31 October 2014 which is the latest practicable date for ascertaining such information) outstanding options to subscribe for up to 38,280,000 Shares. Save for the aforesaid, the Company has no outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of Shares and has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

There is no assurance that the discussions will result in any agreement between the Controlling Shareholder and the Potential Purchaser. However, if and when an agreement is reached, the Potential Purchaser may be required to make a mandatory offer for all issued Shares (other than those already owned or agreed to be acquired by the Potential Purchaser and parties acting in concert with it) in accordance with Rule 26.1 of the Takeovers Code.

The Directors will keep the market informed in compliance with the GEM Listing Rules and the Takeovers Code and in particular by way of announcement on a monthly basis until an announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the Possible Offer in compliance with the Takeovers Code. Securities holders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board is not aware of any other reasons for the price and volume movements or of any information which must be announced to avoid a false market in the Company’s securities or of any inside information that needs to be disclosed under Part XIVA of SFO.

## **TAKEOVERS CODE IMPLICATIONS**

For the purposes of the Takeovers Code, the “offer period” is deemed to commence on the date of this announcement, being 11 November 2014.

Accordingly, associates (as defined in the Takeovers Code and including persons holding 5% or more of a class of relevant securities of a company) of the Company or parties acting in concert with it are reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

This announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

**There is no assurance that any transaction mentioned in this announcement will materialise or eventually be consummated and the discussions may or may not lead to a general offer. Shareholders of the Company and public investors are urged to exercise extreme caution when dealing in the shares and/or other securities of the Company.**

## **TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 2:29 p.m. on 11 November 2014 pending the release of this announcement.

Application has been made by the Company for resumption of trading in its Shares on the Stock Exchange with effect from 9:00 a.m. on 12 November 2014.

By Order of the Board  
**KVB Kunlun Financial Group Limited**  
**Liu Stefan**  
*Executive Director*

Hong Kong, 11 November 2014

As at the date of this announcement, the directors of the Company are as follows:

***Executive directors***

Mr. Liu Stefan

Mr. Ng Chee Hung Frederick

***Non-executive directors***

Mr. Li Zhi Da

Mr. Stephen Gregory McCoy

***Independent non-executive directors***

Ms. Zhao Guixin

Mr. Cornelis Jacobus Keyser

Mr. Lin Wenhui

*This announcement, for which the directors of the Company 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 of the Company, having made all reasonable enquires, 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 opinions expressed in this announcement have been arrived at after due and careful consideration, 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 website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least seven days from the day of its posting and on the website of the Company at [www.kvblastco.com](http://www.kvblastco.com).*

*All the directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*