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MERDEKA FINANCIAL GROUP LIMITED

領智金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

- (1) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 15 JUNE 2021;**
- (2) SHARE CONSOLIDATION BECOMING EFFECTIVE ON 17 JUNE 2021;**
- (3) ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY;**
- AND**
- (4) COMMENCEMENT OF DEALING IN THE CONSOLIDATED SHARES ON AN EX-RIGHTS BASIS**

Financial adviser to the Company



POLL RESULTS OF THE EGM

The Board is pleased to announce that all Resolutions were duly passed by way of poll at the EGM held on 15 June 2021.

SHARE CONSOLIDATION

All the conditions precedent to the Share Consolidation have been fulfilled and the Share Consolidation will become effective on Thursday, 17 June 2021.

ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As a result, adjustments will be made in relation to the Outstanding Convertible Bonds and Outstanding Share Options, with effect on Thursday, 17 June 2021.

COMMENCEMENT OF DEALINGS IN THE CONSOLIDATED SHARES ON AN EX-RIGHTS BASIS FOR THE RIGHTS ISSUE

Pursuant to the expected timetable in the Circular, the last day of dealings in the Consolidated Shares on a cum-rights basis will be Thursday, 17 June 2021 and the Consolidated Shares will be dealt with on an ex-rights basis from Friday, 18 June 2021.

References are made to the circular (the “**Circular**”) of Merdeka Financial Group Limited (the “**Company**”) and the notice of the extraordinary general meeting (the “**Notice**”) both dated 25 May 2021 in relation to, amongst other things, the Share Consolidation and the Rights Issue. Capitalised terms used herein shall have the same meanings as those defined in the Circular, unless the context otherwise requires.

POLL RESULTS OF THE EGM

The Board is pleased to announce that all the proposed resolutions (the “**Resolutions**”) as set out in the Notice were duly passed by way of poll by the Shareholders and the Independent Shareholders (as the case may be) at the EGM on Tuesday, 15 June 2021.

As at the date of the EGM, the total number of issued Shares was 1,385,243,595 Shares.

The Share Consolidation

The Share Consolidation is conditional upon, among other things, the approval by the Shareholders by way of poll at the EGM. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as none of the Shareholders or their associates would have material interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution relating to the Share Consolidation (the “**Share Consolidation Resolution**”) at the EGM.

The proposed Rights Issue

Since the proposed Rights Issue will increase the issued share capital or the market capitalization of the Company by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the proposed Rights Issue must be made conditional on approval by the Independent Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the proposed Rights Issue and the transactions contemplated thereunder.

As at the date of the EGM, the Company has no controlling Shareholder as defined under the GEM Listing Rules, and (i) Team Sunny, a company which is wholly and ultimately owned by Mr. Wong, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 390,730,000 Existing Shares, representing approximately 28.21% of the issued share capital of the Company; (ii) Mr. Cheung, an executive Director, is the legal and beneficial owner of 55,781 Existing Shares, representing approximately 0.004% of the issued share capital of the Company; and (iii) Ms. Tsang, an executive Director, is beneficially interested in 9,000,000 Existing Shares, representing approximately 0.65% of the issued share capital of the Company. As such, Mr. Wong, Team Sunny, Mr. Cheung, Ms. Tsang and their respective associates shall abstain, and had so abstained, from voting in favour of the proposed resolution approving the Rights Issue and the transactions contemplated thereunder (the “**Rights Issue Resolution**”) at the EGM.

Accordingly, there were 1,385,243,595 and 985,457,814 Shares entitling the Shareholders to attend and vote for or against the Share Consolidation Resolution and the Rights Issue Resolution at the EGM respectively.

Save as disclosed above, no other Shareholder was required under the GEM Listing Rules to abstain from voting for any of the Resolutions at the EGM and no other Shareholder was entitled to attend but was required under Rule 17.47A of the GEM Listing Rules to abstain from voting in favour of any of the Resolutions at the EGM.

It is noted that no other parties had indicated in the Circular their intention to vote against or abstain from voting on any of the Resolutions at the EGM.

Tricor Tengis Limited, the Company’s branch share registrar in Hong Kong, was appointed as the scrutineer for the vote-taking at the EGM.

The poll results in respect of the Resolutions are set out as follows:

ORDINARY RESOLUTIONS <i>(Note)</i>		Number of votes cast (Approximate %)		Total number of votes cast
		FOR	AGAINST	
1.	To approve the Share Consolidation	626,387,030 (100.00%)	0 (0.00%)	626,387,030 (100.00%)
2.	To approve the Rights Issue on the basis of five (5) Rights Shares for every two (2) Consolidated Shares held on the Record Date, the Underwriting Agreement (as amended and supplemented by the extension letter dated 3 May 2021 and from time to time) and the transactions contemplated thereunder, and the allotment and issue of the Rights Shares.	226,657,030 (100.00%)	0 (0.00%)	226,657,030 (100.00%)

Note: The full text of the above Resolutions is set out in the Notice.

As more than 50% of the votes were cast in favour of all of the Resolutions, all of the Resolutions were duly passed as ordinary resolutions of the Company.

SHARE CONSOLIDATION

The Board is pleased to announce that all the conditions of the Share Consolidation have been fulfilled, the Share Consolidation will become effective on Thursday, 17 June 2021. Dealings in the Consolidated Shares will commence on Thursday, 17 June 2021 at 9:00 a.m. Please refer to the Circular for details on the trading arrangement and the free exchange of share certificates and matching services for odd lots in connection with the Share Consolidation. Shareholders should note that upon the Share Consolidation becoming effective, new share certificates of the Consolidated Shares will be issued in purple colour in order to distinguish them from the existing yellow colour.

ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

Adjustments to Outstanding Share Options

Upon the Share Consolidation becoming effective, pursuant to the terms and conditions of the Share Option Schemes, the exercise prices and the number of Shares to be issued upon full exercise of the Outstanding Share Options granted under the Share Option Schemes will be adjusted in the following manner:

Date of grant	Exercise period	Immediately before the Share Consolidation becoming effective		Immediately after the Share Consolidation becoming effective	
		Exercise price per Share (HK\$)	Number of Outstanding Share Options	Exercise price per Consolidated Share (HK\$)	Adjusted number of Outstanding Share Options
30 May 2012	30 May 2012 to 29 May 2022	33.333	35,854	333.330	3,585
20 January 2021	20 January 2021 to 19 January 2024	0.015	35,320,000	0.150	3,532,000
20 January 2021	20 January 2021 to 19 January 2026	0.015	35,000,000	0.150	3,500,000

Adjustments to Outstanding Convertible Bonds

As a result of the Share Consolidation, pursuant to the terms and conditions of the 2008 Convertible Bonds and the Team Sunny Convertible Bonds, the conversion prices and the number of Shares to be allotted and issued upon full exercise of the Outstanding Convertible Bonds will be adjusted in the following manner:

Outstanding Convertible Bonds	Date of Issue	Immediately before the close of business in Hong Kong on the day immediately preceding the date on which the Share Consolidation becoming effective		Immediately after the close of business in Hong Kong on the day immediately preceding the date on which the Share Consolidation becoming effective	
		Conversion price per Share (HK\$)	Number of Shares to be allotted and issued upon exercise of all the conversion rights under the convertible bonds	Adjusted conversion price per Share (HK\$)	Adjusted number of Shares to be allotted and issued upon exercise of all the conversion rights under the convertible bonds
2008 Convertible Bonds	12 August 2008	0.110	627,890,909	1.100	62,789,090
Team Sunny Convertible Bonds	21 May 2020	0.110	361,869,554	1.100	36,186,955

Save for the above adjustments, all other terms and conditions of (i) the Outstanding Convertible Bonds; and (ii) the Outstanding Share Options granted under the Share Option Schemes remain unchanged.

The Independent Financial Adviser has reviewed the calculations and confirmed to the Directors in writing that the calculation is accurate and the above adjustments are in accordance with the terms and conditions of the Share Option Schemes and the Outstanding Convertible Bonds upon the Share Consolidation becoming effective.

COMMENCEMENT OF DEALINGS IN THE SHARES ON AN EX-RIGHTS BASIS

Pursuant to the expected timetable in the Circular, the last day of dealings in the Consolidated Shares on a cum-rights basis will be Thursday, 17 June 2021 and the Consolidated Shares will be dealt with on an ex-rights basis from Friday, 18 June 2021.

DESPATCH OF THE PROSPECTUS DOCUMENTS

Subject to the registration of the Prospectus Documents with the Registrar of Companies in Hong Kong, it is expected that (i) the Prospectus Documents will be despatched on Tuesday, 29 June 2021 to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date, i.e. Monday, 28 June 2021; and (ii) the Prospectus will be despatched on Tuesday, 29 June 2021 to the Non-Qualifying Shareholders for their information purposes only.

Qualifying Shareholders are reminded that the Latest Time for Acceptance is 4:00 p.m. on Wednesday, 14 July 2021.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in the Circular). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the Existing Shares, the Consolidated Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Existing Shares, the Consolidated Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

By order of the Board
MERDEKA FINANCIAL GROUP LIMITED
Wong Hin Shek
Chairman and Chief Executive Officer

Hong Kong, 15 June 2021

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek (Chairman and Chief Executive Officer), Mr. Cheung Wai Yin, Wilson and Ms. Tsang Kwai Ping, the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 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>.