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MOMENTUM FINANCIAL  
HOLDINGS LIMITED  
正乾金融控股有限公司

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1152)

## **DISCLOSEABLE TRANSACTION FINANCE LEASE TRANSACTION**

### **FINANCE LEASE ARRANGEMENT**

The Board announces that on 17 December 2018 (after trading hours), the Lessor (a wholly-owned subsidiary of the Company) entered into the Finance Lease Agreement with the Lessee, pursuant to which (i) the Lessee has agreed to transfer and/or register the Leased Assets under the name of the Lessor for a consideration of RMB24 million, and (ii) the Lessor has agreed to lease back the Leased Assets to the Lessee with the lease principal of RMB24 million, the lease interest of approximately RMB3,097,782 and the total rent (lease principal plus lease interest) of approximately RMB27,097,782.

### **LISTING RULES IMPLICATIONS**

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Finance Lease Agreement is over 5% but less than 25%, the transaction under the Finance Lease Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

### **FINANCE LEASE ARRANGEMENT**

The Board announces that on 17 December 2018 (after trading hours), the Lessor entered into the Finance Lease Agreement with the Lessee, pursuant to which (i) the Lessee has agreed to transfer and/or register the Leased Assets under the name of the Lessor for a consideration of RMB24 million, and (ii) the Lessor has agreed to lease back the Leased Assets to the Lessee with the lease principal of RMB24 million, the lease interest of approximately RMB3,097,782 and the total rent (lease principal plus lease interest) of approximately RMB27,097,782.

Details of the Finance Lease Agreement are summarised as follows:

**Date:** 17 December 2018

**Parties:**

- (i) Asia Pacific Kunpeng Finance Leasing (Shenzhen) Co., Ltd.\* (亞太鯤鵬融資租賃(深圳)有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Company, as Lessor; and
- (ii) Shenzhen Qingfeida Energy Technology Co., Ltd.\* (深圳市清飛達能源科技有限公司), a company established in the PRC with limited liability, as Lessee (each a “**Party**”, and collectively the “**Parties**”).

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Lessee and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

**Leased Assets**

Leased Assets are light-emitting diode street light equipment with the net value of approximately RMB25.98 million.

**Lease Period**

4.5 years commencing from 18 December 2018.

**Rent and Method of Payment**

Pursuant to the Finance Lease Agreement, the Lessor agreed to lease back the Leased Assets to the Lessee. The rent, including value-added tax, comprises lease principal and lease interest. The lease principal, which is consistent with the transfer consideration paid by the Lessor to the Lessee in respect of the transfer and/or registration of the Leased Assets under the name of the Lessor, being RMB24 million, and the lease interest is 5.24% per annum. The total rent is calculated and payable in RMB. The Finance Lease Agreement is divided into 18 consecutive periods for rent payment. The payment date of first installment of rent is due and payable on 18 March 2019 and on the last day of every three months thereafter until lease period ends.

The terms of the Finance Lease Agreement, including the transfer consideration for the Leased Assets, lease principal, lease interest and other expenses under the Finance Lease Agreement were determined upon arm’s length negotiation between the Lessee and the Lessor with reference to the net value of the Leased Assets and the prevailing market prices of the same category of finance lease products in the PRC.

## **Leased Assets and Its Ownership**

The Lessee has agreed to transfer and/or register the Leased Assets under the name of the Lessor during the lease period at a consideration of RMB24 million. The consideration will be paid by the Lessor's self-owned funds. At the same time, the Lessor has agreed to lease back the Leased Assets to the Lessee. The Lessee is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Lessee may purchase back the Leased Assets from the Lessor at a consideration of RMB10,000 in nominal value.

## **REASONS FOR ENTERING INTO THE FINANCE LEASE AGREEMENT**

The Group is principally engaged in provision of finance leasing services. Entering into the Finance Lease Agreement with the Lessee is beneficial for the Company as it increases the income of its finance lease business and is consistent with the Company's business development strategy.

The Directors are of the view that the terms under the Finance Lease Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE PARTIES**

### **Information of the Lessor**

The Lessor is a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Company, and principally engaged in the business of finance leasing and commercial factoring.

### **Information of the Lessee**

The Lessee is a company established in the PRC with limited liability, and is principally engaged in the business of providing energy saving related services.

## **LISTING RULES IMPLICATIONS**

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Finance Lease Agreement is over 5% but less than 25%, the transaction under the Finance Lease Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Board” the board of Directors;

“Company” Momentum Financial Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange;

“Director(s)”	the director(s) of the Company;
“Finance Lease Agreement”	the finance lease agreement entered into between the Lessor and Lessee on 17 December 2018;
“Group”	the Company and its subsidiaries;
“Leased Assets”	light-emitting diode street light equipment;
“Lessee”	Shenzhen Qingfeida Energy Technology Co., Ltd.* (深圳市清飛達能源科技有限公司), a company established in the PRC with limited liability;
“Lessor”	Asia Pacific Kunpeng Finance Leasing (Shenzhen) Co., Ltd.* (亞太鯤鵬融資租賃(深圳)有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Company;
“Listing Rules”	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“PRC”	People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent

By Order of the Board  
**Momentum Financial Holdings Limited**  
**Chan Chung Shu**  
*Executive Director and Chairman*

Hong Kong, 17 December 2018

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Chan Chung Shu (Chairman) and Mr. Ng Hoi, and three independent non-executive Directors, namely, Mr. Ho Man, Mr. Yeh Tung Ming and Mr. Zhang Hua.*

\* *for identification purposes only*