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**(1) EXTENSION OF LONG STOP DATE OF
THE SETTLEMENT AGREEMENT; AND
(2) MONTHLY UPDATE AND
FURTHER DELAY IN DESPATCH OF CIRCULAR**

Reference is made to (i) the announcement (the “**Announcement**”) dated 8 January 2025 of Momentum Financial Holdings Limited (the “**Company**”) in relation to, among others, the proposed issue of new shares under specific mandate for debt capitalisation and application for whitewash waiver; and (ii) the announcement of the Company dated 3 February 2025 in relation to the delay in despatch of the circular (the “**Delay Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the Announcement.

MONTHLY UPDATE

The Company wishes to update the Shareholders that, in view of addressing the Stock Exchange’s concern in respect of the theoretical dilution effect on the issuance of the Convertible Bonds pursuant to Rule 7.27B of the Listing Rules, the Company is negotiating with the Creditors on possible amendment of the terms of the Settlement Agreement. In the event the amendment to the terms of the Settlement Agreement materialise, the Company will publish an announcement to notify the Shareholders.

EXTENSION OF LONG STOP DATE OF THE SETTLEMENT AGREEMENT

Pursuant to the Settlement Agreement, if the conditions precedent under the Settlement Agreement are not satisfied by 28 February 2025, the Settlement Agreement shall be automatically terminated with immediate effect.

As disclosed in the Announcement, the Completion is conditional upon the satisfaction of the following conditions precedent:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Conversion Shares and such permission remain in full force and effect and has not been withdrawn;

- (ii) passing by the Independent Shareholders of the Company resolutions at the SGM approving (a) the Settlement Agreement and the transactions contemplated thereunder (more than 50% of the votes cast by the Independent Shareholders at the SGM by way of poll); (b) the Whitewash Waiver (at least 75% of the votes cast by the Independent Shareholders at the SGM by way of poll) in accordance with the Listing Rules and the Takeovers Code); and (c) the Special Deal;
- (iii) all necessary approvals, consents and/or waivers from the shareholders, bankers, financial institutions and regulators required to be obtained on the part of (a) the Company (including (1) the Special Deal having been approved by the Executive; and (2) the consent from the Stock Exchange in respect of Rule 7.27B of the Listing Rules) and (b) the Creditors in respect of the Settlement Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect; and
- (iv) the Executive having granted (and such grant not having been withdrawn) the Whitewash Waiver to Rosy Benefit, and the satisfaction of all conditions (if any) attached thereto; and
- (v) the Special Deal having been approved by the Executive.

As at the date of this announcement, none of the conditions precedent above have been fulfilled.

As additional time is required for the satisfaction of the conditions precedent under the Settlement Agreement, the Company and the Creditors entered into a supplemental agreement on 28 February 2025 to extend the Long Stop Date to 30 June 2025 or such later time or date as the parties may agree in writing.

The Directors (excluding the independent non-executive Directors who will provide their opinion after considering the advice from the Independent Financial Adviser) consider that the supplemental agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FURTHER DELAY IN DESPATCH OF THE CIRCULAR

In accordance with Rule 8.2 of the Takeovers Code, the Circular containing, amongst other things, (i) further details of the Debt Restructuring, the Settlement Agreement and the transactions contemplated thereunder, the Specific Mandate, the Special Deal and the Whitewash Waiver; and (ii) a notice of the SGM, are required to be despatched to the Shareholders no later than 21 days of the Announcement or such later date as the Executive may consent to.

As disclosed in the Delay Announcement, the Company had made an application to the Executive under Note 2 to Rule 8.2 of the Takeovers Code for the Executive's consent to extend the date of despatch of the Circular to 28 February 2025, and the Executive has granted its consent for such extension.

As additional time is required for (i) the Company to negotiate with the Creditors on possible amendment of the terms of the Settlement Agreement as mentioned in the section headed “Monthly Update” above; and (ii) the audited financial information of the Company for the year ended 31 December 2024, which is expected to be published on 31 March 2025, to be included in the Circular, an application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code for and the Executive has indicated that it is minded to grant its consent to extend the deadline for the despatch of the Circular to the Shareholders to a date falling on or before 31 March 2025.

Further announcement will be made by the Company when the Circular is despatched.

By Order of the Board
Momentum Financial Holdings Limited
Chu Kin Wang Peleus
Executive Director

Hong Kong, 28 February 2025

As at the date of this announcement, the Board comprises one executive Director, Mr. Chu Kin Wang Peleus and three independent non-executive Directors, namely, Mr. Sin Ka Man, Ms. Liang Lina and Mr. Chen Yifan.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, 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.

The English text of this announcement shall prevail over its Chinese text.