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First Credit Finance Group Limited

第一信用金融集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8215)

**DISCLOSEABLE TRANSACTION:
FURTHER SUBSCRIPTION OF SHARES**

SECOND SHARE SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on 8 November 2016, the Company entered into the Second Share Subscription Agreement with Asia Wealth, pursuant to which the Company agrees to further subscribe for and purchase from Asia Wealth, and Asia Wealth agrees to issue to the Company the Tranche II Subscription Shares subject to the terms and conditions of the Second Share Subscription Agreement at the Subscription Price of HK\$79,100,000.

IMPLICATION UNDER THE GEM LISTING RULES

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Second Share Subscription alone, as well as when aggregated with the First Share Subscription, exceeds 5% but all of them are less than 25%, the Second Share Subscription constitutes a discloseable transaction of 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.

Reference is made to the voluntary announcement of the Company dated 5 October 2016 in respect of the First Share Subscription.

THE SECOND SHARE SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on 8 November 2016, the Company entered into the Second Share Subscription Agreement with Asia Wealth, the principal terms of which are set out below:

Date

8 November 2016

Parties

- (i) the Company; and
- (ii) Asia Wealth.

As at the date of this announcement, Asia Wealth is an Independent Third Party which is held as to approximately 9.09% by the Company and as to approximately 90.91% by an individual who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is also an Independent Third Party.

Subject matter

The Company agrees to further subscribe for and purchase from Asia Wealth, and Asia Wealth agrees to issue to the Company the Tranche II Subscription Shares subject to the terms and conditions of the Second Share Subscription Agreement. The Tranche II Subscription Shares will represent approximately 87.78% of the Enlarged Share Capital of Asia Wealth.

Neither the First Share Subscription Agreement nor the Second Share Subscription Agreement contains any restrictions which apply to the subsequent sale of the one (1) Asia Wealth Share subscribed by the Company under the First Share Subscription and the Tranche II Subscription Shares respectively. However, where any subsequent sale of the Asia Wealth Shares will result in a change of substantial shareholder (as defined under the SFO) of Asia Wealth Securities, such sale will be subject to the approval/consent of the SFC in accordance with the SFO.

Subscription price

The Subscription Price is HK\$79,100,000 and will be payable by the Company at Completion.

The Subscription Price was determined after arm's length negotiations between the Company and Asia Wealth on normal commercial terms after taking into account, among other factors, the consolidated net asset value of the Asia Wealth Group as at 30 September 2016 and the business plan of the Asia Wealth Group. Asia Wealth has undertaken to the Company that the Subscription Price will be used by Asia Wealth solely for its investment in Asia Wealth Securities for the development of its securities related business.

Conditions

The Completion will be conditional upon and subject to the following Conditions:

- (a) the Company being satisfied that, from the date of the Second Share Subscription Agreement and at any time before Completion, that the Warranties 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 Second Share Subscription Agreement by Asia Wealth;
- (b) there is no Material Adverse Change since the date of the Second Share Subscription Agreement;
- (c) all consents, approvals and/or authorisations which are necessary in connection with the allotment and issue of the Tranche II Subscription Shares by Asia Wealth to the Company having been obtained, and if subject to conditions, on such conditions acceptable to the Company, and such consents, approvals and authorisation remaining in full force and effect and not being revoked prior to the date of Completion; and
- (d) without limiting the generality of Condition (c) above, the SFC having granted the requisite approval/consent or having confirmed no objection (as the case may be) to the change of substantial shareholder (as defined under the SFO) of Asia Wealth Securities.

The Company may waive Conditions (a) and (b) above.

If any of the Conditions have not been fulfilled or (if applicable) waived on or before 30 April 2017, all rights and obligations of the parties thereto shall cease and terminate, save and except certain specified provisions in the Second Share Subscription Agreement, and no party shall have any claim against the other save for claim (if any) in respect of any antecedent breach thereof.

Completion

Completion shall take place on the fifth business day after the last outstanding Condition shall have been fulfilled or waived (or such other date agreed by the Company and Asia Wealth in writing).

Upon Completion, the Company will in aggregate hold approximately 88.89% of the Enlarged Share Capital of Asia Wealth. Asia Wealth will then become a subsidiary of the Company and the financial information of the Asia Wealth Group will be consolidated into the Group's consolidated financial statements.

INFORMATION OF THE ASIA WEALTH GROUP

Asia Wealth is a company incorporated in the British Virgin Islands in late 2015 with limited liability and is principally engaged in investment holding. Its wholly-owned subsidiary, Asia Wealth Securities, was also incorporated in late 2015. Asia Wealth Securities obtained the licence to carry on Type 1 (dealing in securities) regulated activity under the SFO in August 2016 and is currently engaging in the business of dealing in securities.

The unaudited consolidated total asset value and net asset value of the Asia Wealth Group as at 30 September 2016 were approximately HK\$8.81 million and approximately HK\$8.76 million respectively. For the period from its incorporation to 30 September 2016, Asia Wealth recorded no revenue and an unaudited consolidated net loss of approximately HK\$1.2 million (before and after tax).

REASONS AND BENEFITS OF THE SECOND SHARE SUBSCRIPTION

The Group is principally engaged in money lending business. Considering the potential of development of the securities related business, the Directors consider that it is beneficial for the Group to further acquire the Tranche II Subscription Shares so as to enhance the potential return of investment of the Group in the securities related business. The Directors also consider that the terms of the Second Share Subscription Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Going forward, the Company may consider further investment in the securities related business by increasing its shareholding interest in Asia Wealth as and when appropriate, in which event further announcement will be made by the Company in accordance with the GEM Listing Rules.

IMPLICATION UNDER THE GEM LISTING RULES

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Second Share Subscription alone, as well as when aggregated with the First Share Subscription, exceeds 5% but all of them are less than 25%, the Second Share Subscription

constitutes a discloseable transaction of 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

In this announcement, the following expressions have the following meanings:

“Asia Wealth”	Asia Wealth Financial Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Asia Wealth Group”	Asia Wealth and its subsidiary(ies), including Asia Wealth Securities
“Asia Wealth Securities”	Asia Wealth Securities Limited (亞洲創富證券有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Asia Wealth
“Asia Wealth Share(s)”	ordinary share(s) of US\$1.00 each in the share capital of Asia Wealth
“Board”	the board of Directors
“Company”	First Credit Finance Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM
“Completion”	the completion of the Second Share Subscription in accordance with the terms of the Second Share Subscription Agreement
“Condition(s)”	the condition(s) precedent to the Completion listed in the paragraph headed “Conditions” above
“Director(s)”	the director(s) of the Company
“Enlarged Share Capital”	the total issued share capital of Asia Wealth as enlarged by the allotment and issue of the Tranche II Subscription Shares
“First Share Subscription”	the subscription of one (1) Asia Wealth Share by the Company on 5 October 2016 pursuant to the First Share Subscription Agreement at a subscription price of HK\$900,000
“First Share Subscription Agreement”	the subscription agreement dated 5 October 2016 entered into between the Company and Asia Wealth in relation to the First Share Subscription
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“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
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected person(s)
“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 Asia Wealth Group as a whole
“Second Share Subscription”	the subscription of the Tranche II Subscription Shares by the Company pursuant to the Second Share Subscription Agreement
“Second Share Subscription Agreement”	the subscription agreement dated 8 November 2016 entered into between the Company and Asia Wealth in relation to the Second Share Subscription
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price for subscription of the Tranche II Subscription Shares, being HK\$79,100,000
“Tranche II Subscription Shares”	79 Asia Wealth Shares to be allotted and issued to the Company by Asia Wealth pursuant to the Second Share Subscription Agreement
“Warranties”	the warranties, representations, indemnities and undertakings given or made by Asia Wealth contained in the Second Share Subscription Agreement

For and on behalf of the Board
First Credit Finance Group Limited
Tsang Yan Kwong
Chief Executive Officer and Executive Director

Hong Kong, 8 November 2016

As at the date of this announcement, the Board comprises Mr. Sin Kwok Lam (Chairman), Mr. Tsang Yan Kwong (Chief Executive Officer), Mr. Leung Wai Hung and Ms. Ho Siu Man as executive Directors; and Mr. Fung Kam Man, Mr. Wang Zhiwei and Mr. Yu Wan Hei as 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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the Company’s website at www.firstcredit.com.hk.