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FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED

匯財金融投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

MEMORANDUM OF UNDERSTANDING IN RESPECT OF A POTENTIAL TRANSACTION AND DISCLOSEABLE TRANSACTION AND ADVANCE TO ENTITY IN RELATION TO PAYMENT OF EARNEST MONEY

THE MOU

The Board is pleased to announce that after trading hours on 12 January 2016, Sky View (an indirect wholly-owned subsidiary of the Company), the Target, the Founder and the Non-Founder Shareholder entered into the MOU in relation to the proposed subscription by Sky View of up to 22,000,000 preferred shares of the Target representing, in aggregate, up to 22% of the voting issued shares in the capital of the Target on an as-converted and fully-diluted basis.

At completion of the Potential Transaction, the Target will through contractual arrangement control and be able to consolidate the financial statements of the Operating Company. The principal business of the Operating Company is operating the mobile application Mei Li Shen Qi (美麗神器), one of the largest online community and e-commerce platform with millions of users for medical beauty industry in the PRC.

The MOU, save for provisions relating to the Earnest Money, due diligence, exclusivity, confidentiality, Founder's obligations under the MOU and certain miscellaneous provisions, is non-legally binding in nature.

The MOU may or may not lead to the entering into of the Definitive Document(s) and the transactions contemplated thereunder may or may not be consummated.

* for identification purpose only

IMPLICATIONS UNDER THE GEM LISTING RULES

Pursuant to the MOU, Sky View shall pay a sum of US\$2,000,000 (equivalent to HK\$15,500,000) to the Target as Earnest Money of the Potential Transaction.

As the relevant percentage ratios under the GEM Listing Rules in respect of the payment of the Earnest Money exceed 5% but are less than 25%, the payment of the Earnest Money under the MOU 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.

The Earnest Money also amounts to an advance by the Group to an entity in respect of which the asset ratio of such advance exceeds 8%, and is required to be disclosed pursuant to Rule 17.15 of the GEM Listing Rules. Details of such advance as required to be disclosed under Rule 17.17 of the GEM Listing Rules are contained in this announcement.

THE MOU

The Board is pleased to announce that after trading hours on 12 January 2016, Sky View (an indirect wholly-owned subsidiary of the Company), the Target, the Founder and the Non-Founder Shareholder entered into the MOU in relation to the proposed subscription of 22,000,000 preferred shares of the Target by Sky View.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Target (and its beneficial owners), the Founder and the Non-Founder Shareholder is an Independent Third Party.

The principal terms of the MOU are set out below:

1. Potential Transaction

Sky View proposes to subscribe for up to 22,000,000 preferred shares of the Target ("**Subject Shares**"), representing, in aggregate, up to 22% of the voting issued shares in the capital of the Target on an as-converted and fully-diluted basis.

The Subject Shares are freely convertible into ordinary shares in the Target at the option of Sky View at an initial conversion ratio of 1:1, subject to adjustment (if any) to be provided in the Definitive Document(s).

2. Subscription price

Sky View proposes to invest up to US\$10,000,000 (equivalent to HK\$77,500,000) in aggregate to subscribe for the Subject Shares.

3. Earnest Money

Sky View shall, within 5 business days from the date of signing of the MOU, pay a sum of US\$2,000,000 (equivalent to HK\$15,500,000) to the Target as Earnest Money of the Potential Transaction. The Earnest Money does not bear interest.

The Group will finance the payment of the Earnest Money by its internal resources.

The Founder and the Target shall jointly and severally procure that the Earnest Money shall be maintained in a designated bank account of the Target, except for the following permitted withdrawal(s).

Prior to the execution of the Definitive Document(s), the Target shall not make any request for withdrawal of the Earnest Money, save and except that each such withdrawal shall be solely used by the Operating Company as working capital, and the Target shall obtain prior written approval of Sky View before any request for withdrawal exceeding RMB1,000,000.

For request for withdrawal of RMB1,000,000 or below of the Earnest Money, the Target shall provide a prior written notice to Sky View stating the amount requested for withdrawal and the application thereof.

The Founder shall procure that the Target shall, and the Target shall, refund and return to Sky View the entire Earnest Money, together with interests (if any) accrued thereon, within one business day upon any of the following event (whichever shall occur earlier):

- (a) the Definitive Document(s) are not entered into by the parties before the expiry of the Exclusivity Period; and
- (b) the MOU is terminated for any reason whatsoever.

In the event the Target fails to return and refund the entire Earnest Money to Sky View (“**Event**”), Sky View may, at its sole discretion, opt to request the entire Earnest Money be satisfied by shares in the Operating Company to be issued or transferred, or both (as the case may be) to Sky View (or other person(s) nominated by Sky View) (“**SV Designee**”).

For this purpose, the Founder, the Non-Founder Shareholder and the Target jointly and severally irrevocably undertake that he and it shall procure that the Operating Company shall allot and issue shares in the Operating Company to the SV Designee such that the SV Designee owns 4.76% of the equity interest in the Operating Company on a fully-diluted and as-converted basis after such issue or the Founder shall transfer to the SV Designee his shares in the Operating Company such that the SV Designee owns 4.76% of the equity interest in the Operating Company on a fully-diluted and as-converted basis after such issue, upon occurrence of the Event.

4. **Exclusivity**

From the date of the execution of the MOU until the earlier of (i) the end of a period of 90 days following the execution of the MOU and (ii) notice of termination of negotiations delivered by Sky View to the Target (“**Exclusivity Period**”), each of the Founder, the Non-Founder Shareholder and the Target shall not directly or indirectly, solicit, or participate in negotiations or discussions with respect to, or assist or accept any offer with respect to, any purchase, sale or transfer (whether in the form of merger, consolidation or otherwise) of equity interest in the Target Group (including derivative interest exercisable, exchangeable or convertible for an equity interest in the Target Group), or dispose of or create any encumbrance over any of the major assets of the Target Group (including without limitation goodwill, intellectual property rights, other forms of tangible and intangible assets, or any other form of investment in or acquisition of the Target Group (each, an “**Other Transaction**”) without the prior written consent of Sky View. The Target, the Founder and the Non-Founder Shareholder shall cause the other shareholders, officers, employees, agents and representatives of each Target Group company to strictly comply with the foregoing provisions. Each of the Founder, the Non-Founder Shareholder and the Target shall promptly notify Sky View if any potential investor or acquirer contacts any of them regarding a possible Other Transaction.

5. **Due diligence**

Sky View shall be entitled to conduct, and the Founder and the Target shall jointly and severally procure information and access as may be requested by Sky View to be provided to Sky View and/or its advisers to enable them to conduct legal and financial due diligence review including without limitation, over the investment structure, the Target Group, the control documents and the assets and liabilities position at any time and for any period up to the expiry of the Exclusivity Period.

6. **Conditions to completion of the Potential Transaction**

Completion of the Potential Transaction will be subject to a number of conditions, which will include, among others:

- (a) Sky View being satisfied with the corporate structure and the capital structure of the Target associated therewith, in the event adoption of the control documents are absolutely necessary for compliance with PRC legal requirements, such control documents being in compliance with all current applicable PRC laws, rules and regulations, the Listing Rules and the GEM Listing Rules and all current applicable guidance issued by the Stock Exchange, and a PRC legal opinion confirming the legality, validity and enforceability of the control documents and matters of the Potential Transaction relating to PRC issues satisfactory to Sky View;
- (b) representations, warranties, undertakings, covenants and indemnities given by the Target Group and/or the Founder in the Definitive Document(s) subject to agreement by Sky View, the Target and the Founder in the Definitive Document(s) remain true and accurate at completion;

- (c) Sky View's satisfaction of (i) the status of the Operating Company's application for the ICP licence and all other approvals, consents or licences necessary to operate its business in compliance with applicable laws and regulations ("**Relevant Licences**"); and (ii) there being no fact or circumstance known to the Founder or the Target which may result in the Operating Company being unable to obtain the Relevant Licences;
- (d) the execution of the Definitive Document(s) and finalisation of other necessary documents and agreements contemplated thereunder; and
- (e) other completion conditions to be agreed amongst Sky View, the Target and the Founder as a result of the due diligence or negotiation and other reasonable and customary completion conditions.

7. Founder's obligations under the MOU

The Founder shall procure and guarantee the performance, compliance and discharge of all obligations and liabilities of the Target (and where applicable, the Non-Founder Shareholder) under provisions relating to the Earnest Money, expenses, exclusivity, due diligence and confidentiality.

8. Definitive Document(s)

The parties to the MOU shall negotiate in good faith and enter into the Definitive Document(s) on or before the expiry of the Exclusivity Period. If the Definitive Document(s) shall not have been entered into by the expiry of the Exclusivity Period, the MOU shall be terminated without further force and effect, save and except for the refund and return of the Earnest Money and related provisions.

9. Nature of the MOU

The MOU, save for provisions relating to the Earnest Money, due diligence, exclusivity, confidentiality, Founder's obligations under the MOU and certain miscellaneous provisions, is non-legally binding in nature.

The MOU may or may not lead to the entering into of the Definitive Document(s) and the transactions contemplated thereunder may or may not be consummated.

The Potential Transaction, if materialised, may constitute a notifiable transaction for the Company under the GEM Listing Rules. Further announcement will be made in respect thereof as and when required by the GEM Listing Rules.

INFORMATION OF THE TARGET GROUP

The Target is a company incorporated in the Cayman Islands with limited liability. At completion of the Potential Transaction, the Target will through contractual arrangement control and be able to consolidate the financial statements of the Operating Company. The principal business of the Operating Company is operating the mobile application Mei Li Shen Qi (美麗神器), one of the largest online community and e-commerce platform with millions of users for medical beauty industry in the PRC.

REASONS FOR AND BENEFITS OF THE MOU

Pursuant to the MOU, during the Exclusivity Period, the Group has exclusive negotiation right regarding the subject matter contemplated under the MOU and each of the Founder, the Non-Founder Shareholder and the Target shall not negotiate or discuss with any third party with regard to the subject matter contemplated under the MOU. The Directors consider that the payment of the Earnest Money can secure the exclusive negotiation right of the Group in relation to the Potential Transaction.

The Directors believe that the entering into of the MOU and the Potential Transaction will enable the Group to diversify its investment in mobile application with online community and e-commerce platform for medical beauty industry in the PRC which the Directors consider to have great market potentials.

The Directors consider that the terms of the MOU are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION OF THE GROUP

The Group is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, securities investments and provision of corporate finance advisory services.

IMPLICATIONS UNDER THE GEM LISTING RULES

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The Earnest Money also amounts to an advance by the Group to an entity in respect of which the asset ratio of such advance exceeds 8%, and is required to be disclosed pursuant to Rule 17.15 of the GEM Listing Rules. Details of such advance as required to be disclosed under Rule 17.17 of the GEM Listing Rules are contained in this announcement.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“associates”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the Board of Directors
“Company”	Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules

“Definitive Document(s)”	a share subscription agreement and such other documentation, in form and substance satisfactory to each of the parties thereto, setting forth definitive terms for the Potential Transaction
“Director(s)”	director(s) of the Company
“Earnest Money”	the sum of US\$2,000,000 payable by the Sky View to the Target as earnest money pursuant to the MOU
“Event”	has the meaning ascribed to it under the paragraph headed “The MOU – 3. Earnest Money” in this announcement
“Exclusivity Period”	has the meaning ascribed to it under the paragraph headed “The MOU – 4. Exclusivity” in this announcement
“Founder”	Mr. Ren Lingfeng, who is one of the ultimate beneficial owners of the Target
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons or their respective associates (as defined under the GEM Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 12 January 2016 entered into among Sky View, the Target, the Founder and the Non-Founder Shareholder relating to the Potential Transaction
“Non-Founder Shareholder”	Mr. Chen Rong, who is one of the ultimate beneficial owners of the Target

“Operating Company”	榮浪信息科技(上海)有限公司, a company organized and existing under the laws of the PRC, which shall be a consolidated entity of the Target
“Other Transaction”	has the meaning ascribed to it under the paragraph headed “The MOU – 4. Exclusivity” in this announcement
“Potential Transaction”	the potential subscription of up to 22,000,000 preferred shares of the Target by Sky View
“PRC”	the Peoples’ Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Relevant Licences”	has the meaning ascribed to it under the paragraph headed “The MOU – 6. Conditions to completion of the Potential Transaction” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.0005 each in the share capital of the Company
“Sky View”	Sky View Investment Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Shares”	has the meaning ascribed to it under the paragraph headed “The MOU – 1. Potential Transaction” in this announcement
“SV Designee”	has the meaning ascribed to it under the paragraph headed “The MOU – 3. Earnest Money” in this announcement
“Target”	Rolaner International Limited, a company incorporated in the Cayman Islands with limited liability
“Target Group”	the Target and all subsidiaries and controlled affiliates of the Target
“US\$”	US dollars, the lawful currency of the United States of America
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ has been converted into HK\$ at the rate of US\$1.00 to HK\$7.75. Such exchange rate has been used, where applicable, for the purpose of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

On behalf of the Board
Finsoft Financial Investment Holdings Limited
Chan Sek Keung, Ringo
Chairman

Hong Kong, 12 January 2016

As at the date of this announcement, the Board consists of Mr. Li Hoi Kong and Mr. Lawrence Tang being the executive Directors, Mr. Chan Sek Keung, Ringo being the non-executive Director and the chairman of the Board and Ms. Lee Kwun Ling, May Jean, Mr. Yuen Shiu Wai and Mr. Lam Kai Yeung being the 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 “Latest Company Announcements” page of the website of GEM at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.finsofthk.com.