

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

DISCLOSEABLE TRANSACTION APPLICATION FOR SHARES IN THE IPO OF JD HEALTH INTERNATIONAL INC.

On 26 November 2020, the Company placed the Order through Merdeka Securities for the application to subscribe for 70,000 JD Health Shares with a total application money of approximately HK\$4.99 million (including brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

As one or more of the applicable percentage ratios for the Application exceeds 5% but is less than 25%, the Application constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Shareholders and potential investors should note that completion of the Order is subject to the various conditions set out in the Prospectus, including those set out under the paragraph headed “Conditions of the Global Offering” in the section headed “Structure of the Global Offering” in the Prospectus and allocation and reallocation under the IPO. As the Order may or may not materialise, and the Company may or may not be allocated with any JD Health Shares under the IPO, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

THE APPLICATION

The Board hereby announces that on 26 November 2020, the Company placed the Order through Merdeka Securities for the application to subscribe for 70,000 JD Health Shares with a total application money of approximately HK\$4.99 million (including brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Offer price

The offer price of each JD Health Share shall be in the range of HK\$62.80 to HK\$70.58.

The application money of the Order is financed by the internal resources of the Group.

Allotment results of the Application

The completion of the Order is subject to the successful listing of JD Health Shares on the Stock Exchange and final allocation of the JD Health Shares. The Company may or may not be allocated with any JD Health Shares in the IPO. According to the IPO timetable as disclosed in the Prospectus, JD Health will announce the allotment results on Monday, 7 December 2020 and the expected listing date of JD Health is Tuesday, 8 December 2020. The Company will issue a further announcement in respect of the allotment results of the Application when the Order is materialized and completed.

INFORMATION OF THE GROUP

The Group is principally engaged in (i) financial services business including the securities brokerage services, provision of corporate finance advisory services, asset management business, money lending services and financial leasing business; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; (iii) trading business; and (iv) information technology business.

INFORMATION OF JD HEALTH GROUP

According to the Prospectus, JD Health Group provides a wide assortment of high-quality pharmaceutical and healthcare products that cater to all aspects of users' diverse healthcare needs. JD Health Group also offers holistic healthcare services to satisfy users' needs across all aspects of the healthcare products and services sector. JD Health Group is pioneering the digitalization and transformation of the healthcare industry and strive to empower all of its participants through its continual investment in supply chain and technologies.

For further details of the business of JD Health Group, please refer to the Prospectus, which has been published on the website of the Stock Exchange on 26 November 2020.

Set out below are certain audited consolidated financial information of JD Health Group for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 and the six months ended 30 June 2020 as disclosed in the Prospectus:

	Year ended December 31			For the six months ended
	2017	2018	2019	June 30
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
Revenue	5,553,128	8,169,057	10,842,140	8,777,490
Profit/(loss) before income tax	255,979	306,232	(834,700)	(5,257,325)
Profit/(loss) for the year/period	178,534	214,927	(971,805)	(5,360,915)
Total assets	911,363	1,182,147	8,676,677	11,394,924
Total equity	<u>662,624</u>	<u>749,221</u>	<u>(459,031)</u>	<u>(5,832,314)</u>

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, JD Health and its controlling shareholders are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE APPLICATION

According to the Prospectus, JD Health Group is the largest online healthcare platform and largest online retail pharmacy by revenue in China in 2019.

Having considered the business prospects, financial performance and potential growth of JD Health Group as disclosed in the Prospectus, the Directors consider that the investment in JD Health Shares would enable the Group to capture a potential investment return for the Group.

The Directors consider that the terms of the Order and the Application are on normal commercial terms and are fair and reasonable and the Application is in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Application exceeds 5% but is less than 25%, the Application constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Shareholders and potential investors should note that completion of the Order is subject to the various conditions set out in the Prospectus, including those set out under the paragraph headed “Conditions of the Global Offering” in the section headed “Structure of the Global Offering” in the Prospectus and allocation and reallocation under the IPO. As the Order may or may not materialise, and the Company may or may not be allocated with any JD Health Shares under the IPO, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Application”	the application to subscribe for 70,000 JD Health Shares by the Company pursuant to the Order
“Company”	Merdeka Financial Group Limited (領智金融集團有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IPO”	initial public offering of JD Health Shares
“JD Health”	JD Health International Inc. (京東健康股份有限公司), an exempted company with limited liability incorporated in the Cayman Islands on November 30, 2018
“JD Health Group”	JD Health and its subsidiaries
“JD Health Shares”	ordinary share(s) in the share capital of JD Health with par value of US\$0.0000005 each, which are to be traded in Hong Kong dollars and listed on the Main Board

“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with GEM of the Stock Exchange
“Merdeka Securities”	Merdeka Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activities under the SFO and an indirect wholly-owned subsidiary of the Company
“Order”	the order placed by the Company through Merdeka Securities on 26 November 2020 for the application to subscribe for 70,000 JD Health Shares with a total application money of approximately HK\$4.99 million (including brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%)
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of JD Health dated 26 November 2020
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	existing ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollar(s), the lawful currency of the United States

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

Hong Kong, 26 November 2020

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>.