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FUTURE WORLD FINANCIAL HOLDINGS LIMITED

未來世界金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

**CONNECTED TRANSACTION:
PROVISION OF FINANCIAL ASSISTANCE FOR
DISTRIBUTION OF A FILM**

On 21 September 2017, China Wisdom, a wholly-owned subsidiary of the Company and Ocean Wave entered into the Agreement pursuant to which China Wisdom has agreed to advance a sum of US\$1,320,000 (or its Hong Kong dollars equivalence) to Ocean Wave for Ocean Wave to distribute the Film.

Ocean Wave is owned as to 50% by Mr. Chen and as to 50% by an Independent Third Party. As Mr. Chen is an executive Director, Ocean Wave is a Connected Person of the Company under Chapter 14A of the Listing Rules and the entering into of the Agreement between China Wisdom and Ocean Wave constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules are less than 5%, the entering into of the Agreement constitutes a connected transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules but exempt from the independent Shareholders' approval requirement.

On 21 September 2017, China Wisdom, a wholly-owned subsidiary of the Company and Ocean Wave entered into the Agreement pursuant to which China Wisdom has agreed to advance a sum of US\$1,320,000 to Ocean Wave for Ocean Wave to invest in the Film. A summary of the principal terms of the Agreement is set out below.

THE AGREEMENT

Date: 21 September 2017

Parties: (1) China Wisdom
(2) Ocean Wave

China Wisdom is a company incorporated in Hong Kong and is a wholly-owned subsidiary of the Company principally engaged in film investment.

Ocean Wave is a company incorporated in Hong Kong with limited liability and is owned as to 50% by Mr. Chen and as to 50% by an Independent Third Party. Ocean Wave is principally engaged in film investment and distribution. As Mr. Chen is an executive Director, Ocean Wave is a Connected Person of the Company under Chapter 14A of the Listing Rules.

A personal guarantee has been provided by Mr. Chen to guarantee and secure the performance and obligations of Ocean Wave under the Agreement.

Pursuant to the Agreement, China Wisdom has agreed to make the Advancement to Ocean Wave for its investment in the Film subject to and conditional upon the terms and conditions set out in the Agreement.

Advancement: US\$1,320,000 (or its Hong Kong dollars equivalence).

Interest and
Upside Return: Ocean Wave shall pay interest on the outstanding amount of the Advancement at a rate of eight per cent. (8%) per annum. China Wisdom shall entitled to an additional upside return (if any) with reference to sum received or receivable by Ocean Wave in connection to the provision of distribution services of the Film which shall be agreed by the parties thereto.

Term: three years from the date of the Agreement

Repayment: Ocean Wave shall repay the principal amount of the Advancement together with any outstanding interest and the upside return accrued thereon on the due date of the Advancement.

Purpose: The Advancement will be utilized by Ocean Wave only for the purpose of distribution of the Film.

Conditions: The obligation of China Wisdom to make Advancement under the Agreement shall be subject to the fulfillment of the following conditions:

- (a) all necessary approvals, consents, authorizations and licenses in relation to the transactions contemplated under the Agreement having been obtained;
- (b) if necessary, the passing of necessary resolutions by the independent Shareholders at an extraordinary general meeting of the Company to be held and convened to approve the Agreement and the transactions contemplated thereunder; and
- (c) no event of default occurred.

INFORMATION ON THE GROUP, OCEAN WAVE AND THE FILM

The principal activity of the Company is investment holding. The Group are principally engaged in (i) securities trading and investment; (ii) provision of financing services; (iii) investment property in Hong Kong, (iv) e-commerce business and (v) trading business and related services.

The Film is tentatively known as “Death Wish”. Pursuant to the distribution agreement entered into between the Producer and the Distributor, the Producer agreed to engage the Distributor, on a sole and exclusive basis, to furnish distribution services on its behalf regarding the Film in the PRC, Hong Kong, Taiwan and Macau. Pursuant to a distribution services agreement entered into between the Distributor and Ocean Wave, the Distributor agreed to engage Ocean Wave to take up relevant distribution services under the distribution agreement and Ocean Wave shall also be entitled to all the rights, benefits and interests the same as the Distributor under the distribution agreement.

It is expected that the delivery date for the Film shall be on or before 30 June 2019. Pursuant to the distribution services agreement between Ocean Wave and the Distributor, Ocean Wave shall pay a sum of US\$4,000,000 as a non-refundable guarantee payment in respect of the Film.

In light of the previous remarkable box office of the series of the Film, the Company considers that there is business prospect in the Film.

REASONS FOR THE AGREEMENT

The film market is a huge market. The Group is confident in the future prospect of the film industry. However, films involve substantial investments. The Board considers that the entering into of the Agreement will allow the Group to have a stake in the return of the Film as a passive investor whilst the Group needs not to invest the whole Film project on its own account or to involve in the distribution of the Film. This will reduce the risk exposure on one hand but will allow the Group to enjoy reasonable financial return.

The Directors consider that the making of the Advancement under the Agreement constitutes provision of financial assistance by the Group under the Listing Rules. The Advancement sum was determined after arm's length negotiations between China Wisdom and Ocean Wave having taking into consideration of the non-refundable guarantee amount payable by Ocean Wave under the distribution services agreement between Ocean Wave and the Distributor.

Taking into account of the cashflow stream from the expected return under the Agreement, the Directors (including the independent non-executive Directors) consider that the entering into of the Agreement and the terms and conditions of the Agreement (including the Advancement sum) are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

Mr. Chen, being a shareholder of Ocean Wave, has abstained from voting on the relevant board resolutions of the Company relating to the Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

Ocean Wave is owned as to 50% by Mr. Chen and as to 50% by an Independent Third Party. As Mr. Chen is an executive Director, Ocean Wave is a connected person of the Company under Chapter 14A of the Listing Rules and the entering into of the Agreement between China Wisdom and Ocean Wave constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules are less than 5%, the entering into of the Agreement constitutes a connected transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules but exempt from the independent Shareholders' approval requirement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Advancement”	the advancement of the sum of US\$1,320,000 (or its Hong Kong dollars equivalence) from China Wisdom to Ocean Wave under the Agreement
“Agreement”	the agreement dated 21 September 2017 entered into between China Wisdom and Ocean Wave in relation to the making of the Advancement for investment in or distribution of the Film
“Board”	the board of Directors
“China Wisdom”	China Wisdom Group Limited, a wholly owned subsidiary of the Company
“Company”	Future World Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability the issued Shares of which are listed on the Main Board of the Stock Exchange
“Connected Person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Distributor”	Fairfax Entertainment, Inc., the sole and exclusive distributor of the Film in the PRC, Hong Kong, Macau and Taiwan
“Film”	the film project tentatively known as “Death Wish”
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“Mr. Chen”	Mr. Chen Xiaodong, an executive Director
“Ocean Wave”	Ocean Wave Motion Pictures (International) Limited
“PRC”	The People’s Republic of China and for the purpose of this announcement and for geographical reference only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Producer”	the producer of the Film and an Independent Third Party
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.001 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Future World Financial Holdings Limited
Siu Yun Fat
Chairman

Hong Kong, 21 September 2017

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Mr. Siu Yun Fat, Mr. Cai Linzhan, Mr. Chen Xiaodong, Ms. Cheng So Sheung, Mr. Lau Fai Lawrence and Mr. Yu Qingrui; and (ii) three independent non-executive Directors, namely Mr. Hon Hak Ka, Mr. Siu Siu Ling, Robert and Mr. Tam Tak Wah.