

OP Financial Introduces Magsun to Reform Traditional Industry through Combination of Finance and Internet Technology

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HONG KONG, Jan. 16, 2017 /PRNewswire/ -- **OP Financial** Investments Ltd ("**OP Financial**" or the "Company", together with its subsidiaries, the "Group", stock code: 01140.HK), a leading investment group listed on the Main Board of Hong Kong Stock Exchange, is pleased to announce that on 13 January 2016, the Group has entered into a consultancy agreement with Magopt Ltd (the "Consultant"). According to the agreement, the Consultant will provide services to the Group to identify the growth potential in traditional industry from the perspective of emerging industries. In return for the favorable investment opportunities and satisfactory returns, the Group proposed to grant warrants to the Consultant to subscribe for an aggregate of 202,553,560 shares at the subscription price of HK\$2.20 per share.

The subscription price represents a premium of approximately 9.45% over the closing price of HK\$2.01 per share as quoted on the stock exchange on the last trading day. Upon exercise in full of the subscription rights, the total issued warrant shares will represent approximately 10.68% of the issued share capital of the Company and approximately 9.65% of the issued capital as enlarged by the warrant shares. The consultancy agreement and the grant of the warrants are subject to the approval of Hong Kong Stock Exchange.

The Consultant is owned by Mr. Liu Yu and Mr. Liu Yi, who are also the directors of the Consultant. Mr. Liu Yu is the founder and chairman of Hangzhou (China) Magsun Investment Co., Ltd. ("Magsun") and Mr. Liu Yi is the co-founding partner & president of Magsun. Magsun has an excellent management team specializing in strategic streamlining enterprises in traditional industry and reforming their working process through the application of Internet instruments, which will substantially increase their operation efficiency. Magsun's achievements included its strategic participation in the development of a number of the listed companies that involved in various industrial chains and, with such listed companies as the market leaders, completed the overall planning of industrial chain upgrade by way of consolidation, merge and acquisition, fund incubation, Internet upgrade for traditional businesses.

Zhang Gaobo, Chief Executive Officer of **OP Financial**, commented, "Enterprises in traditional industry have been facing tremendous operating pressures. The conservative enterprises will be replaced eventually. However, most human needs and consumer demands for goods and services have to be served by the traditional industry. So to speak, 'the man who leads the traditional industry will gain the world.' The purpose of our strategic partnership is to benefit leaders in traditional industry through introducing Internet technology and capital support. Industries such as corporate service, automobile service, elderly community service, and household consumption service will be our focuses. **OP Financial** has strong capital base, financing capability and extensive experiences in cross-border and crossover investments, specializing in tailor-made integrated investment solutions. Leveraging on our expertise and Magsun's experiences in the Internet technology, we will be able to accelerate the scalability and geometric growth of traditional industry. A combination of finance, Internet and traditional industry, as well as the utilization of domestic and overseas capital markets, will surely create new legends!"

Liu Yu, Chairman of Magsun, commented, "Thanks to the development of mobile Internet, the Internet penetrates to offline markets largely. Industrial Internet is confronted with geometric growth opportunities. The traditional consumer industry with longer chains in decision-making which is also required for offline services and experiences will drive the arising of platform-wide companies in each niche market. We help leaders in niche markets on business model, talent acquisition and overall reconstruction, as well as merge and acquisition. Through accelerated industrial consolidation, values are unlocked. The alliance between **OP Financial** and Magsun, in line with the law of industrial development and financial development, seizes a huge opportunity of industrial Internet upgrading, which effectively combines cross-border investment and the Internet productivity. Leveraging on **OP Financial**'s overseas investment platform and brand advantage, the industrial Internet transformation will be maximized effectively."