



MADISON GROUP®

Madison Holdings Group Limited

麥迪森控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8057)

**Madison Proposes to Acquire Shenzhen Sanzhi Xiaoxiong Technology Limited
at a Consideration of not less than HK\$1.1 Billion**

(19th March 2018 – Hong Kong) Madison Holdings Group Limited (“Madison” or “the Group”; Stock code: 8057) is pleased to announce that its wholly-owned subsidiary Madison Software Technology Limited has entered into a memorandum of understanding with “Shenzhen Sanzhi Xiaoxiong Technology Limited” (深圳市三只小熊科技有限公司, “Sanzhi Xiaoxiong”), an Internet and blockchain technology company in Shenzhen, to acquire the entire issued share capital of Sanzhi Xiaoxiong at a consideration of not less than HK\$1.1 billion, which will be satisfied by cash or procuring the Company to allot and issue the Consideration Shares at the issue price of not more than HK\$1.8, and not more than 20% of the consideration will be satisfied in cash. According to the memorandum, Sanzhi Xiaoxiong is committed to a profit guarantee toward the Group, and must achieve certain level of financial performance in 2018.

Established in China in 2015, Sanzhi Xiaoxiong is a rapidly growing internet company engaging in the development of blockchain technology and related financial applications. The profits of the company have grown rapidly in recent years, achieving a revenue of RMB 109 million and a net profit of RMB 70 million in 2017. The company’s core founding team are comprised of previous members from top-tier internet companies such as Tencent (腾讯), iDreamsky (乐逗) and Xunlei (迅雷), all with proven track records in creating a variety of nationally known mobile games and terminal-based game products. Now they are exploring the model of “Mobile Game + Blockchain”, and intends to build the largest interactive community in each province, with the ultimate goal to improve user experiences. Leveraging on its product portfolio and numerous active user databases, “Sanzhi Xiaoxiong” has been migrating its business into a proprietary platform based on blockchain technology, in which the functions of different mobile applications can be mutually compatible. In addition, a virtual community can be formed as the registered members can share information and interact with each other. The platform enables users to trade virtual products by “Sanzhi Xiaoxiong” through a unified virtual currency on the blockchain platform.

Mr. Raymond Ting Pang Wan, Chairman of Madison Holdings said, “Through the equity acquisition and comprehensive business cooperation with BITPoint, as well as the acquisition of ‘Sanzhi Xiaoxiong’, the Group is now well-equipped with technical talents and know-how in the field of blockchain technology and applications, that will greatly enhance the execution and development

capabilities of the Group regarding to future expansion in the blockchain industry. 'Sanzhi Xiaoxiong' brings outstanding and experienced technology think-tank to the Group, enabling the Group to achieve its strategic objectives in the blockchain business transformation and strategic layout. After the completion of these two acquisitions, Madison's overall transformation to blockchain technology and financial applications has begun to take shape. With the development of blockchain strategy, it is expected to drive the Group's profits and establish a complete fintech ecosystem, including digital assets transactions, custody, payment and settlement and other financial intermediary."

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About Madison Holdings Group Limited

Madison Holdings Group Limited (HKEx Stock Code: 8057), is principally engaged in (i) the provision of wide range financial services including corporate financial advisory services and asset management services; and (ii) the retail sales and wholesales of wine products and other alcoholic beverages. The Group was listed on GEM board of Hong Kong Stock Exchange since October 2015 and possesses a strong base of high-end customers. In 2017, the Group diversified and expended its business area to develop its financial services in Hong Kong and fintech projects by the acquisition of CVP Capital Limited and CVP Asset Management Limited. The two companies are corporations licensed by the SFC to operate Type 1 (dealing in securities), 4 (advising on securities), 6 (corporate finance) and 9 (asset management) regulated activities. With its strong team of professionals and diversified businesses, Madison holds leading position in financial market and sales of wine products in Hong Kong.

General Inquiries:

CVP Capital Limited

Elaine Lu	Tel: +(852) 2200-9118	E-mail: mengjia.lu@cvpcapital.com
Hugo Wong	Tel: +(852) 2200-9113	E-mail: hugo.wong@cvpcapital.com

PR ASIA Consultants Limited

Lorraine Lam	Tel: +(852) 3183-0230	E-mail: lorraine.lam@prasia.net
Veronica Hui	Tel: +(852) 3183-0251	E-mail: veronica.hui@prasia.net
Iris Au Yeung	Tel: +(852) 3183-0248	E-mail: iris.auyeung@prasia.net