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## **FY FINANCIAL (SHENZHEN) CO., LTD.**

### **富銀融資租賃(深圳)股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 8452)**

## **DISCLOSEABLE TRANSACTIONS IN RELATION TO THE FACTORING AGREEMENTS**

During the period from 6 April 2017 to 20 July 2017, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreements with Customer A.

Pursuant to the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV, Fullin Factoring has agreed to provide accounts receivable factoring services for Customer A with facilities in the factoring principal amount of RMB5,600,000 (equivalent to approximately HK\$6,425,703), RMB7,200,000 (equivalent to approximately HK\$8,261,618), RMB4,500,000 (equivalent to approximately HK\$5,163,511) and RMB4,655,000 (equivalent to approximately HK\$5,341,365), respectively.

Pursuant to the Revolving Factoring Agreement, Fullin Factoring has agreed to provide accounts receivable factoring services for Customer A with revolving facilities in the maximum factoring principal amount of RMB15,201,400 (equivalent to approximately HK\$17,442,800).

None of the applicable percentage ratios (as defined in the GEM Listing Rules) for each of the Factoring Agreements entered into after the Listing on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Factoring Transactions as at 20 July 2017 on an aggregated basis exceed 5% but are less than 25%, the Factoring Transactions constitute discloseable transactions for the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under the GEM Listing Rules.

## **FACTORING AGREEMENT I, FACTORING AGREEMENT II, FACTORING AGREEMENT III AND FACTORING AGREEMENT IV**

During the period from 6 April 2017 to 20 July 2017, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV with Customer A pursuant to which Fullin Factoring has agreed to provide accounts receivable factoring services for Customer A with facilities in return for (i) factoring interest and management fee income payments; and (ii) transfer of the legal title of accounts receivable created in the ordinary and usual course of business of Customer A with its customer(s) (i.e. debtor(s) of Customer A) from Customer A to Fullin Factoring. If there is an event of default of the respective terms of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and/or the Factoring Agreement IV, Fullin Factoring may exercise its right of recourse and demand for repurchase of the accounts receivable by Customer A. In such event, Customer A shall be liable to pay the factoring expenses, default compensation and the outstanding factoring principal amount to Fullin Factoring.

Below is the summary of the type of facility, financing term and credit limit of each of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV:

	Date of Agreement	Type of Facility	Financing Term	Credit Limit	
				RMB	Equivalent amount of HK\$ (Approximate)
Factoring Agreement I	6 April 2017	One-off and with recourse	7 April 2017 to 1 August 2020 (or the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later)	5,600,000	6,425,703
Factoring Agreement II	25 May 2017	One-off and with recourse	25 May 2017 to 15 March 2022 (or the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later)	7,200,000	8,261,618

	Date of Agreement	Type of Facility	Financing Term	Credit Limit	
				RMB	Equivalent amount of HK\$ (Approximate)
Factoring Agreement III	25 May 2017	One-off and with recourse	25 May 2017 to 24 May 2022 (or the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later)	4,500,000	5,163,511
Factoring Agreement IV	20 July 2017	One-off and with recourse	21 July 2017 to 25 January 2022 (or the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later)	4,655,000	5,341,365

Each of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV contains similar major terms to each other. The principal terms and conditions of those agreements are set out below:

**Parties:** Fullin Factoring (as factor)  
Customer A (as seller)

**Transfer of accounts receivable:** Subject to the respective terms and conditions of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV, the accounts receivable of Customer A as referred to in the underlying transaction documents entered into between the parties pursuant to the above factoring agreements shall be assigned to Fullin Factoring.

**Payment of factoring principal amount:** Subject to the satisfaction of the respective terms and conditions as set out in the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV, Fullin Factoring shall pay the factoring principal amount to Customer A as stipulated in the underlying transaction documents entered into between the parties pursuant to the above factoring agreements, which shall not exceed the accounts receivable being assigned to Fullin Factoring times the relevant factor ratio.

As at the date of this announcement, the factoring principal amounts of the Factoring Agreement I, the Factoring Agreement II and the Factoring Agreement III have been paid to Customer A. The factoring principal amount of the Factoring Agreement IV will be paid to Customer A in accordance with the terms of such agreement.

**Factor ratio and factoring interest:**

Factor ratios as shown below represent the ratios of the maximum factoring principal amounts to the accounts receivable being assigned and the factoring interest shall be payable by Customer A to Fullin Factoring based on the outstanding factoring principal amount and the interest rate per annum as follows:

	<b>Factor ratio</b>	<b>Interest rate per annum</b>
Factoring Agreement I	80%	10.5% (effective rate)
Factoring Agreement II	90%	10.5%
Factoring Agreement III	90%	10.5%
Factoring Agreement IV	70%	10.5%

**Management fee:**

In consideration of the accounts receivable factoring services provided by Fullin Factoring, Customer A shall pay a non-refundable management fee to Fullin Factoring in the amount as set out below:

	<b>Management fee</b>	
	<i>RMB</i>	<i>Equivalent amount of HK\$ (Approximate)</i>
Factoring Agreement I	200,000	229,489
Factoring Agreement II	360,000	413,081
Factoring Agreement III	225,000	258,176
Factoring Agreement IV	232,750	267,068

**Repayment of the factoring principal amount:**

The factoring principal amount is repayable by quarterly instalments pursuant to the terms and conditions of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV and the underlying transaction documents entered into between the parties pursuant to the above factoring agreements.

**Factoring expenses:**

The factoring expenses comprise (i) the factoring interest; (ii) the default interest in respect of the outstanding factoring principal amount due but not repaid; (iii) the default interest in respect of the factoring interest; and (iv) other expenses incurred by Fullin Factoring in the course of rendering the accounts receivable factoring services.

*Factoring Agreement I*

In respect of the Factoring Agreement I:

- (i) the factoring interest shall be calculated based on the following formula:

$$A \times B \times \frac{C}{360}$$

*A* = the outstanding factoring principal amount

*B* = the effective interest rate of 10.5% per annum

*C* = the actual number of days of the advancement

The factoring interest shall be payable on a quarterly basis together with the outstanding factoring principal amount pursuant to the stipulated payment schedule.

- (ii) In case of late payment, default interest in respect of the outstanding factoring principal amount and factoring interest due but not paid shall be payable by Customer A based on the following formula:

$$D \times E \times \frac{F}{360}$$

*D* = the outstanding factoring principal amount and the factoring interest due but not paid

$E$  = the default interest rate of 15.75% per annum

$F$  = the actual number of days of late payment after the grace period of 15 working days

*Factoring Agreement II, Factoring Agreement III and Factoring Agreement IV*

In respect of the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV:

- (i) The factoring interest shall be calculated based on the following formula:

$$G \times H \times \frac{I}{360}$$

$G$  = the outstanding factoring principal amount

$H$  = the interest rate of 10.5% per annum

$I$  = the actual number of days of the advancement

The factoring interest shall be payable on a monthly basis pursuant to the respective terms of the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV and the underlying transaction documents entered into between the parties pursuant to the above factoring agreements.

- (ii) The default interest in respect of the outstanding factoring principal amount due but not repaid shall be calculated based on the following formula:

$$J \times K \times \frac{L}{360}$$

$J$  = the outstanding factoring principal amount due but not repaid

$K$  = the factoring interest rate times 1.5

$L$  = the actual number of days of late payment after the grace period of 15 working days

(iii) the default interest in respect of the factoring interest shall be calculated based on the following formula:

$$M \times N \times \frac{O}{360}$$

*M* = the factoring interest amount payable due but not paid for the relevant month

*N* = the default interest rate of 24% per annum on a daily basis

*O* = the actual number of days of late payment.

**Repurchase:**

Fullin Factoring shall be entitled to demand Customer A to immediately and unconditionally repurchase the outstanding amount of accounts receivable being transferred to Fullin Factoring, repay the outstanding factoring principal amount and pay the factoring expenses in the event that any of the triggering events (including but not limited to the following) occurs:

- (i) Customer A has commercial dispute with the debtor(s) of Customer A in respect of the underlying sales contract(s);
- (ii) Fullin Factoring being unable to receive the timely payment of the accounts receivable by the debtor(s) of Customer A as a result of the credit risk of the debtor(s) of Customer A;
- (iii) Customer A waiving or offsetting the payment of the accounts receivable transferred to Fullin Factoring without giving notice to Fullin Factoring;
- (iv) the debtor(s) of Customer A being merged, divided, reorganised, the assets of the debtor(s) of Customer A being transferred, the fund of the debtor(s) of Customer A being misappropriated, the business operation of the debtor(s) of Customer A being ceased or suspended, etc, which has adverse effect to the repayment of the accounts receivable;

- (iv) the debtor(s) of Customer A being involved or possibly involved in any major economic dispute, litigation, arbitration, and the amount of the subject matter for the dispute, litigation and arbitration exceeding 90% of the credit limit under the factoring arrangement;
- (v) the debtor(s) of Customer A selling, leasing, transferring or otherwise disposing of its major asset, or the entire or substantial part of its assets; and
- (vi) such other circumstances which Fullin Factoring deems appropriate for Customer A to repurchase the outstanding amount of the accounts receivable.

**Security deposit:**

Customer A shall pay the following amount as security deposit to secure the due performance of its obligations under each of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV:

	<b>Security deposit</b>	
	<i>RMB</i>	<i>Equivalent amount of HK\$ (Approximate)</i>
Factoring Agreement I	550,000	631,096
Factoring Agreement II	500,000	573,723
Factoring Agreement III	400,000	458,979
Factoring Agreement IV	245,000	281,124

Fullin Factoring may apply the security deposit to settle any outstanding amount under each of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV and Customer A must replenish such amount equivalent to the amount of security deposit being deducted. The security deposit shall be returned to Customer A after the settlement of all factoring principal amount and factoring expenses.

**Guarantee:**

The Guarantor entered into a guarantee in favour of Fullin Factoring in respect of all debt payable by Customer A to Fullin Factoring under each of the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III and the Factoring Agreement IV.



## **REVOLVING FACTORING AGREEMENT**

On 14 June 2017, Fullin Factoring entered into the Revolving Factoring Agreement with Customer A, pursuant to which Fullin Factoring has agreed to provide accounts receivable management and factoring financing services for Customer A with revolving facilities in return for (i) the factoring interest income; and (ii) the transfer of the legal title of accounts receivable created in the ordinary and usual course of business of Customer A with its customer(s) (i.e. debtor(s) of Customer A) from Customer A to Fullin Factoring. Customer A may apply to Fullin Factoring for the factoring financing within the credit limit of RMB15,201,400 (equivalent to approximately HK\$17,442,800). Subject to the confirmation by Fullin Factoring, Fullin Factoring would provide factoring financing services as stipulated in the factoring financing application form submitted by Customer A. In the event that the outstanding amount of the accounts receivable being transferred is due but not paid, Fullin Factoring is entitled to exercise its right of recourse and demand for repurchase of the outstanding accounts receivable by Customer A. In such event, Customer A shall unconditionally repay the outstanding factoring principal amount, and pay the default compensation and other costs and expenses and amount payable to Fullin Factoring.

The principal terms and conditions of the Revolving Factoring Agreement are set out below:

<b>Date of agreement:</b>	14 June 2017
<b>Parties:</b>	Fullin Factoring (as factor) Customer A (as seller)
<b>Type of facility:</b>	Revolving and with recourse
<b>Financing term:</b>	14 June 2017 to 14 November 2017
<b>Transfer of accounts receivable:</b>	Subject to the terms and conditions of the Revolving Factoring Agreement, the accounts receivable due from the debtor(s) of Customer A as stipulated in the factoring financing application form shall be assigned to Fullin Factoring.
<b>Payment of factoring principal amounts:</b>	Subject to the terms and conditions of the Revolving Factoring Agreement and the ancillary agreement in relation thereto governing the specific transactions, Fullin Factoring shall pay the factoring principal amount to Customer A as stipulated in the relevant factoring financing application form for the factoring financing.

As at the date of this announcement, the factoring principal amount of RMB7,834,561.8 (equivalent to approximately HK\$8,989,743.9) under the Revolving Factoring Agreement has been paid to Customer A.

**Repayment of the outstanding principal amount:**

The factoring principal amount is repayable pursuant to the underlying transaction documents entered into between the parties pursuant to the Revolving Factoring Agreement.

**Factoring service fee:**

The factoring service fee comprise (i) the factoring interest; and (ii) late management fees.

The factoring interest shall be calculated based on the following formula:

$$P \times Q$$

$P$  = the outstanding factoring principal amount

$Q$  = the interest rate of 13.5% per annum

The factoring interest shall be payable on the 20th day of each month (or in the event that such day is not a working day, the next following working day after that day).

The late management fees shall be calculated based on the following formula and shall accrue from the date of default up to the date of payment:

$$R \times S \times T$$

$R$  = the aggregate amount of accounts receivable or factoring principal amount a factoring interest and the late management fees due but not paid

$S$  = the default interest rate of 0.05% per day

$T$  = the actual number of calendar days of late payment

**Repurchase:**

Subject to the consent of Fullin Factoring, Customer A may apply for the early repurchase of the accounts receivable prior to the due date of payment of the accounts receivable by the debtor(s) of Customer A. In such event, Customer A shall pay the repurchase default interest representing 1.5% of the outstanding factoring principal amount at the time of repurchase in addition to the repurchase amount equivalent to the outstanding factoring principal amount and the factoring interest for the period during which Customer A utilises the factoring principal amount.

Upon request of Fullin Factoring, Customer A shall unconditionally repurchase the outstanding amount of accounts receivable being transferred to Fullin Factoring (and the ancillary rights in such accounts receivable) in the event that any of the triggering events (including but not limited to the following) occurs:

- (i) Fullin Factoring being unable to receive the timely payment of the entire accounts receivable by the debtor(s) of Customer A upon the expiry of the financing term;
- (ii) any event of default under the Revolving Factoring Agreement in relation to Customer A or Customer A breaching its guarantees and undertakings under the Revolving Factoring Agreement;
- (iii) Customer A or the debtor(s) of Customer A being involved in litigation, the designated bank account for the receipt of amount of the accounts receivable being frozen, Customer A or the debtor(s) of Customer A being subject to enforcement, equity transfer, liquidation, winding up, transfer of more than 5% of its assets and any other event which may weaken the repurchase capacity of Customer A and the repayment capacity of the debtor(s) of Customer A; and
- (iv) such other circumstances which Fullin Factoring deems appropriate for Customer A to repurchase the outstanding amount of the accounts receivable.

**Security deposit:**

Nil

**Guarantee:** The Guarantor entered into an irrevocable joint and several liability guarantee in favour of Fullin Factoring in respect of all debt payable by Customer A to Fullin Factoring under the Revolving Factoring Agreement.

**Ancillary agreement:** Pursuant to the Revolving Factoring Agreement, a separate ancillary agreement is entered into to specifically govern the factoring arrangement of the purchase orders placed with Customer A by its customer(s) (i.e. debtor(s) of Customer A) and confirmed by Fullin Factoring. The total credit limit of the above factoring transactions under the ancillary agreement is subject to the credit limit of the Revolving Factoring Agreement, which is the master agreement of the transactions contemplated under the ancillary agreement. The ancillary agreement also stipulates a further list of events which may trigger the repurchase obligation of Customer A.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

Fullin Factoring is a limited liability company established in the PRC and a wholly-owned subsidiary of the Company. The principal business of Fullin Factoring is the provision of factoring and advisory services to its customers in the PRC.

The terms of the Factoring Agreements, including the credit limits, were agreed between Fullin Factoring and Customer A after arm's length negotiations between the parties and are on normal commercial terms. The Directors consider that the entering into of the Factoring Agreements is in the ordinary and usual course of business of Fullin Factoring and that will generate revenue and cashflow stream from the factoring interest and management fees received. The provision of factoring principal amount to Customer A under the Factoring Agreements was or will be financed by internal resources of the Group.

Given each of the Factoring Agreements were entered into in the ordinary and usual course of business of the Company and on normal commercial terms, the Directors are of the view that the terms of the Factoring Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

## **INFORMATION ON THE COMPANY**

The Company and its subsidiaries provide financial services with a focus on providing equipment-based finance leasing commercial factoring and advisory services to their customers in the PRC.

## INFORMATION ON CUSTOMER A

Customer A is a company established in the PRC with limited liability and is principally engaged in the provision of maintenance services for medical devices and medical equipment. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Customer A and its ultimate beneficial owners are Independent Third Parties as at the date of this announcement.

## IMPLICATIONS UNDER THE GEM LISTING RULES

None of the applicable percentage ratios (as defined in the GEM Listing Rules) for each of the Factoring Agreements entered into after the Listing on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Factoring Transactions as at 20 July 2017 on an aggregated basis exceed 5% but are less than 25%, the Factoring Transactions constitute discloseable transactions for the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under the GEM Listing Rules.

## DEFINITIONS

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

“ <b>Board</b> ”	the board of Directors
“ <b>Company</b> ”	FY Financial (Shenzhen) Co., Ltd. (富銀融資租賃(深圳)股份有限公司), a joint stock company incorporated in the PRC with limited liability and the H Shares of which are listed on the GEM
“ <b>Customer A</b> ”	a company established in the PRC with limited liability, being the customer of Fullin Factoring entering into the Factoring Transactions
“ <b>Directors</b> ”	the directors of the Company

<b>“Factoring Agreement I”</b>	the with-recourse commercial factoring agreement dated 6 April 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller) (as supplemented by the with-recourse commercial factoring supplemental agreement dated 6 April 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller)) in respect of the factoring services provided by Fullin Factoring to Customer A in the factoring principal amount of RMB5,600,000 (equivalent to approximately HK\$6,425,703)
<b>“Factoring Agreement II”</b>	the with-recourse commercial factoring agreement dated 25 May 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller) in respect of the factoring services provided by Fullin Factoring to Customer A in the factoring principal amount of RMB7,200,000 (equivalent to approximately HK\$8,261,618)
<b>“Factoring Agreement III”</b>	the with-recourse commercial factoring agreement dated 25 May 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller) in respect of the factoring services provided by Fullin Factoring to Customer A in the factoring principal amount of RMB4,500,000 (equivalent to approximately HK\$5,163,511)
<b>“Factoring Agreement IV”</b>	the with-recourse commercial factoring agreement dated 20 July 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller) in respect of the factoring services provided by Fullin Factoring to Customer A in the factoring principal amount of RMB4,655,000 (equivalent to approximately HK\$5,341,365)
<b>“Factoring Agreements”</b>	the Factoring Agreement I, the Factoring Agreement II, the Factoring Agreement III, the Factoring Agreement IV and the Revolving Factoring Agreement
<b>“Factoring Transactions”</b>	the transactions contemplated under the Factoring Agreements

<b>“Fullin Factoring”</b>	杉杉富銀商業保理有限公司 (Shan Shan Fullin Factoring Co., Ltd.), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
<b>“GEM Listing Rules”</b>	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange as amended, supplemented or otherwise modified from time to time
<b>“GEM”</b>	the Growth Enterprise Market operated by the Stock Exchange
<b>“Group”</b>	the Company and its subsidiaries as at the date of this announcement
<b>“Guarantor”</b>	an individual who is the controlling shareholder, director and legal representative of Customer A and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Guarantor is an Independent Third party as at the date of this announcement
<b>“H Share(s)”</b>	the overseas-listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed on the GEM
<b>“HK\$”</b>	the Hong Kong dollar(s), the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Independent Third Parties”</b>	third parties independent of and not connected with (within the meaning of the GEM Listing Rules) any directors, supervisors, chief executive or substantial shareholders of the Company, its subsidiaries and their respective associates
<b>“Listing”</b>	the listing of H Shares on GEM
<b>“PRC”</b>	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

“ <b>Revolving Factoring Agreement</b> ”	the with-recourse factoring services agreement dated 14 June 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller) (as supplemented by the factoring services supplemental agreement dated 20 July 2017 entered into between Fullin Factoring (as factor) and Customer A (as seller)) in respect of the factoring services provided by Fullin Factoring to Customer A under the revolving facility in the maximum factoring principal amount of RMB15,201,400 (equivalent to approximately HK\$17,442,800)
“ <b>RMB</b> ”	Renminbi, the lawful currency of the PRC
“ <b>Share(s)</b> ”	the ordinary share(s) with nominal value of RMB1.00 each in the capital of the Company
“ <b>Shareholder(s)</b> ”	holder(s) of the Share(s)
“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited On behalf of the Board <b>FY Financial (Shenzhen) Co., Ltd.</b> <b>Mr. Zhuang Wei</b> <i>Chairman</i>

Hong Kong, 20 July 2017

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Mr. Li Peng (李鵬)

Mr. Weng Jianxing (翁建興)

*Non-executive Directors:*

Mr. Zhuang Wei (莊巍)

Mr. Qian Cheng (錢程)

Ms. Hui Ying (惠穎)

Mr. Sun Luran (孫路然)

*Independent non-executive Directors:*

Mr. Fung Che Wai Anthony (馮志偉)

Mr. Hon Leung (韓亮)

Mr. Liu Shengwen (劉升文)

*For the purpose of this announcement, translations of RMB into HK\$ or vice versa have been calculated by using an exchange rate of RMB0.8715 equal to HK\$1. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*



*If there is any inconsistency between the Chinese names of the entities, companies or legal entities incorporated in PRC mentioned in this announcement and their English translations, the Chinese names shall prevail. The English translations of the Chinese names of such entities, companies or legal entities are provided for illustration purposes only.*

*This announcement, for which all 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 in this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.fyleasing.com](http://www.fyleasing.com).*