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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
REDEMPTIONS OF FINANCIAL PRODUCTS

Reference is made to the Announcement.

On 23 June 2017 and 27 June 2017, the Company carried out the Further Product A Redemptions.

On 23 June 2017, 27 June 2017 and 28 June 2017, the Company carried out the Further Product B Redemptions.

None of the applicable ratios (as defined in the GEM Listing Rules) for each of the Further Product A Redemptions on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Further Product A Redemptions on an aggregate basis exceed 5% but are less than 25%, the Further Product A Redemptions 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.

None of the applicable ratios (as defined in the GEM Listing Rules) for each of the Further Product B Redemptions on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Further Product B Redemptions on an aggregate basis exceed 5% but are less than 25%, the Further Product B Redemptions 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.

INTRODUCTION

Reference is made to the announcement of the Company dated 21 June 2017 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

On 23 June 2017 and 27 June 2017, the Company carried out further redemptions of the Financial Product A on five occasions (the “**Further Product A Redemptions**”).

On 23 June 2017, 27 June 2017 and 28 June 2017, the Company carried out further redemptions of the Financial Product B on three occasions (the “**Further Product B Redemptions**”, together with Further Production A Redemptions, the “**Further Redemptions**”).

FURTHER PRODUCT A REDEMPTIONS

On 23 June 2017 and 27 June 2017, the Company redeemed on five occasions the following principal amounts of the Financial Product A subscribed by them after the Listing:

Redemption date	Subscription date of the relevant principal amount	Principal amount being redeemed <i>(Equivalent amount of HK\$)</i> <i>(RMB) (Approximate)</i>		Net gain from the redemption (after expenses and charges) <i>(Equivalent amount of HK\$)</i> <i>(RMB) (Approximate)</i>	
23 June 2017	6 June 2017	2,720,000	3,121,056	4,239.77	4,864.91
23 June 2017	9 June 2017	2,300,000	2,639,128	2,991.10	3,432.13
23 June 2017	12 June 2017	5,000,000	5,737,235	5,246.64	6,020.24
23 June 2017	13 June 2017	4,980,000	5,714,286	4,812.67	5,522.28
27 June 2017	13 June 2017	8,020,000	9,202,524	10,671.25	12,244.69

During the period from 6 June 2017 to 27 June 2017, the daily annualised rate of return of the Financial Product A varied in the range between approximately 2.99% and approximately 3.76%.

The Company had a net gain (after expenses and charges) of approximately RMB27,961.43 (equivalent to approximately HK\$32,084.26) from the above redemptions and the net gain was used as general working capital of the Group.

Opening day balance

The table below sets out the opening day balance of the principal amounts of the Financial Product A held by the Company as a result of the Further Product A Redemptions:

Date	Opening day balance	
	(RMB)	(Equivalent amount of HK\$) (Approximate)
24 June 2017 — 27 June 2017	8,020,000	9,202,524
28 June 2017 — 12 July 2017	0	0

As at the date of this announcement, the Company does not hold any Financial Product A.

FURTHER PRODUCT B REDEMPTIONS

On 23 June 2017, 27 June 2017 and 28 June 2017, the Company redeemed on three occasions the following principal amounts of the Financial Product B subscribed by them after the Listing:

Redemption date	Subscription date of the relevant principal amount	Principal amount being redeemed (Equivalent amount of HK\$) (RMB) (Approximate)	Net gain from the redemption (after expenses and charges) (Equivalent amount of HK\$) (RMB) (Approximate)		
			(RMB)	(Approximate)	
23 June 2017	13 June 2017	15,000,000	17,211,704	9,041.09	10,374.17
27 June 2017	13 June 2017	15,000,000	17,211,704	12,657.53	14,523.84
28 June 2017	13 June 2017	3,300,000	3,786,575	2,983.56	3,423.48

During the period from 13 June 2017 to 28 June 2017, the annualised rate of return of the Financial Product B was 2.2%.

The Company had a net gain (after expenses and charges) of approximately RMB24,682.18 (equivalent to approximately HK\$28,321.49) from the above redemptions and the net gain was used as general working capital of the Group.

Opening day balance

The table below sets out the opening day balance of the principal amounts of the Financial Product B held by the Company as a result of the Further Product B Redemptions:

Date	Opening day balance	
	(RMB)	(Approximate)
24 June 2017 — 27 June 2017	18,000,000	20,654,045
28 June 2017	3,300,000	3,786,575
29 June 2017 — 12 July 2017	0	0

As at the date of this announcement, the Company does not hold any Financial Product B.

DESCRIPTIONS OF FINANCIAL PRODUCT A AND FINANCIAL PRODUCT B

Financial Product A is an investment product named “Micro-Yuebao (小微餘額寶)” launched by Guangdong Huaxing Bank with a guaranteed principal amount and a floating rate of return as announced by Guangdong Huaxing Bank. The annualised rate of return of the Financial Product A changes daily based on the Shanghai Interbank Offered Overnight Rate under normal market conditions. For further details of the Financial Product A, please refer to the section headed “FINANCIAL PRODUCT A” in the Announcement.

Financial Product B is an investment product named “Ben Li Feng — Every Day Return (本利豐天天利)” launched by Agricultural Bank of China Limited with a guaranteed principal amount and a floating rate of return. The relevant annualised rate of return for the Company is 2.2%. Such rate may be adjusted by Agricultural Bank of China Limited from time to time. For further details of the Financial Product B, please refer to the section headed “FINANCIAL PRODUCT B” in the Announcement.

REASONS FOR AND BENEFITS OF THE FURTHER REDEMPTIONS

As disclosed in the Announcement, the Group invested its idle funds in the Financial Products before and after the Listing. The primary purpose of such investments was to increase capital efficiency and lower the costs of idle funds. Pursuant to the Group's investment policy, the Group generally invests in low-risk financial products with an investment horizon of one year or less, and will not invest in high-risk financial products such as equity and debt securities issued by non-listed or non-state owned enterprises.

The Directors consider that since the Financial Products are principal-protected upon redemption and are of high liquidity nature, the continuing investment in the Financial Products after the Listing is consistent with the Group's investment policy. Taking into account the need of working capital prior to the end of the half-year period ended 30 June 2017, the Company redeemed all the outstanding Financial Product A and Financial Product B prior to 30 June 2017.

The Directors (including independent non-executive Directors) are of the view that the Further Redemptions are on normal commercial terms and fair and reasonable and are in the interests of the Company and its 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 THE ISSUERS OF FINANCIAL PRODUCT A AND FINANCIAL PRODUCT B

Guangdong Huaxing Bank is the issuer of the Financial Product A. It is an urban commercial bank established under the laws of the PRC and is principally engaged in providing banking and related financial services. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Guangdong Huaxing Bank and its ultimate beneficial owners are Independent Third Parties.

Agricultural Bank of China Limited is the issuer of the Financial Product B. It is a state-owned large-scale commercial bank established under the laws of the PRC and is principally engaged in providing banking and related financial services. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Agricultural Bank of China Limited and its ultimate beneficial owners are Independent Third Parties.

IMPLICATIONS UNDER THE GEM LISTING RULES

None of the applicable ratios (as defined in the GEM Listing Rules) for each of the Further Product A Redemptions on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Further Product A Redemptions on an aggregate basis exceed 5% but are less than 25%, the Further Product A Redemptions 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.

None of the applicable ratios (as defined in the GEM Listing Rules) for each of the Further Product B Redemptions on a standalone basis exceeds 5%. As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Further Product B Redemptions on an aggregate basis exceed 5% but are less than 25%, the Further Product B Redemptions 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.

On behalf of the Board
FY Financial (Shenzhen) Co., Ltd.
Mr. Zhuang Wei
Chairman

Hong Kong, 12 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.

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 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.