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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**  
**FINANCE LEASE AGREEMENTS AND ADVANCE TO AN ENTITY**

**FINANCE LEASE AGREEMENTS WITH LESSEE B**

Prior to the Listing, the Company entered into (i) new sale-leaseback transactions under the Finance Lease Agreements I, Finance Lease Agreements II, Finance Lease Agreements III and Finance Lease Agreements IV with Lessee B; and (ii) direct leasing transactions under the Finance Lease Agreements VI with, among others, Lessee B. Pursuant to the Previous Finance Lease Agreements, the Company would purchase either from Lessee B (in new sale-leaseback transactions) or the relevant Supplier (in direct leasing transactions) the lease assets and would lease to Lessee B such lease assets for a term of 36 months in return for lease payment.

On 23 June 2017, the Company entered into new sale-leaseback transactions with Lessee B under the Finance Lease Agreements V, pursuant to which the Company would purchase from Lessee B the Lease Back Assets V at a consideration of RMB50,000,000 (equivalent to approximately HK\$57,372,347) and the Company would lease to Lessee B the Lease Back Assets V for a term of 36 months in return for lease payment.

**IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the transactions contemplated under the Finance Lease Agreements V, both on a standalone basis and when aggregated with those contemplated under the Previous Finance Lease Agreements, exceed 5% but are less than 25%, such 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.

As the assets ratio as defined under Rule 19.07(1) of the GEM Listing Rules in respect of the amount due from Lessee B to the Company pursuant to the Finance Lease Agreements exceeds 8% as at the date of the Finance Lease Agreements V, the transactions contemplated under the Finance Lease Agreements are also subject to the general disclosure obligations under Rule 17.15 of the GEM Listing Rules. The information required to be disclosed pursuant to Rule 17.17 of the GEM Listing Rules in respect of such transactions is disclosed in this announcement.

## **BACKGROUND**

Prior to the Listing, the Company entered into (i) new sale-leaseback transactions under the Finance Lease Agreements I, Finance Lease Agreements II, Finance Lease Agreements III and Finance Lease Agreements IV with Lessee B; and (ii) direct leasing transactions under the Finance Lease Agreements VI with, among others, Lessee B. Pursuant to the Previous Finance Lease Agreements, the Company would purchase either from Lessee B (in new sale-leaseback transactions) or the relevant Supplier (in direct leasing transactions) the lease assets and would lease to Lessee B such lease assets for a term of 36 months in return for lease payment.

On 23 June 2017, the Company entered into new sale-leaseback transactions with Lessee B under the Finance Lease Agreements V, pursuant to which the Company would purchase from Lessee B the Lease Back Assets V at a consideration of RMB50,000,000 (equivalent to approximately HK\$57,372,347) and the Company would lease to Lessee B the Lease Back Assets V for a term of 36 months in return for lease payment.

The table below sets out the dates of the respective Finance Lease Agreements, the lease assets and the consideration for the acquisition of the lease assets by the Company:

Finance Lease Agreements	Date of the relevant Asset Transfer Agreement(s)/Sale and Purchase Agreement(s)	Date of the relevant Lease Back Agreement(s)/Direct Lease Agreement(s)	Lease Assets	Asset Transfer Consideration / Consideration	
				RMB	(Equivalent amount of HK\$) (Approx.)
I	7 September 2015	7 September 2015	Lease Back Assets I	59,000,000	67,699,369
II	10 November 2015	10 November 2015	Lease Back Assets II	50,212,000	57,615,605
III	10 November 2015	10 November 2015	Lease Back Assets III	8,788,000	10,083,764
IV	16 February 2016	16 February 2016	Lease Back Assets IV	13,980,000	16,041,308
V	23 June 2017	23 June 2017	Lease Back Assets V	50,000,000	57,372,347
VI	11 August 2016	22 August 2016	Direct Lease Assets	<u>31,768,400</u>	<u>36,452,553</u>
	Total:			<u>213,748,400</u>	<u>245,264,945</u>

The table below sets out the finance lease principal amount (exclusive of VAT), the finance lease interest income (exclusive of VAT), the security deposit from Lessee B and the outstanding finance lease principal amount (exclusive of VAT and security deposit from Lessee B) as at 23 June 2017 under each of the Finance Lease Agreements:

Finance Lease Agreements	Finance lease principal amount	Finance lease interest income	Security deposit from Lessee B	Outstanding finance lease principal amount
	(exclusive of VAT)	(exclusive of VAT)		(exclusive of VAT and security deposit from Lessee B) as at 23 June 2017
	RMB	RMB	RMB	RMB
	(Equivalent amount of HK\$)	(Equivalent amount of HK\$)	(Equivalent amount of HK\$)	(Equivalent amount of HK\$)
	(Approx.)	(Approx.)	(Approx.)	(Approx.)
I	RMB59,000,000 (HK\$67,699,369)	RMB4,372,650 (HK\$5,017,384)	RMB9,000,000 (HK\$10,327,022)	RMB16,763,924 (HK\$19,235,713)
II	RMB50,212,000 (HK\$57,615,605)	RMB3,720,684 (HK\$4,269,287)	RMB7,659,458 (HK\$8,788,822)	RMB17,078,718 (HK\$19,596,923)
III	RMB8,788,000 (HK\$10,083,764)	RMB651,043 (HK\$747,037)	RMB1,340,542 (HK\$1,538,201)	RMB3,223,437 (HK\$3,698,723)
IV	RMB13,980,000 (HK\$16,041,308)	RMB1,035,897 (HK\$1,188,637)	RMB2,132,542 (HK\$2,446,979)	RMB5,916,102 (HK\$6,788,413)
V	RMB50,000,000 (HK\$57,372,347)	RMB3,926,415 (HK\$4,505,353)	RMB7,630,000 (HK\$8,755,020)	RMB42,370,000 (HK\$48,617,326)
VI	RMB27,197,321 <u>(HK\$31,207,483)</u>	RMB1,975,214 <u>(HK\$2,266,453)</u>	RMB4,846,027 <u>(HK\$5,560,559)</u>	RMB14,256,264 <u>(HK\$16,358,306)</u>
Total	RMB209,177,321 <u>(HK\$240,019,875)</u>	RMB15,681,903 <u>(HK\$17,994,152)</u>	RMB32,608,569 <u>(HK\$37,416,602)</u>	RMB99,608,445 <u>(HK\$114,295,404)</u>

## SALE-LEASEBACK ARRANGEMENTS

Each of the Finance Lease Agreements I, the Finance Lease Agreements II, the Finance Lease Agreements III, the Finance Lease Agreements IV and the Finance Lease Agreements V contains similar major terms to each other. The principal terms and conditions of the Sale-leaseback Arrangements are summarised as follows:

### Asset Transfer Agreements

**Parties:** The Company (as purchaser)  
Lessee B (as seller)

**Assets acquired:** The Lease Back Assets under the respective Asset Transfer Agreements comprise the following:

<b>Asset Transfer Agreement</b>	<b>Lease Back Assets</b>	<b>Components</b>
I	I	374 pieces or sets of equipment
II	II	241 pieces or sets of equipment
III	III	27 pieces or sets of equipment
IV	IV	27 pieces or sets of equipment
V	V	30 pieces or sets of equipment

All Lease Back Assets are equipment used for the manufacturing of consumer batteries.

**Basis of consideration:** The Asset Transfer Consideration under the respective Asset Transfer Agreements was determined after arm's length negotiations between the Company and Lessee B with reference to factors including, among others, the original purchase price, the condition, the general use and the second-hand value of the Lease Back Assets under the respective Asset Transfer Agreements.

**Payment of  
consideration:**

Subject to the fulfilment of certain conditions under the respective Asset Transfer Agreements, including, among others, the receipt by the Company from Lessee B (i) the original receipt of the relevant Lease Back Assets and a copy stamped with the company chop of Lessee B; (ii) the original of each of the list of the relevant Lease Back Assets and the confirmation on the receipt of the relevant Lease Back Assets by Lessee B; and (iii) the photos showing the whole equipment and the serial number of each of the relevant Lease Back Assets and confirming that all relevant Lease Back Assets have been received by Lessee B, the Company shall pay to Lessee B the relevant Asset Transfer Consideration within 10 business days after the fulfilment of the above conditions in the following manner:

- (a) the entire amount of security deposit payable by Lessee B under the relevant Lease Back Agreement shall be used to offset against an equivalent amount of the relevant Asset Transfer Consideration; and
- (b) the balance of the relevant Asset Transfer Consideration shall be paid by the Company.

As at the date of this announcement, the entire sum of the Asset Transfer Consideration after deducting the security deposit was paid by the Company to Lessee B. Such amount was satisfied by the Company through its internal resources.

**Ownership of  
the Lease  
Back Assets:**

The title of the relevant Lease Back Assets shall be transferred to the Company on an “as-is” basis upon payment of the relevant Asset Transfer Consideration by the Company.

## **Lease Back Agreements**

**Parties:** The Company (as lessor)  
Lessee B (as lessee)

**Subject asset and lease term:** The Lease Back Assets are leased from the Company to Lessee B for a term of 36 months commencing from the following dates on which the relevant Asset Transfer Consideration was paid under the respective Asset Transfer Agreements.

<b>Lease Back Agreement</b>	<b>Lease Back Assets</b>	<b>Commencement Date</b>
I	I	18 September 2015
II	II	13 November 2015
III	III	15 December 2015
IV	IV	19 February 2016
V	V	27 June 2017

**Conditions precedent:** Each of the Lease Back Agreements shall take effect conditional upon the signing of the relevant Asset Transfer Agreement and the taking effect of, among others, the guarantee agreement and the security agreement referred to therein.

If any of the above conditions is not fulfilled within 30 days from the date of the relevant Lease Back Agreement, the Company is entitled to terminate the relevant Lease Back Agreement and the relevant Asset Transfer Agreement and the Company shall not be liable for any duties and obligations to Lessee B, unless the non-fulfilment of any of the conditions is caused by the Company, in which Lessee B shall not be liable for any duties and obligations. If the non-fulfilment of any of the conditions is caused by Lessee B and the relevant Lease Back Agreement is terminated as a result, Lessee B shall be liable for all losses of the Company.

**Lease payment:** The lease payment for the respective terms under the Lease Back Agreements consists of (i) the finance lease principal amount; (ii) the finance lease interest income; and (iii) VAT payable for the finance lease interest income.

The lease payment shall be paid by Lessee B by 36 monthly instalments payable on the last day of each instalment period (or if such day is not a day which banks are generally open for business, the last business day for banks before such day).

The lease payment under each of the Lease Back Agreements has been agreed after arm's length negotiations between the Company and Lessee B with reference to the purchase costs of the relevant Lease Back Assets by the Company, the creditability of Lessee B, risk factors and the prevailing market interest rate for finance leases of the assets comparable to the Lease Back Assets. The effective interest rates of the lease back arrangements under the Lease Back Agreements range from approximately 5.3935% to approximately 5.4790% per annum.

**Security deposit:** A security deposit shall be payable by Lessee B to secure the performance of its obligations under each of the Lease Back Agreements.

The Company may apply the relevant security deposit to settle any outstanding amount payable by Lessee B under the relevant Lease Back Agreement and Lessee B must replenish such amount equivalent to the amount of security deposit being deducted.

Subject to the terms of the relevant Lease Back Agreement, in the six months prior to the expiry of the lease term of the relevant Lease Back Agreement, the Company is entitled to apply the security deposit directly to offset (i) the retention consideration; (ii) the last one or several instalment(s) of lease payment; and (in respect of the Lease Back Agreement V only) (iii) other amount payable by Lessee B to the Company. Any residue amount after the set-off shall be returned to Lessee B, whilst any shortfall between the amount to be offset and the amount of security deposit shall be paid in advance of set-off by Lessee B.



<b>Retention consideration:</b>	Subject to the terms and conditions of the relevant Lease Back Agreement, Lessee B may purchase from the Company the relevant Lease Back Assets at a nominal consideration.
<b>Transfer of ownership of Lease Back Assets after the end of lease:</b>	At the end of the lease term of the relevant Lease Back Agreement, subject to the fulfilment of all obligations by Lessee B under the relevant Lease Back Agreement, including the payment of all lease payment and other amount (if any) such as additional tax, interest, default payment as stipulated under the relevant Lease Back Agreement, and the payment of the retention consideration, the ownership of the relevant Lease Back Assets will be transferred to Lessee B.
<b>Default payment:</b>	If Lessee B fails to pay any amount of lease payment due or (if any) any other amount or reimburse any expenses paid by the Company at the request of Lessee B on time and in full, Lessee B shall make default payment in the sum equivalent to the product of (i) the amount of late payment; (ii) a daily default rate of 0.1%; and (iii) the number of days from the payment due date to the full settlement date.
<b>Events of default:</b>	The Company may take possession and dispose of the Lease Back Assets and/or declare that the outstanding lease payment, other amounts payable by Lessee B and the default payment shall be immediately payable by Lessee B and Guarantors and/or take legal action in the occurrence of certain triggering events, including, among others, the failure to pay on time any instalment of the lease payment or any other amount payable by Lessee B in full or the failure of Lessee B to perform any other duties and obligations under the relevant Lease Back Agreement.
<b>Guarantee and security:</b>	<p>Each of the Guarantors has provided an irrevocable and unconditional corporate or personal guarantee with joint and several liability in favour of the Company in respect of all debt payable by the Lessee B to the Company under each of the Lease Back Agreements.</p> <p>Lessee B also pledges certain production equipment and, among others, such ancillary, additional or substitution property of and rights in and interest accrued upon the production equipment as security to secure, among others, the performance of its obligations under each of the Lease Back Agreements.</p>

## DIRECT LEASE ARRANGEMENTS

The principal terms and conditions of the Finance Lease Agreements VI are summarised as follows:

### Sale and Purchase Agreements

The Sale and Purchase Agreements comprises 16 sale and purchase agreements. Each of the Sale and Purchase Agreements was entered into among the Company, Lessee B and the relevant Supplier and contained similar major terms to the other Sale and Purchase Agreements.

**Date:** 11 August 2016

**Parties:** The Company (as purchaser)

Suppliers (as seller)

Lessee B (as end user)

**Assets acquired:** The Direct Lease Assets under the respective Sale and Purchase Agreements comprises the following:

<b>Sale and Purchase Agreement</b>	<b>Direct Lease Assets</b>	<b>Components</b>
I	I	a batch of 197 pieces or sets of equipment
II	II	a batch of 13 pieces or sets of equipment
III	III	a batch of 2 pieces or sets of equipment
IV	IV	a batch of 7 pieces of equipment
V	V	a batch of 2 pieces or sets of equipment
VI	VI	a batch of 4 pieces or sets of equipment
VII	VII	a batch of 3 pieces or sets of equipment
VIII	VIII	a batch of equipment
IX	IX	a piece of equipment
X	X	a batch of 8 pieces or sets of equipment
XI	XI	a batch of 97 pieces or sets of equipment
XII	XII	a batch of 20 pieces or sets of equipment
XIII	XIII	a batch of 6 pieces or sets of equipment
XIV	XIV	a piece of equipment
XV	XV	a batch of 3 pieces or sets of equipment
XVI	XVI	a batch of 54 pieces or sets of equipment

All Direct Lease Assets are equipment used for the production of manufacturing of consumer batteries.

**Consideration:** The Consideration shall be payable by the Company to the relevant Supplier for the acquisition of the Direct Lease Assets.

Direct Lease Assets	Seller	Consideration	
		RMB	Equivalent amount of HK\$ (Approx.)
I	Supplier I	1,177,500	1,351,119
II	Supplier II	6,010,000	6,896,156
III	Supplier III	615,000	705,680
IV	Supplier IV	6,755,000	7,751,004
V	Supplier V	1,400,000	1,606,426
VI	Supplier VI	2,300,000	2,639,128
VII	Supplier VII	765,000	877,797
VIII	Supplier VIII	910,000	1,044,177
IX	Supplier IX	310,000	355,709
X	Supplier X	484,400	555,823
XI	Supplier XI	1,739,800	1,996,328
XII	Supplier XII	1,283,700	1,472,978
XIII	Supplier XIII	1,560,000	1,790,017
XIV	Supplier XIV	386,000	442,915
XV	Supplier XV	5,550,000	6,368,330
XVI	Supplier XVI	<u>522,000</u>	<u>598,967</u>
Total		<u>31,768,400</u>	<u>36,452,553</u>

**Basis of consideration:** The Consideration was determined after arm's length negotiations between the Company and the relevant Supplier with reference to the brand, the model and the market price of the relevant Direct Lease Assets.

**Payment of consideration:** Subject to the fulfilment of certain conditions, including, among others, the receipt by the Company (i) from the relevant Supplier (a) the original VAT receipt in respect of the entire amount of the Consideration and (b) a payment notice stamped with the company chop of the relevant Supplier; and (ii) from Lessee B (a) the original of the acceptance notice and the examination of goods confirmation issued by Lessee B and stamped with the company chop of Lessee B; (b) a payment notice stamped with the company chop of Lessee B; and (c) the photos showing the whole equipment and the serial number of each of the relevant Direct Lease Assets and confirming that all relevant Direct Lease Assets have been received by Lessee B, the Company shall pay to the relevant Supplier the relevant Consideration within 10 business days after the fulfilment of the conditions.

The entire sum of the Consideration was paid by the Company to the Suppliers on 2 September 2016. Such amount was satisfied by the Company through its internal resources.

#### **Direct Lease Agreement**

**Date:** 22 August 2016

**Parties:** The Company (as lessor)  
Lessee B (as lessee)

**Subject asset and lease term:** The Direct Lease Assets are leased from the Company to Lessee B for a term of 36 months commencing from 30 August 2016.

**Conditions precedent:** The Direct Lease Agreement shall take effect conditional upon, among others, the signing of the Sale and Purchase Agreements, the taking effect of the guarantee agreement and the security agreement referred to therein and the receipt of security deposit and the first instalment of lease payment by the Company from Lessee B.

If any of the above conditions is not fulfilled within 30 days from the date of the Direct Lease Agreement, the Company is entitled to terminate the Direct Lease Agreement and the Sale and Purchase Agreements and the Company shall not be liable for any duties and obligations to Lessee B, unless the non-fulfilment of any of the conditions is caused by the Company, in which Lessee B shall not be liable for any duties and obligations. If the non-fulfilment of any of the conditions is caused by Lessee B and the Direct Lease Agreement is terminated as a result, Lessee B shall be liable for all losses of the Company.

**Lease payment:** The lease payment for the entire term under the Lease Direct Agreement consists of (i) the finance lease principal amount; (ii) the finance lease interest income; and (iii) VAT payable for the finance lease principal amount and/or the financial lease interest income.

The lease payment shall be paid by Lessee B by 36 monthly instalments payable on the first day of each instalment (or if such day is not a day which banks are generally open for business, the last business day for banks before such day) commencing from 30 August 2016 and for the instalments payable on February during the lease term, the last day of February.

The effective interest rate of the finance lease arrangement under the Direct Lease Agreement is approximately 4.8862% per annum.

The lease payment has been agreed after arm's length negotiations between the Company and Lessee B with reference to the purchase costs of the Direct Lease Assets by the Company, the creditability of Lessee B, risk factors and the prevailing market interest rate for finance leases of the assets comparable to the Direct Lease Assets.

**Security deposit:** A security deposit of approximately RMB4,846,027 (equivalent to approximately HK\$5,560,559) shall be payable by Lessee B to secure the performance of its obligations under the Direct Lease Agreement.

The Company may apply the security deposit to settle any outstanding amount payable by Lessee B under the Direct Lease Agreement and Lessee B must replenish such amount equivalent to the amount of security deposit being deducted.

Subject to the terms of the Direct Lease Agreement, in the six months prior to the expiry of the lease term of the Direct Lease Agreement, the Company is entitled to apply the security deposit directly to offset (i) the retention consideration; and (ii) the last one or several instalment(s) of lease payment. Any residue amount after the set-off shall be returned to Lessee B, whilst any shortfall between the amount to be offset and the amount of security deposit shall be paid in advance of set-off by Lessee B.

**Retention  
consideration:**

Subject to the terms and conditions of the Direct Lease Agreement, Lessee B may purchase from the Company the Direct Lease Assets at a nominal consideration.

**Transfer of  
ownership of  
Direct Lease  
Assets after  
the end of  
lease:**

At the end of the lease term of the Direct Lease Agreement, subject to the fulfilment of all obligations by Lessee B under the Direct Lease Agreement, including the payment of all lease payment and other amount (if any) such as additional tax, interest, default payment as stipulated under the Direct Lease Agreement, and the payment of the retention consideration, the ownership of the Direct Lease Assets will be transferred to Lessee B.

**Default  
payment:**

If Lessee B fails to pay any amount of lease payment due or (if any) any other amount or reimburse any expenses on time and in full paid by the Company at the request of Lessee B, Lessee B shall make default payment in the sum equivalent to the product of (i) the amount of late payment; (ii) a daily default rate of 0.1%; and (iii) the number of days from the payment due date to the full settlement date.

**Events of default:**

The Company may take possession and dispose of the Direct Lease Assets and/or declare that the outstanding lease payment, other amounts payable by Lessee B and the default payment shall be immediately payable by Lessee B and Guarantors and/or take legal action in the occurrence of certain triggering events, including, among others, the failure to pay on time any instalment of the lease payment or any other amount payable by Lessee B in full or the failure of Lessee B to perform any other duties and obligations under the Direct Lease Agreement.

**Guarantee and security:**

Each of the Guarantors has provided an irrevocable and unconditional corporate or personal guarantee with joint and several liability in favour of the Company in respect of all debt payable by Lessee B to the Company under the Direct Lease Agreement.

Lessee B also pledges certain production equipment and, among others, such ancillary, additional or substitution property of and rights in and interest accrued upon the production equipment as security to secure, among others, the performance of its obligations under the Direct Lease Agreement.

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

The principal business of the Company is the provision of finance leasing and advisory services to its customers in the PRC.

The entering into of the Finance Lease Agreements is in the ordinary and usual course of business of the Company and will enable the Company to earn an aggregate income of approximately RMB15,701,786 (equivalent to approximately HK\$18,016,966), being the aggregate of the finance lease interest income (exclusive of VAT) of approximately RMB15,681,903 (equivalent to approximately HK\$17,994,151) over the respective lease terms and the retention consideration (exclusive of VAT) of approximately RMB19,883 (equivalent to approximately HK\$22,815).

Given the Finance Lease Agreements were entered into in the ordinary and usual course of business of the Company and on the normal commercial terms, the Directors are of the view that the terms of the Finance Lease 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 LESSEE B

Lessee B is a company established in the PRC with limited liability and is principally engaged in the manufacturing and sales of lithium-ion polymer batteries. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Lessee B and its ultimate beneficial owners are Independent Third Parties.

## IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the transactions contemplated under the Finance Lease Agreements V, both on a standalone basis and when aggregated with those contemplated under the Previous Finance Lease Agreements, exceeds 5% but are less than 25%, such 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.

As the assets ratio as defined under Rule 19.07(1) of the GEM Listing Rules in respect of the amount due from Lessee B to the Company pursuant to the Finance Lease Agreements exceeds 8% as at the date of the Finance Lease Agreements V, the transactions contemplated under the Finance Lease Agreements are also subject to the general disclosure obligations under Rule 17.15 of the GEM Listing Rules. The information required to be disclosed pursuant to Rule 17.17 of the GEM Listing Rules in respect of such transactions is disclosed in this announcement.

## DEFINITIONS

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

<b>“Asset Transfer Agreement I”</b>	the asset transfer agreement dated 7 September 2015 entered into between the Company as purchaser and Lessee B as vendor in relation to the sale and purchase of the Lease Back Assets I
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<b>“Asset Transfer Agreement II”</b>	the asset transfer agreement dated 10 November 2015 entered into between the Company as purchaser and Lessee B as vendor in relation to the sale and purchase of the Lease Back Assets II
<b>“Asset Transfer Agreement III”</b>	the asset transfer agreement dated 10 November 2015 entered into between the Company as purchaser and Lessee B as vendor in relation to the sale and purchase of the Lease Back Assets III
<b>“Asset Transfer Agreement IV”</b>	the asset transfer agreement dated 16 February 2016 entered into between the Company as purchaser and Lessee B as vendor in relation to the sale and purchase of the Lease Back Assets IV
<b>“Asset Transfer Agreement V”</b>	the asset transfer agreement dated 23 June 2017 entered into between the Company as purchaser and Lessee B as vendor in relation to the sale and purchase of the Lease Back Assets V
<b>“Asset Transfer Agreements”</b>	the Asset Transfer Agreement I, the Asset Transfer Agreement II, the Asset Transfer Agreement III, the Asset Transfer Agreement IV and the Asset Transfer Agreement V
<b>“Asset Transfer Consideration”</b>	the consideration for the purchase of the Lease Back Assets I, the Lease Back Assets II, the Lease Back Assets III, the Lease Back Assets IV and the Lease Back Assets V by the Company from Lessee B
<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>“Consideration”</b>	RMB31,768,400 (equivalent to approximately HK\$36,452,553), being the consideration for the purchase of the Direct Lease Assets by the Company from the Suppliers

<b>“Corporate Guarantor I”</b>	哈爾濱光宇電源股份有限公司 (Harbin Coslight Power Company Limited*), a company established in the PRC with limited liability and principally engaged in the manufacturing and sales of lithium-ion batteries and sealed lead acid batteries and its accessories, being a principal subsidiary of Corporate Guarantor III and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
<b>“Corporate Guarantor II”</b>	哈爾濱蓄電池股份有限公司 (Harbin Coslight Storage Battery Company Limited*), a company established in the PRC with limited liability and principally engaged in the manufacturing and sales of sealed lead acid rechargeable batteries, being a principal subsidiary of Corporate Guarantor III and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
<b>“Corporate Guarantor III”</b>	Coslight Technology International Group Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange (Stock Code: 1043) and whose subsidiaries are principally engaged in the business of the research and development, manufacture and sales of rechargeable batteries and battery related accessories, being an indirect shareholder of Lessee B and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
<b>“Direct Lease Agreement”</b>	the finance lease agreement dated 22 August 2016 entered into between the Company as lessor and Lessee B as lessee in relation to the lease of the Direct Lease Assets to Lessee B
<b>“Direct Lease Arrangements”</b>	the direct lease arrangement under the Finance Lease Agreements VI

<b>“Direct Lease Assets I”</b>	a batch of 197 pieces or sets of equipment referred to in the Sale and Purchase Agreement I and the Direct Lease Agreement
<b>“Direct Lease Assets II”</b>	a batch of 13 pieces or sets of equipment referred to in the Sale and Purchase Agreement II and the Direct Lease Agreement
<b>“Direct Lease Assets III”</b>	a batch of 2 pieces or sets of equipment referred to in the Sale and Purchase Agreement III and the Direct Lease Agreement
<b>“Direct Lease Assets IV”</b>	a batch of 7 pieces of equipment referred to in the Sale and Purchase Agreement IV and the Direct Lease Agreement
<b>“Direct Lease Assets V”</b>	a batch of 2 pieces or sets of equipment referred to in the Sale and Purchase Agreement V and the Direct Lease Agreement
<b>“Direct Lease Assets VI”</b>	a batch of 4 pieces or sets of equipment referred to in the Sale and Purchase Agreement VI and the Direct Lease Agreement
<b>“Direct Lease Assets VII”</b>	a batch of 3 pieces or sets of equipment referred to in the Sale and Purchase Agreement VII and the Direct Lease Agreement
<b>“Direct Lease Assets VIII”</b>	a batch of equipment referred to in the Sale and Purchase Agreement VIII and the Direct Lease Agreement
<b>“Direct Lease Assets IX”</b>	a piece of equipment referred to in the Sale and Purchase Agreement IX and the Direct Lease Agreement
<b>“Direct Lease Assets X”</b>	a batch of 8 pieces or sets of equipment referred to in the Sale and Purchase Agreement X and the Direct Lease Agreement
<b>“Direct Lease Assets XI”</b>	a batch of 97 pieces or sets of equipment referred to in the Sale and Purchase Agreement XI and the Direct Lease Agreement

<b>“Direct Lease Assets XII”</b>	a batch of 20 pieces or sets of equipment referred to in the Sale and Purchase Agreement XII and the Direct Lease Agreement
<b>“Direct Lease Assets XIII”</b>	a batch of 6 pieces or sets of equipment referred to in the Sale and Purchase Agreement XIII and the Direct Lease Agreement
<b>“Direct Lease Assets XIV”</b>	a piece of equipment referred to in the Sale and Purchase Agreement XIV and the Direct Lease Agreement
<b>“Direct Lease Assets XV”</b>	a batch of 3 pieces or sets of equipment referred to in the Sale and Purchase Agreement XV and the Direct Lease Agreement
<b>“Direct Lease Assets XVI”</b>	a batch of 54 pieces or sets of equipment referred to in the Sale and Purchase Agreement XVI and the Direct Lease Agreement
<b>“Direct Lease Assets”</b>	the Direct Lease Assets I, the Direct Lease Assets II, the Direct Lease Assets III, the Direct Lease Assets IV, the Direct Lease Assets V, the Direct Lease Assets VI, the Direct Lease Assets VII, the Direct Lease Assets VIII, the Direct Lease Assets IX, the Direct Lease Assets X, the Direct Lease Assets XI, the Direct Lease Assets XII, the Direct Lease Assets XIII, the Direct Lease Assets XIV, the Direct Lease Assets XV and the Direct Lease Assets XVI
<b>“Directors”</b>	the directors of the Company
<b>“Finance Lease Agreements”</b>	the Previous Finance Lease Agreements and the Finance Lease Agreements V
<b>“Finance Lease Agreements I”</b>	the Asset Transfer Agreement I and the Lease Back Agreement I
<b>“Finance Lease Agreements II”</b>	the Asset Transfer Agreement II and the Lease Back Agreement II
<b>“Finance Lease Agreements III”</b>	the Asset Transfer Agreement III and the Lease Back Agreement III

<b>“Finance Lease Agreements IV”</b>	the Asset Transfer Agreement IV and the Lease Back Agreement IV
<b>“Finance Lease Agreements V”</b>	the Asset Transfer Agreement V and the Lease Back Agreement V
<b>“Finance Lease Agreements VI”</b>	the Sale and Purchase Agreements and the Direct Lease Agreement
<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”</b>	Mr. Song Dianquan (宋殿權), an individual who is the controlling shareholder of Corporate Guarantor III and the legal representative of Lessee B and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, an Independent Third Party
<b>“Guarantors”</b>	Corporate Guarantor I, Corporate Guarantor II, Corporate Guarantor III and Guarantor B
<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 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 Party(-ies)”</b>	third party(-ies) 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>“Lease Back Agreement I”</b>	the after-sale lease back agreement dated 7 September 2015 entered into between the Company as lessor and Lessee B as lessee in relation to the lease back of the Lease Back Assets I to Lessee B
<b>“Lease Back Agreement II”</b>	the after-sale lease back agreement dated 10 November 2015 entered into between the Company as lessor and Lessee B as lessee in relation to the lease back of the Lease Back Assets II to Lessee B
<b>“Lease Back Agreement III”</b>	the after-sale lease back agreement dated 10 November 2015 entered into between the Company as lessor and Lessee B as lessee in relation to the lease back of the Lease Back Assets III to Lessee B
<b>“Lease Back Agreement IV”</b>	the after-sale lease back agreement dated 16 February 2016 entered into between the Company as lessor and Lessee B as lessee in relation to the lease back of the Lease Back Assets IV to Lessee B
<b>“Lease Back Agreement V”</b>	the after-sale lease back agreement dated 23 June 2017 entered into between the Company as lessor and Lessee B as lessee in relation to the lease back of the Lease Back Assets V to Lessee B
<b>“Lease Back Agreements”</b>	the Lease Back Agreement I, the Lease Back Agreement II, the Lease Back Agreement III, the Lease Back Agreement IV and the Lease Back Agreement V
<b>“Lease Back Assets I”</b>	a batch of 374 pieces or sets of equipment referred to in the Asset Transfer Agreement I and the Lease Back Agreement I
<b>“Lease Back Assets II”</b>	a batch of 241 pieces or sets of equipment referred to in the Asset Transfer Agreement II and the Lease Back Agreement II
<b>“Lease Back Assets III”</b>	a batch of 27 pieces or sets of equipment referred to in the Asset Transfer Agreement III and the Lease Back Agreement III
<b>“Lease Back Assets IV”</b>	a batch of 27 pieces or sets of equipment referred to in the Asset Transfer Agreement IV and the Lease Back Agreement IV

<b>“Lease Back Assets V”</b>	a batch of 30 pieces or sets of equipment referred to in the Asset Transfer Agreement V and the Lease Back Agreement V
<b>“Lease Back Assets”</b>	the Lease Back Assets I, the Lease Back Assets II, the Lease Back Assets III, the Lease Back Assets IV and the Lease Back Assets V
<b>“Lessee B”</b>	珠海光宇電池有限公司 (Zhuhai Coslight Battery Company Limited*), a company established in the PRC with limited liability and the lessee under the Finance Lease Agreements
<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>“Previous Finance Lease Agreements”</b>	the Finance Lease Agreements I, the Finance Lease Agreements II, the Finance Lease Agreements III, the Finance Lease Agreements IV and the Finance Lease Agreements VI
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Sale and Purchase Agreement I”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier I as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets I
<b>“Sale and Purchase Agreement II”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier II as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets II
<b>“Sale and Purchase Agreement III”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier III as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets III

<b>“Sale and Purchase Agreement IV”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier IV as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets IV
<b>“Sale and Purchase Agreement V”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier V as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets V
<b>“Sale and Purchase Agreement VI”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier VI as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets VI
<b>“Sale and Purchase Agreement VII”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier VII as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets VII
<b>“Sale and Purchase Agreement VIII”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier VIII as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets VIII
<b>“Sale and Purchase Agreement IX”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier IX as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets IX
<b>“Sale and Purchase Agreement X”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier X as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets X
<b>“Sale and Purchase Agreement XI”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XI as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XI
<b>“Sale and Purchase Agreement XII”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XII as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XII



<b>“Sale and Purchase Agreement XIII”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XIII as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XIII
<b>“Sale and Purchase Agreement XIV”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XIV as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XIV
<b>“Sale and Purchase Agreement XV”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XV as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XV
<b>“Sale and Purchase Agreement XVI”</b>	the sale and purchase agreement dated 11 August 2016 entered into among the Company as purchaser, Supplier XVI as seller and Lessee B as end user in relation to the sale and purchase of the Direct Lease Assets XVI
<b>“Sale and Purchase Agreements”</b>	the Sale and Purchase Agreement I, the Sale and Purchase Agreement II, the Sale and Purchase Agreement III, the Sale and Purchase Agreement IV, the Sale and Purchase Agreement V, the Sale and Purchase Agreement VI, the Sale and Purchase Agreement VII, the Sale and Purchase Agreement VIII, the Sale and Purchase Agreement IX, the Sale and Purchase Agreement X, the Sale and Purchase Agreement XI, the Sale and Purchase Agreement XII, the Sale and Purchase Agreement XIII, the Sale and Purchase Agreement XIV, the Sale and Purchase Agreement XV and the Sale and Purchase Agreement XVI
<b>“Sale-leaseback Arrangements”</b>	the sale-leaseback arrangements under the Finance Lease Agreements I, the Finance Lease Agreements II, the Finance Lease Agreements III, the Finance Lease Agreements IV and the Finance Lease Agreements V
<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

- “Supplier I”** a company established in the PRC with limited liability and principally engaged in the research and development, production and sales of hardware and software for equipment and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier II”** a company established in the PRC with limited liability and principally engaged in the supply of blending, sorting and drying machines for industrial use and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier III”** a company established in the PRC with limited liability and principally engaged in the manufacturing of equipment for temperature and humidity control in heating, ventilation, air conditioning industry and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier IV”** a company established in the PRC with limited liability and principally engaged in the supply of smart appliances for the new energy field and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier V”** a company established in the PRC with limited liability and principally engaged in the research and development, manufacturing and sales of and provision of technical service in relation to fine instruments and equipment and high-end electronic materials and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties

- “Supplier VI”** a company established in the PRC with limited liability and principally engaged in the research and development, manufacturing and sales of lithium battery production equipment and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier VII”** a company established in the PRC with limited liability and principally engaged in the research and development, manufacturing and sales of the examination apparatus for the monitoring of the density and thickness of electrode surfaces of lithium batteries and provision of testing services and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier VIII”** a company established in the PRC with limited liability and principally engaged in the provision of IT solutions in relation to smart buildings, integration of information system, research and development of software and subcontracting services and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier IX”** a company established in the PRC with limited liability and principally engaged in the research and development, manufacturing and sales of essential equipment for the production of lithium batteries and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier X”** a company established in the PRC with limited liability and principally engaged in the provision of control systems and solutions for fluids and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties

- “Supplier XI”** a company established in the PRC with limited liability and principally engaged in the manufacturing and examination of large-scale testing equipment for rechargeable batteries and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier XII”** a company established in the PRC with limited liability and principally engaged in the supply of air compressors and their consumables and spare parts and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier XIII”** a company established in the PRC with limited liability and principally engaged in the supply of examination equipment and high-speed heaters for batteries and provision of laboratory tests and test equipment for lithium batteries and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier XIV”** a company established in the PRC with limited liability and principally engaged in the research and development and sales of testing equipment and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
- “Supplier XV”** a company established in the PRC with limited liability and principally engaged in the research and development, manufacturing and sales of automated equipment for lithium battery, automobile and electronics industries and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties

<b>“Supplier XVI”</b>	a company established in the PRC with limited liability and principally engaged in the supply of lithium battery examination equipment and overall smart solutions and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, it and its ultimate beneficial owner(s) are Independent Third Parties
<b>“Suppliers”</b>	Supplier I, Supplier II, Supplier III, Supplier IV, Supplier V, Supplier VI, Supplier VII, Supplier VIII, Supplier IX, Supplier X, Supplier XI, Supplier XII, Supplier XIII, Supplier XIV, Supplier XV and Supplier XVI
<b>“VAT”</b>	value-added tax

\* For identification purpose only

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

Hong Kong, 6 August 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).*