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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 company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8452)

INSIDE INFORMATION

DISPOSAL OF SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by FY Financial (Shenzhen) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE DISPOSAL

The board (the “**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, the Company has been notified by Hong Kong Shanshan Resources Company Limited (香港杉杉資源有限公司) (“**Shanshan HK**”), a controlling shareholder (as defined in the GEM Listing Rules) of the Company, that on 18 November 2020, Shanshan HK has entered into the following agreements to effect the disposal of a total of 79,054,800 unlisted foreign shares of the Company, representing 22% of the total number of issued shares of the Company (the “**Disposal**”):

- (i) a sale and purchase agreement with Beijing Youke Yu Technology Development Co., Ltd. (北京優科玉科技發展有限公司) (“**Youke Yu**”) pursuant to which Shanshan HK has agreed to dispose of, and Youke Yu has agreed to acquire, 46,714,200 unlisted foreign shares of the Company, representing 13% of the total number of issued shares of the Company as at the date of this announcement; and
- (ii) a sale and purchase agreement with Beijing Hengsheng Rongcheng Trading Co., Ltd. (北京恒盛融誠商貿有限公司) (“**Hengsheng Rongcheng**”) pursuant to which Shanshan HK has agreed to dispose of, and Hengsheng Rongcheng has agreed to acquire, 32,340,600 unlisted foreign shares of the Company, representing 9% of the total number of issued shares of the Company as at the date of this announcement.

Based on the information available to the Company and to the best of the knowledge and belief of the Directors: (i) each of Youke Yu and Hengsheng Rongcheng and their respective ultimate beneficial owner(s) are independent of and are not connected persons (within the meaning of the GEM Listing Rules) of the Company; and (ii) each of Youke Yu and Hengsheng Rongcheng are independent of and not connected with each other.

SHAREHOLDING STRUCTURE OF THE COMPANY

Upon completion of the Disposal, Shanshan HK will hold 70,445,200 unlisted foreign shares of the Company, representing approximately 19.60% of the total number of issued shares of the Company. Accordingly, Shanshan HK and any companies controlled by it will cease to be controlling shareholders (as defined in the GEM Listing Rules) of the Company upon completion of the Disposal.

Set out below is a summary of the shareholding structure of the Company immediately before and upon completion of the Disposal:

Name of shareholders	Immediately before completion of the Disposal			Upon completion of the Disposal		
	Number of shares	class of shares of the Company (Note 1)	Approximate	Number of shares	class of shares of the Company (Note 1)	Approximate
			percentage in the relevant number of issued shares of the Company (Note 1)			percentage in the relevant number of issued shares of the Company (Note 1)
Domestic shares						
Beijing Municipality Dayuan Tiandi Property Development Co., Ltd (北京市大苑天地房地產開發有限公司)	80,000,000	66.67%	22.26%	80,000,000	66.67%	22.26%
Nantong Shanshan Venture Capital Centre (Limited Partnership) (南通杉杉創業投資中心(有限合夥))(Note 2)	2,000,000	1.67%	0.56%	2,000,000	1.67%	0.56%
Other domestic shareholders	38,000,000	31.67%	10.57%	38,000,000	31.67%	10.57%
Subtotal	120,000,000	100%	33.39%	120,000,000	100%	33.39%

Name of shareholders	Immediately before completion of the Disposal			Upon completion of the Disposal		
	Number of shares	Approximate percentage in the relevant class of shares of the Company (Note 1)	Approximate percentage in the total number of issued shares of the Company (Note 1)	Number of shares	Approximate percentage in the relevant class of shares of the Company (Note 1)	Approximate percentage in the total number of issued shares of the Company (Note 1)
H shares						
KKC Capital SPC – KKC Capital High Growth						
Fund Segregated Portfolio	9,408,000	10.47%	2.62%	9,408,000	10.47%	2.62%
Tiger Capital Fund SPC – Tiger Global SP	9,318,000	10.37%	2.59%	9,318,000	10.37%	2.59%
Other H shareholders	71,114,000	79.16%	19.79%	71,114,000	79.16%	19.79%
Subtotal	89,840,000	100%	25.00%	89,840,000	100%	25.00%
Unlisted foreign shares						
Shanshan HK	149,500,000	100%	41.60%	70,445,200	47.12%	19.60%
Youke Yu	-	-	-	46,714,200	31.25%	13.00%
Hengsheng Rongcheng	-	-	-	32,340,600	21.63%	9.00%
Subtotal	149,500,000	100%	41.60%	149,500,000	100%	41.60%
Total	359,340,000		100%	359,340,000		100%

Notes:

- The percentages have been rounded up to two decimal places. Accordingly, the total percentage may not be equal to the apparent total percentage.
- Ningbo Shanshan Co., Ltd. (寧波杉杉股份有限公司), the sole shareholder of Shanshan HK, is indirectly interested in 40% of the equity interest of Shanghai Shanshan Chuanghui Venture Investment Management Co. Ltd. (上海杉杉創暉創業投資管理有限公司) which is the general partner of Nantong Shanshan Venture Capital Centre (Limited Partnership) (南通杉杉創業投資中心(有限合夥)).

The Company does not expect that the Disposal will have any material adverse effect on the operations of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 18 November 2020

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

Executive Directors:

Mr. Li Peng (李鵬)

Mr. Weng Jianxing (翁建興)

Ms. Wang Ying (王瑩)

Non-executive Directors:

Mr. Zhuang Wei (莊巍)

Mr. Qian Cheng (錢程)

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)

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.