

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker, a licensed securities dealer or other registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in FY Financial (Shenzhen) Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of coronavirus disease (COVID-19) pandemic, the following measures will be implemented at the EGM:

- mandatory body temperature check;
- compliance with the latest epidemic prevention policy requirement of the PRC government and presentation of the corresponding health certificate;
- mandatory wearing of surgical face masks; and
- no refreshments for attendees.

The Company reserves the right to deny entry into or require any person to leave the EGM venue if such person: (i) refuses to comply with any of the above precautionary measures; (ii) is having a body temperature of over 37.4 degree Celsius; and/or (iii) has any flu-like symptoms.

For the health and safety of Shareholders, the Company would like to encourage the Shareholders to appoint the chairman of the EGM as their proxy to vote on the resolution at the EGM, instead of attending the EGM in person.

Terms used in the cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the EGM to be held at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC on Friday, 8 October 2021 at 10:30 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the GEM website (www.hkgem.com) and the Company's website (www.fyleasing.com).

Whether or not you are able to attend the EGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares), or the Company's head office in the PRC at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC (for holders of Domestic Shares and/or Unlisted Foreign Shares) as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

8 September 2021

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Board” or “Board of Directors”	the board of Directors
“China” or “PRC”	the People’s Republic of China, and for the purposes of this circular, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan region
“Company”	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 GEM
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and fully paid up in RMB by PRC natural persons or entities established under the laws of the PRC and all of which have not been listed on the Stock Exchange
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC on Friday, 8 October 2021 at 10:30 a.m.
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Group”	the Company, together with its subsidiaries
“H Share(s)”	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 GEM
“H Share Registrar”	Tricor Investor Services Limited, the H Share registrar of the Company in Hong Kong

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 September 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Share(s)
“Shares(s)”	the ordinary share(s) with nominal value of RMB1.00 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unlisted Foreign Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in a currency other than RMB by persons other than PRC natural persons or entities established under the laws of the PRC and which are currently not listed or traded on any stock exchange
“%”	percent

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

PRECAUTIONARY MEASURES FOR THE EGM

In view of the outbreak of coronavirus disease (COVID-19) pandemic (the “**COVID-19 Pandemic**”), to safeguard the health and safety of Shareholders who might be attending the EGM in person, the Company will implement the following precautionary measures at the EGM:

- Each attendee will be required to undergo a mandatory body temperature check and sign a health declaration form before entering the EGM venue. Any person with a body temperature above 37.4 degree Celsius, or is exhibiting flu-like symptoms, may be denied entry into the EGM venue and be required to leave the EGM venue.
- Shareholders, proxies and other attendees are required to comply with the latest epidemic prevention policy requirements of the PRC government and present the corresponding health certificate. Any person who does not comply with this requirement will be required to leave the EGM venue.
- Shareholders, proxies and other attendees are required to wear surgical face masks inside the EGM venue at all times. Any person who does not comply with this requirement will be required to leave the EGM venue.
- No refreshments will be served at the EGM.

Shareholders who are feeling unwell are advised not to attend the EGM in person.

For the health and safety of Shareholders, the Company would like to encourage the Shareholders to appoint the chairman of the EGM as their proxy to vote on the resolution at the EGM, instead of attending the EGM in person.

As the COVID-19 Pandemic continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate in order to minimise any risk to the Shareholders and others attending the EGM and to comply with any requirements or recommendations of any government agencies from time to time. Shareholders are advised to check the Company’s website at www.fyleasing.com for further announcements and updates on the EGM arrangements that may be issued.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of community spread of the COVID-19 Pandemic.

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Li Peng (李鵬)

Mr. Weng Jianxing (翁建興)

Ms. Gong Xiaoting (貢曉婷)

Non-executive Directors:

Mr. Zhuang Wei (莊巍)

Ms. Liu Jing (劉敬)

Mr. Peng Qilei (彭期磊)

Independent non-executive Directors:

Mr. Fung Che Wai Anthony (馮志偉)

Mr. Hon Leung (韓亮)

Mr. Liu Shengwen (劉升文)

Head office in the PRC:

Room 1603, Cheung Kei Building

No. 128 Xinzhou 11th Street

Futian District

Shenzhen

PRC

Principal place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

8 September 2021

To the Shareholders

Dear Sir/Madam,

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give the notice of the EGM and to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to be proposed at the EGM.

2. ORDINARY RESOLUTION

Proposed appointment of non-executive Director

Reference is made to the announcement of the Company dated 31 August 2021 in relation to, inter alia, the proposed change of non-executive Director.

An ordinary resolution for approving the appointment of Ms. Tong Fangyan as a non-executive Director will be proposed at the EGM for the consideration and approval by the Shareholders.

LETTER FROM THE BOARD

The biographical details of Ms. Tong are set out below:

Ms. Tong Fangyan (全芳妍)

Ms. Tong, aged 38, has extensive experience in the fields of capital markets, finance, investments and investment bank. From September 2008 to July 2014, Ms. Tong worked at the corporate development and finance department of CITIC Securities Company Limited, a joint stock company whose overseas listed foreign shares and domestic shares are listed on the Hong Kong Stock Exchange (stock code: 6030) and the Shanghai Stock Exchange (stock code: 600030) respectively, primarily responsible for initial public offering projects, private placements and restructuring projects. Ms. Tong has been serving as the investment director of Shanghai Yuanlong Investment Holdings Group Co., Ltd.* (上海原龍投資控股(集團)有限公司) since August 2014, and was promoted as the deputy general manager in October 2020. She is primarily responsible for the group's investments in primary markets, strategic investment planning, setting up investment funds, capital market financing, mergers and acquisitions, and financial leasing management. Since November 2017, Ms. Tong has been serving as the director of Shanghai Huimao Financing Leasing Co., Ltd.* (上海匯茂融資租賃有限公司), primarily responsible for various direct leasing and leaseback projects and asset-backed securities projects. Ms. Tong obtained a bachelor's degree in management science from China Agricultural University in 2005 and a master's degree in technology economics and management from Chinese Academy of Sciences in 2008.

Subject to the approval of the Shareholders by way of an ordinary resolution at the EGM, the Company will enter into a service contract with Ms. Tong. The initial length of service will commence from the date of the EGM to the expiration of the term of the third session of the Board. Ms. Tong will not receive remuneration from the Company during her tenure as a non-executive Director.

Save as disclosed above, Ms. Tong has confirmed that as at the Latest Practicable Date, (i) she does not hold any other positions with the Company and other members of the Group; (ii) she does not, nor did she in the past three years, hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas or other major appointments and professional qualifications; (iii) she does not have any relationships with any Directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) she does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Ms. Tong has confirmed that, there are no other matters relating to the proposed appointment of her as non-executive Director that are required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

3. EGM

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the resolution set out in the notice of the EGM shall be voted by poll. Votes may be given either personally or by proxy. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

A notice convening the EGM to be held at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC on Friday, 8 October 2021 at 10:30 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the GEM website (www.hkgem.com) and the Company's website (www.fyleasing.com).

Whether or not you are able to attend the EGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares), or the Company's head office in the PRC at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC (for holders of Domestic Shares and/or Unlisted Foreign Shares) as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

4. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Wednesday, 15 September 2021 to Friday, 8 October 2021, both days inclusive, during which period no Share transfers will be registered. In order to be eligible to attend and vote at the EGM, all transfer documents of Shares accompanied by the relevant share certificates must be lodged with the H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares), or the Company's head office in the PRC at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC (for holders of Domestic Shares and/or Unlisted Foreign Shares) for registration not later than 4:30 p.m. on Tuesday, 14 September 2021.

Shareholders whose names appear on the register of members of the Company after the close of business on Tuesday, 14 September 2021 are entitled to attend and vote at the EGM.

5. RECOMMENDATION

The Board considers that the appointment of Ms. Tong Fangyan as a non-executive Director is in the interests of the Company and the Shareholders as a whole and therefore recommends Shareholders to vote in favour of the resolution to be proposed at the EGM.

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

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “EGM”) of FY Financial (Shenzhen) Co., Ltd. (the “Company”) will be held at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the People's Republic of China (the “PRC”) on Friday, 8 October 2021 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

1. To consider and approve the appointment of Ms. Tong Fangyan as a non-executive director of the Company.

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

The PRC, 8 September 2021

Notes:

1. For determining the entitlement to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Wednesday, 15 September 2021 to Friday, 8 October 2021, both days inclusive, during which period no share transfers will be registered. In order to be eligible to attend and vote at the EGM, all transfer documents of shares of the Company accompanied by the relevant share certificates must be lodged with the H share registrar of the Company in Hong Kong (The “H Share Registrar”), Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares of the Company), or the Company's head office in PRC at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC (for holders of domestic shares and/or unlisted foreign shares of the Company) for registration not later than 4:30 p.m. on Tuesday, 14 September 2021.

Shareholders whose names appear on the register of members of the Company after the close of business on Tuesday, 14 September 2021 are entitled to attend and vote at the EGM.

2. Shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
3. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, at the EGM in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

4. The instrument appointing the proxy must be in writing and signed by the appointor or his/her/its attorney duly authorised in writing, or if the appointer is a legal person, either under a legal person's seal or signed by its director or an attorney duly authorised in writing.
5. In order to be valid, a form of proxy must be deposited at the H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares of the Company) or the Company's head office in the PRC at Room 1603, Cheung Kei Building, No. 128 Xinzhou 11th Street, Futian District, Shenzhen, the PRC (for holders of domestic shares and/or unlisted foreign shares of the Company) together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the EGM or any adjournment thereof (as the case may be) if they so wish, and in such event, the form of proxy shall be deemed to be revoked.
6. The EGM (or any adjournment thereof) is expected to be concluded within a day. Shareholders or their proxies attending the EGM (or any adjournment thereof) shall be responsible for their own travelling and accommodation expenses.
7. To safeguard the health and safety of shareholders and to prevent the spreading of coronavirus disease (COVID-19) pandemic, the following measures will be implemented at the EGM:
 - mandatory body temperature check;
 - compliance with the latest epidemic prevention policy requirement of the PRC government and presentation of the corresponding health certificate;
 - mandatory wearing of surgical face masks; and
 - no refreshments for attendees.

The Company reserves the right to deny entry into or require any person to leave the EGM venue if such person: (i) refuses to comply with any of the above precautionary measures; (ii) is having a body temperature of over 37.4 degree Celsius; and/or (iii) has any flu-like symptoms.

For the health and safety of shareholders, the Company would like to encourage its shareholders to appoint the chairman of the EGM as their proxy to vote on the resolution to be put at the EGM, instead of attending the EGM in person.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the executive directors of the Company are Mr. Li Peng, Mr. Weng Jianxing and Ms. Gong Xiaoting; the non-executive directors of the Company are Mr. Zhuang Wei, Mr. Peng Qilei and Ms. Liu Jing; and the independent non-executive directors of the Company are Mr. Fung Che Wai Anthony, Mr. Hon Leung and Mr. Liu Shengwen.

This notice, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice 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 this notice misleading.

This notice will remain on the GEM's website at www.hkgem.com on the "Latest Listed Company Information" pages for 7 days from the date of this posting and it will be also posted on the Company's website at www.fyleasing.com.