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**盛業資本**  
SHENG YE CAPITAL

**SHENG YE CAPITAL LIMITED**

**盛業資本有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**Stock code: 8469**

**(A) MAJOR TRANSACTIONS — FACTORING AGREEMENTS (MAJOR)**

**(B) MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED  
DISCLOSEABLE TRANSACTIONS — FACTORING AGREEMENTS  
(PREVIOUS DISCLOSEABLE)**

**(C) DISCLOSEABLE TRANSACTIONS — FACTORING AGREEMENTS  
(DISCLOSEABLE)**

**(A) MAJOR TRANSACTIONS**

**(I) REFACTORIZING AGREEMENT (CUSTOMER A)**

The Board hereby announces that SY Factoring entered into the Refactoring Agreement (Customer A) with Customer A on 29 March 2019 pursuant to which SY Factoring granted a revolving refactoring loan credit limit of RMB1,000,000,000 to Customer A being secured by accounts receivables assigned to Customer A from the factoring customers of Customer A at an annual interest rate of not more than 15% (the exact interest rate to be determined upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The refactoring was with recourse.

**(II) FACTORING AGREEMENT (CUSTOMER B)**

**(III) FACTORING AGREEMENT (CUSTOMER C)**

**(IV) FACTORING AGREEMENT (CUSTOMER D)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer B), Factoring Agreement (Customer C) and Factoring Agreement (Customer D) with Customer B, Customer C and Customer D respectively pursuant to which a revolving factoring loan credit limit of RMB450,000,000 was granted to Customer B, Customer C, Customer D and their associated companies jointly at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 1% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and without notification.

**(V) FACTORING AGREEMENT (CUSTOMER E)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer E) with Customer E pursuant to which a revolving factoring loan credit limit of RMB600,000,000 was granted to Customer E and its associated companies at the sum of annual interest rate and service fee of not more than 16% (the exact sum of interest rate and service fee to be negotiated upon each drawdown) which would take effect from 29 March 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and without notification.

**(VI) FACTORING AGREEMENT (CUSTOMER F)**

**(VII) FACTORING AGREEMENT (CUSTOMER G)**

**(VIII) FACTORING AGREEMENT (CUSTOMER H)**

**(IX) FACTORING AGREEMENT (CUSTOMER I)**

The Board hereby announces that on 29 March 2019, SY Shenzhen entered into the Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I) with Customer F, Customer G, Customer H and Customer I respectively pursuant to which a revolving factoring loan credit limit of RMB400,000,000 was granted to Customer F, Customer G, Customer H, Customer I and the companies approved by SY Shenzhen jointly at the sum of annual interest rate and service fee of not more than 15% which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Shenzhen or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Shenzhen. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

**(B) MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED DISCLOSEABLE TRANSACTIONS**

**(I) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER K)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer K) with Customer K pursuant to which i) the revolving factoring loan credit limit granted to Customer K was revised from RMB170,000,000 to RMB200,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iii) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring.

**(II) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER L)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer L) with Customer L pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(III) SECOND SUPPLEMENTAL FACTORING AGREEMENT  
(CUSTOMER M)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer M) with Customer M pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(IV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER N)**

The Board hereby announces that on 29 March 2019, Yong Zhuo entered into the Supplemental Factoring Agreement (Customer N) with Customer N pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(V) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER O)**

The Board hereby announces that on 29 March 2019, Yong Zhuo entered into Supplemental Factoring Agreement (Customer O) with Customer O pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(C) DISCLOSEABLE TRANSACTIONS**

**(I) FACTORING AGREEMENT (CUSTOMER J)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer J) with Customer J pursuant to which a revolving factoring loan credit limit of RMB320,000,000 was granted to Customer J at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and service fee of not more than 2% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

**(II) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER P AND CUSTOMER Q)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer P and Customer Q) with Customer P and Customer Q pursuant to which i) a revolving factoring loan credit limit was granted to Customer P, Customer Q and their associated companies, jointly; ii) the credit limit was revised from RMB52,000,000 and RMB78,000,000 to Customer P and Customer Q, respectively, to RMB 210,000,000 to Customer P, Customer Q and their associated companies; iii) an annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown), to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown), to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; vii) the utilization deadline was revised from within 30 days from the date of receipt of the respective signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and viii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% of the (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

### **(III) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER R)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer R) with Customer R pursuant to which i) the revolving factoring loan credit limit granted to Customer R was revised from RMB73,000,000 to RMB200,000,000; ii) the annual interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) a service fee was revised from nil to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; vi) the factoring was revised from without notification to whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be); vii) the factoring loan prepayment ratio was revised from not more than 100% to not more than 100% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and viii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

#### **(IV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER S)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer S) with Customer S pursuant to which i) the revolving factoring loan credit limit granted to Customer S was revised from RMB73,000,000 to RMB150,000,000; ii) the annual interest rate was revised from not more than 16% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) the service fee was revised from not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; vi) the factoring loan prepayment ratio was revised from not more than 80% of the accounts receivable assigned or the purchase order assigned (as the case may be) to not more than 100% of the accounts receivable assigned or the purchase order assigned (as the case may be); and vii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(V) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER T AND CUSTOMER U)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer T and Customer U) with Customer T and Customer U pursuant to which i) a revolving factoring loan credit limit was granted to Customer T Customer U and their associated companies jointly; ii) the credit limit was revised from RMB100,000,000 to RMB 200,000,000 to Customer T, Customer U and their associated companies; iii) an annual interest rate was revised from not more than 16% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from nil for Customer U and 2% for Customer T to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date was revised from 30 April 2019 to 30 April 2020; vi) the utilization deadline was revised from within 30 days from the date of receipt of the respective signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and vii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring of Customer T), 100% (for purchase order financing of Customer U) or not more than 100% (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).



**(VI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER V AND CUSTOMER W)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer V and Customer W) with Customer V and Customer W pursuant to which i) a factoring loan credit limit was revised from RMB50,000,000 to RMB100,000,000; ii) the loan credit limit was granted to Customer V, Customer W and their associated companies jointly; iii) an interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from nil to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date was revised from 30 April 2019 to 30 April 2020; vi) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and vii) The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring.

**(VII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER X AND CUSTOMER Y)**

The Board hereby announces that on 29 March 2019, Sheng Zhuo entered into the Supplemental Factoring Agreement (Customer X and Customer Y) with Customer X and Customer Y pursuant to which i) a revolving factoring loan credit limit was granted to Customer X, Customer Y and their associated companies jointly; ii) the credit limit was revised from RMB52,000,000 to RMB 100,000,000 to Customer X, Customer Y and their associated companies jointly; iii) an annual interest rate was revised from (1) not more than 15% (the exact interest rate to be negotiated upon each drawdown) for Customer X and (2) not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) for Customer Y, to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from (1) not more than 2% (the exact service fee to be negotiated upon each drawdown) for Customer X and (2) not more than 2% (including tax, the exact interest rate to be negotiated upon each drawdown) for Customer Y, to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown) was revised from (1) not more than 15% (the exact interest rate to be negotiated upon each drawdown) for Customer X and (2) not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) for Customer Y, to expire on 30 April 2020; v) the credit limit could be granted by Sheng Zhuo or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Zhuo; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; vii) the utilization deadline was revised from within 30 and 90 days from the date of receipt of the signed factoring agreement of Customer X and Customer Y, respectively, to 90 days from the date of receipt of the signed factoring agreement; and viii) the factoring loan prepayment ratio was revised from (1) not more than 100% of the accounts receivable assigned or the purchase order assigned by Customer X; and (2) not more than 80% for purchase order factoring or not more than 100% of the accounts receivable assigned by Customer Y, to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

**(VIII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER Z)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer Z) with Customer Z pursuant to which i) a revolving factoring loan credit limit was granted to Customer Z and its associated companies jointly; ii) the credit limit was revised from RMB78,000,000 to RMB 200,000,000; iii) an annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown), to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown), to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; and vii) the utilization deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(IX) FIFTH SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER AA)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Fifth Supplemental Factoring Agreement (Customer AA) with Customer AA pursuant to which i) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring) to not more than 100% for both purchase order factoring and accounts receivable factoring; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(X) SECOND SUPPLEMENTAL FACTORING AGREEMENT  
(CUSTOMER BB)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer BB) with Customer BB pursuant to which i) the revolving factoring loan credit limit granted to Customer BB was revised from RMB52,000,000 to RMB100,000,000; ii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring) to not more than 100% for both purchase order factoring and accounts receivable factoring (the exact factoring loan prepayment ratio to be determined of upon each drawdown); and iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(XI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER CC)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer CC) with Customer CC pursuant to which i) the revolving factoring loan credit limit granted to Customer CC was revised from RMB80,000,000 to RMB100,000,000; ii) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; iv) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); v) a service fee was revised from 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); and vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(XII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER DD)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer DD) with Customer DD pursuant to which i) a revolving factoring loan with a credit limit was revised from RMB45,000,000 to RMB100,000,000; ii) the interest rate was revised from 13% (including tax) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) the service fee was revised from nil to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be); vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and vii) the factoring was revised from being without notification to that whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

**(XIII) FACTORING AGREEMENT (CUSTOMER EE)**

The Board hereby announces that on 29 March 2019 SY Factoring entered into the Factoring Agreement (Customer EE) with Customer EE pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer EE and its associated companies jointly at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) secured by the accounts receivable assigned and purchase orders assigned by Customer EE which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring was with recourse and whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

**(XIV) FACTORING AGREEMENT (CUSTOMER FF)**

The Board hereby announces that on 29 March 2019 SY Factoring entered into the Factoring Agreement (Customer FF) with Customer FF pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer FF and its associated companies jointly at an annual interest rate being not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of (including tax, the exact service fee to be negotiated upon each drawdown) secured by the accounts receivable assigned and purchase orders assigned by Customer FF which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring was with recourse and whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

**(XV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER GG)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer GG) with Customer GG pursuant to which i) the revolving factoring loan credit limit granted to Customer GG was revised from RMB80,000,000 to RMB100,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

**(XVI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER HH)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer HH) with Customer HH pursuant to which i) a revolving factoring loan credit limit was granted to Customer HH and their associated companies jointly; ii) the credit limit was revised from RMB80,000,000 to RMB 100,000,000; iii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% of the (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and iv) the expiry date was revised from 30 April 2019 to 30 April 2020.

**(XVII) FACTORING AGREEMENT (CUSTOMER II)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer II) with Customer II pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer II at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) which will expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

**(XVIII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER JJ AND CUSTOMER KK)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer JJ and Customer KK) with Customer JJ and Customer KK pursuant to which i) the revolving factoring loan credit limit granted to Customer JJ was revised from RMB80,000,000 (for Customer JJ only) to RMB120,000,000 (shared among Customer JJ, Customer KK and their associated companies jointly); ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); iii) the annual interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); and iv) the service fee was revised from nil to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown).

**(XIX) FACTORING AGREEMENT (CUSTOMER LL)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer LL) with Customer LL pursuant to which SY Factoring granted to Customer LL and its associated companies jointly a revolving factoring loan credit limit of RMB100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase orders entered into (as the case may be) by Customer LL (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer LL, or the purchase orders entered into by Customer LL as the vendor which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned.



**(XX) FACTORING AGREEMENT (CUSTOMER MM)**

The Board hereby announces that on 29 March 2019, Sheng Zhou entered into the Supplemental Factoring Agreement (Customer MM) with Customer MM pursuant to which i) the revolving factoring loan credit limit was revised from RMB52,000,000 to RMB100,000,000; ii) the credit limit could be granted by Sheng Zhou or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Zhou; iii) the factoring loan prepayment ratio was revised from not more than 80% to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); iv) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); v) the service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown) to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); vi) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; vii) the factoring was revised from without notification to whether the factoring is with or without notification is to be determined based on the accounts receivable assigned; and viii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(XXI) FACTORING AGREEMENT (CUSTOMER NN)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer NN) with Customer NN pursuant to which SY Factoring and its associated companies jointly granted to Customer NN a revolving factoring loan credit limit of RMB200,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

**(XXII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER OO)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer OO) with Customer OO pursuant to which i) the revolving factoring loan credit limit was revised from RMB80,000,000 to RMB100,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

**(XXIII) FACTORING AGREEMENT (CUSTOMER PP)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer PP) with Customer PP pursuant to which SY Factoring granted to Customer PP a revolving factoring loan credit limit of RMB 100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and an annual service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

**(XXIV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER QQ and CUSTOMER RR)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer QQ and customer RR) with Customer QQ and Customer RR pursuant to which, in relation to Previous Agreements (Customer QQ), i) the revolving factoring loan credit limit was revised from RMB80,000,000 (for Customer QQ only) to RMB150,000,000 (for Customer QQ, Customer RR and their associated companies jointly); ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); iv) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. In relation to Previous Agreements (Customer RR), i) the revolving factoring loan credit limit granted to Customer RR and Customer QQ jointly was revised from RMB80,000,000 to RMB150,000,000 shared among Customer RR, Customer QQ and their associated companies jointly; ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iv) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(XXV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER SS)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer SS) with Customer SS pursuant to which i) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(XXVI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER TT)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer TT) with Customer TT pursuant to which i) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); iii) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) the service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown) to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

**(XXVII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER UU AND CUSTOMER VV)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer UU and Customer VV) with Customer UU and Customer VV pursuant to which i) the revolving factoring loan credit limit granted to Customer UU and Customer VV jointly was revised from RMB95,000,000 to RMB 100,000,000 shared among Customer UU, Customer VV and their associated companies jointly; ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); and iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

**(XXVIII) SUPPLEMENTAL REVERSE FACTORING AGREEMENT  
(CUSTOMER WW)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Reverse Factoring Agreement (Customer WW) with Customer WW pursuant to which i) the revolving guarantee limit of RMB180,000,000 was revised to RMB 500,000,000 (the guarantee limit is granted to Customer WW and its associated companies with the same beneficial owner(s) or designated third parties approved by SY Factoring jointly. The guarantee limit could be granted by SY Factoring or any of its associated companies but the accumulated guarantee limit in any event would not exceed RMB500,000,000); ii) the credit guarantee ratio was set at not more than 100% of the Accounts Receivable (Customer WW); iii) the expiry date of the guarantee limit was revised from 3 January 2021 to 30 April 2020; iv) the factoring guarantee fee was set to not more than 12% of the amount of Accounts Receivable (Customer WW) per year; and v) the factoring was set to be with notification.

**(XXIX) FACTORING AGREEMENT (CUSTOMER XX)**

The Board hereby announces that on 29 March 2019, Sheng Peng entered into the Factoring Agreement (Customer XX) with Customer XX pursuant to which Sheng Peng granted to Customer XX a revolving factoring loan credit limit of RMB 600,000,000 at an annual interest rate of not more than 9.5% (including tax) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 70% of the accounts receivable assigned. The credit limit could be granted by Sheng Peng or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Peng. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

### **(XXX) FACTORING AGREEMENT (CUSTOMER YY)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer YY) with Customer YY pursuant to which SY Factoring granted to Customer YY a revolving factoring loan credit limit of RMB 300,000,000 at an annual interest rate of not more than 7.5% (including tax) and an annual service fee of not more than 3% (including tax) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 80% of the accounts receivable assigned. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

### **GEM LISTING RULES IMPLICATIONS**

#### *Major transactions — Factoring Agreements (Major)*

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to each of the Factoring Agreements (Major) exceeds 25%, the entering into of each of the Factoring Agreements (Major) constitute a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting, announcement, circular and shareholders' approval requirements under the GEM Listing Rules.

Pursuant to Rule 19.44 of the GEM Listing Rules, Shareholders' approval of the Factoring Agreements (Major) may be given by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Factoring Agreements (Major) and the transactions contemplated thereunder; and (2) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Factoring Agreements (Major) and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, no Shareholder including Wisdom Cosmos is required to abstain from voting if the Company were to convene a general meeting for approving the Factoring Agreements (Major) and the transactions contemplated thereunder. Wisdom Cosmos, holding 555,000,000 Shares, representing 63.15% of the issued share capital of the Company, provided written shareholder's approvals on

the Factoring Agreements (Major) and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements (Major) and the transactions contemplated thereunder pursuant to Rule 19.44 of the GEM Listing Rules.

A circular, containing among other things, details of the Factoring Agreements (Major) and other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 18 April 2019.

*Material change of terms of the previously announced discloseable transactions — Factoring Agreements (Previous Discloseable)*

The Directors consider that each of the Factoring Agreements (Previous Discloseable) constitute material change to the terms of its respective preceding agreements and the Company shall re-comply with the requirements under Chapter 19 of the GEM Listing Rules.

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the Factoring Agreements (Previous Discloseable) each exceeds 5% but is less than 25%, the entering into of the Factoring Agreements (Previous Discloseable) constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements.

*Discloseable transactions — Factoring Agreements (Discloseable)*

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the Factoring Agreements (Discloseable) each exceeds 5% but is less than 25%, the entering into of the Factoring Agreements (Discloseable) constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements.

**(A) MAJOR TRANSACTIONS**

**(I) REFACTORIZING AGREEMENT (CUSTOMER A)**

**Background**

Since 29 December 2017, SY Factoring entered into the Previous Agreements (Customer A) with Customer A pursuant to which SY Factoring granted a revolving refactoring loan credit limit of RMB1,000,000,000 to Customer A being secured by accounts receivables assigned to Customer A from the factoring customers of Customer A at an annual interest rate of not more than

15% (the exact interest rate to be determined upon each drawdown) which would expire on 30 April 2019. Please refer to the announcement of the Company dated 21 May 2018 and the circular of the Company dated 22 June 2018 for details of the Previous Agreements (Customer A).

### **Refactoring Agreement (Customer A)**

The Board hereby announces that, in view of the expiry of the Previous Agreements (Customer A) on 30 April 2019, SY Factoring entered into the Refactoring Agreement (Customer A) with Customer A on 29 March 2019 pursuant to which SY Factoring granted a revolving refactoring loan credit limit of RMB1,000,000,000 to Customer A being secured by accounts receivables assigned to Customer A from the factoring customers of Customer A at an annual interest rate of not more than 15% (the exact interest rate to be determined upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The refactoring was with recourse.

The interest rate was determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer A and the debtors of the accounts receivables assigned to Customer A from Customer A's factoring customers; ii) the credit period; and iii) the refactoring was with recourse.

### **Condition precedent**

The Refactoring Agreement (Customer A) is conditional upon the Company's compliance with the requirements under the GEM Listing Rules relating to the Refactoring Agreement (Customer A) and the transactions contemplated thereunder.

## **(II) FACTORING AGREEMENT (CUSTOMER B)**

## **(III) FACTORING AGREEMENT (CUSTOMER C)**

## **(IV) FACTORING AGREEMENT (CUSTOMER D)**

### **Background**

Since 13 September 2017, SY Factoring entered into the Previous Agreements (Customer B), Previous Agreements (Customer C) and Previous Agreements (Customer D) with Customer B, Customer C and Customer D respectively pursuant to which a revolving factoring loan credit limit of RMB600,000,000 was granted to Customer B, Customer C, Customer D and their associated companies jointly at an annual interest rate of not less than 10% and not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 1% of the accounts receivable



assigned (the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. Please refer to the announcement of the Company dated 21 May 2018 and the circular of the Company dated 22 June 2018 for details of the Previous Agreements (Customer B), Previous Agreements (Customer C) and Previous Agreements (Customer D).

**Factoring Agreement (Customer B), Factoring Agreement (Customer C) and Factoring Agreement (Customer D)**

The Board hereby announces that, in view of the expiry of the Previous Agreements (Customer B), Previous Agreements (Customer C) and Previous Agreements (Customer D) on 30 April 2019, SY Factoring entered into the Factoring Agreement (Customer B), Factoring Agreement (Customer C) and Factoring Agreement (Customer D) with Customer B, Customer C and Customer D respectively on 29 March 2019, pursuant to which a revolving factoring loan credit limit of RMB450,000,000 was granted to Customer B, Customer C, Customer D and their associated companies jointly at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 1% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and without notification.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer B, Customer C and Customer D and the debtors of the accounts receivables provided by Customer B, Customer C and Customer D; ii) the credit period; and iii) the factoring was with recourse.

If Customer B, Customer C, Customer D or any of their associated companies does not utilize the credit limit within 90 days from the date of signing of the the Factoring Agreement (Customer B), the Factoring Agreement (Customer C) and Factoring Agreement (Customer D), SY Factoring shall cease the provision of the credit limit to Customer B, Customer C, Customer D or any of their associated companies.

## **Condition precedent**

Each of the Factoring Agreement (Customer B), the Factoring Agreement (Customer C) and the Factoring Agreement (Customer D) is conditional upon the Company's compliance with the requirements under the GEM Listing Rules relating to each of the Factoring Agreement (Customer B), the Factoring Agreement (Customer C), the Factoring Agreement (Customer D) and the transactions contemplated thereunder.

## **(V) FACTORING AGREEMENT (CUSTOMER E)**

### **Background**

Since 20 February 2017, SY Factoring entered into the Previous Agreements (Customer E) with Customer E pursuant to which a revolving factoring loan credit limit of RMB600,000,000 was granted to Customer E at an annual interest rate of not less than 10% and not more than 15% (the exact interest rate to be negotiated upon each drawdown) and service fee of not more than 1% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would expire on 29 March 2019. Please refer to the announcement of the Company dated 16 April 2018 and the circular of the Company dated 25 May 2018 for details of the Previous Agreements (Customer E).

### **Factoring Agreement (Customer E)**

The Board hereby announces that in view of the expiry of the Previous Agreements (Customer E) on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer E) with Customer E on 29 March 2019 pursuant to which a revolving factoring loan credit limit of RMB600,000,000 was granted to Customer E and its associated companies at the sum of annual interest rate and service fee of not more than 16% (the exact sum of interest rate and service fee to be negotiated upon each drawdown) which would take effect from 29 March 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer E and the debtors of the accounts receivables provided by Customer E; ii) the credit period; and iii) the factoring was with recourse.

If Customer E or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer E), SY Factoring shall cease the provision of the credit limit to Customer E or any of its associated companies.

### **Condition precedent**

The Factoring Agreement (Customer E) is conditional upon the Company's compliance with the requirements under the GEM Listing Rules relating to the Factoring Agreement (Customer E) and the transactions contemplated thereunder.

**(VI) FACTORING AGREEMENT (CUSTOMER F)**

**(VII) FACTORING AGREEMENT (CUSTOMER G)**

**(VIII) FACTORING AGREEMENT (CUSTOMER H)**

**(IX) FACTORING AGREEMENT (CUSTOMER I)**

### **Background**

Since 21 May 2018, SY Shenzhen entered into the Previous Agreements (Customer F), Previous Agreements (Customer G), Previous Agreements (Customer H) and Previous Agreements (Customer I) with Customer F, Customer G, Customer H and Customer I respectively pursuant to which a revolving factoring loan credit limit of RMB400,000,000 was granted to Customer F, Customer G, Customer H and Customer I jointly at the sum of annual interest rate and service fee of not more than 15% (the exact sum of interest rate and service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. Please refer to the announcement of the Company dated 21 May 2018 and the circular of the Company dated 22 June 2018 for details of the Previous Agreements (Customer F), Previous Agreements (Customer G), Previous Agreements (Customer H) and Previous Agreements (Customer I).

### **Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I)**

The Board hereby announces that, in view of the expiry of the Previous Agreements (Customer F), Previous Agreements (Customer G), Previous Agreements (Customer H) and Previous Agreements (Customer I) on 30 April 2019, SY Shenzhen entered into the Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I) with Customer F, Customer G, Customer H and Customer I respectively on 29 March 2019 pursuant to which a revolving

factoring loan credit limit of RMB400,000,000 was granted to Customer F, Customer G, Customer H, Customer I and the companies approved by SY Shenzhen jointly at the sum of annual interest rate and service fee of not more than 15% which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Shenzhen or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Shenzhen. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer F, Customer G, Customer H and Customer I and the debtors of the accounts receivables provided by them; ii) the credit period; and iii) the factoring was with recourse.

If Customer F, Customer G, Customer H, Customer I and the companies approved by SY Shenzhen does not utilize the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I), SY Shenzhen shall cease the provision of the credit limit to Customer F, Customer G, Customer H, Customer I and the companies approved by SY Shenzhen.

### **Condition precedent**

The Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I) are conditional upon the Company's compliance with the requirements under the GEM Listing Rules relating to the Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I) and the transactions contemplated thereunder.

**(B) MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED DISCLOSEABLE TRANSACTIONS**

**(I) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER K)**

Reference is made to the announcement of the Company dated 21 May 2018.

After the entering into of the Previous Agreements (Customer K), Customer K applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB76.5 million of the revolving factoring loan which was utilized remained outstanding.

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer K) with Customer K pursuant to which i) the revolving factoring loan credit limit granted to Customer K was revised from RMB170,000,000 to RMB200,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iii) The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring.

Save as disclosed above, all the terms of the Previous Agreements (Customer K) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer K and the debtors of the accounts receivables provided by Customer K; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer K from the date of signing of the Supplemental Factoring Agreement (Customer K), SY Factoring shall cease the provision of the credit limit to Customer K.

## **(II) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER L)**

Reference is made to the announcement of the Company dated 2 July 2018.

After the entering into of the Previous Agreements (Customer L), Customer L applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by Yong Zhuo. As at the Latest Practicable Date, RMB299.8 million of the revolving factoring loan which was utilized remained outstanding. With a view to reorganizing the business structure of the Group, SY Factoring substituted Yong Zhuo in the rights and obligations under the Previous Agreements (Customer L).

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer L) with Customer L pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer L) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer L and the debtors of the accounts receivables provided by Customer L; ii) the credit period; and iii) the factoring was with recourse.

If either Customer L or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Second Supplemental Factoring Agreement (Customer L), SY Factoring shall cease the provision of the credit limit to Customer L or any of its associated companies.

## **(III) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER M)**

Reference is made to the announcement of the Company dated 2 July 2018.

After the entering into of the Previous Agreements (Customer M), Customer M applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB300.0 million of the revolving factoring loan which was utilized remained outstanding. With a view to reorganizing the business structure of the Group, SY Factoring substituted Yong Zhuo in the rights and obligations under the Previous Agreements (Customer M).

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer M) with Customer M pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer M) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer M and the debtors of the accounts receivables provided by Customer M; ii) the credit period; and iii) the factoring was with recourse.

If either Customer M or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Second Supplemental Factoring Agreement (Customer M), SY Factoring shall cease the provision of the credit limit to Customer M or any of its associated companies.

#### **(IV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER N)**

Reference is made to the announcement of the Company dated 2 July 2018.

After the entering into of the Previous Agreements (Customer N), Customer N applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by Yong Zhuo. As at the Latest Practicable Date, RMB272.8 million of the revolving factoring loan which was utilized remained outstanding.

The Board hereby announces that on 29 March 2019, Yong Zhuo entered into the Supplemental Factoring Agreement (Customer N) with Customer N pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer N) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer N and the debtors of the accounts receivables provided by Customer N ; ii) the credit period; and iii) the factoring was with recourse.

If either Customer N or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer N), Yong Zhuo shall cease the provision of the credit limit to Customer N or any of its associated companies.

**(V) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER O).**

Reference is made to the announcement of the Company dated 2 July 2018.

After the entering into of the Previous Agreements (Customer O), Customer O applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by Yong Zhuo. As at the Latest Practicable Date, RMB190.2 million of the revolving factoring loan which was utilized remained outstanding.

The Board hereby announces that on 29 March 2019, Yong Zhuo entered into Supplemental Factoring Agreement (Customer O) with Customer O pursuant to which the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer O) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer O and the debtors of the accounts receivables provided by Customer O; ii) the credit period; and iii) the factoring was with recourse.

If either Customer O or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer O), Yong Zhuo shall cease the provision of the credit limit to Customer O or any of its associated companies.



## **(C) DISCLOSEABLE TRANSACTIONS**

### **(I) FACTORING AGREEMENT (CUSTOMER J)**

#### **Background**

Since 13 August 2015, SY Factoring entered into the Previous Agreements (Customer J) with Customer J pursuant to which a revolving factoring loan credit limit of RMB320,000,000 was granted to Customer J at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and service fee of not more than 2% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. Please refer to the announcement of the Company dated 21 May 2018 and the circular of the Company dated 22 June 2018 for details of the Previous Agreements (Customer J).

#### **Factoring Agreement (Customer J)**

The Board hereby announces that in view of the expiry of the Previous Agreements (Customer J) on 30 April 2019, SY Factoring entered into the Factoring Agreement (Customer J) with Customer J on 29 March 2019 pursuant to which a revolving factoring loan credit limit of RMB320,000,000 was granted to Customer J at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and service fee of not more than 2% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) which would take effect from 1 May 2019 and expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer J and the debtors of the accounts receivables provided by Customer J; ii) the credit period; and iii) the factoring was with recourse.

If Customer J does not utilize the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer J), SY Factoring shall cease the provision of the credit limit to Customer J.

## **(II) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER P AND CUSTOMER Q)**

### **Background**

On 17 August 2018, SY Factoring entered into the Previous Agreements (Customer P) with Customer P pursuant to which SY Factoring agreed to provide to Customer P, among other things, i) a revolving factoring loan with a credit limit of RMB52,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer P or the purchase orders entered into by Customer P as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

On 5 September 2018, SY Factoring entered into the Previous Agreements (Customer Q) with Customer Q pursuant to which SY Factoring agreed to provide to Customer Q, among other things, i) a revolving factoring loan with a credit limit of RMB78,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer Q or the purchase orders entered into by Customer Q as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer P) and Previous Agreements (Customer Q), Customer P and Customer Q applied for utilizations of the revolving factoring loan via several applications respectively which had

been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB26.9 million of the revolving factoring loans granted to Customer P and Customer Q which were utilized remained outstanding respectively.

### **Supplemental Factoring Agreement (Customer P and Customer Q)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer P and Customer Q) with Customer P and Customer Q pursuant to which i) a revolving factoring loan credit limit was granted to Customer P, Customer Q and their associated companies, jointly; ii) the credit limit was revised from RMB52,000,000 and RMB78,000,000 to Customer P and Customer Q, respectively, to RMB 210,000,000 to Customer P, Customer Q and their associated companies; iii) an annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown), to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown), to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; vii) the utilization deadline was revised from within 30 days from the date of receipt of the respective signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and viii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% of the (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

Save as disclosed above, all the terms of the Previous Agreements (Customer P) and the Previous Agreements (Customer Q) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer P and Customer Q) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer P and Customer Q and the debtors of the accounts receivables provided by Customer P and Customer Q; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer P and Customer Q from the date of signing of the Supplemental Factoring Agreement (Customer P and Customer Q), SY Factoring shall cease the provision of the credit limit to Customer P and Customer Q.

### **(III) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER R)**

#### **Background**

Since 9 October 2018, SY Factoring entered into the Previous Agreements (Customer R) with Customer R pursuant to which SY Factoring granted to Customer R, among other things, i) a revolving factoring loan credit limit of RMB73,000,000 at an annual interest rate of not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) being secured either by accounts receivables of Customer R or the purchase orders entered into by Customer R as the vendor which would expire on 30 April 2019; ii) accounts receivable management services and iii) accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned. The factoring is with recourse and without notification.

After the entering into of the Previous Agreements (Customer R), Customer R applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB6.5 million of the revolving factoring loan which was utilized remained outstanding.

#### **Supplemental Factoring Agreement (Customer R)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer R) with Customer R pursuant to which i) the revolving factoring loan credit limit granted to Customer R was revised from RMB73,000,000 to RMB200,000,000; ii) the annual interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) a service fee was revised from nil to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; vi) the factoring was revised from without notification to whether it was with or without notification would be determined based on the accounts receivable assigned or

the purchase order assigned (as the case may be); vii) the factoring loan prepayment ratio was revised from not more than 100% to not more than 100% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and viii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer R) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer R) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer R and the debtors of the accounts receivables provided by Customer R; ii) the credit period; and iii) the factoring was with recourse.

#### **(IV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER S)**

##### **Background**

On 13 September 2018, SY Factoring entered into the Previous Agreements (Customer S) with Customer S pursuant to which SY Factoring granted to Customer S a revolving factoring loan credit limit of RMB73,000,000 at an annual interest rate of 16% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer S or the purchase orders entered into by Customer S as the vendor which would expire on 30 April 2019; ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 80% of the amounts receivable assigned or the purchase order assigned (as the case may be). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreement (Customer S), Customer S applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB37.9 million of the revolving factoring loan which was utilized remained outstanding.

## **Supplemental Factoring Agreement (Customer S)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer S) with Customer S pursuant to which i) the revolving factoring loan credit limit granted to Customer S was revised from RMB73,000,000 to RMB150,000,000; ii) the annual interest rate was revised from not more than 16% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) the service fee was revised from not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; vi) the factoring loan prepayment ratio was revised from not more than 80% of the accounts receivable assigned or the purchase order assigned (as the case may be) to not more than 100% of the accounts receivable assigned or the purchase order assigned (as the case may be); and viii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer S) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer S) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer S and the debtors of the accounts receivables provided by Customer S; ii) the credit period; and iii) the factoring was with recourse.

## **(V) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER T AND CUSTOMER U)**

### **Background**

Since 28 November 2018, SY Factoring entered into the Previous Agreements (Customer T) with Customer T, pursuant to which SY Factoring agreed to provide to Customer T, among other things, i) a revolving factoring loan credit limit of RMB100,000,000 at an annual interest rate of not more than 16% (including tax, the exact interest rate to be negotiated upon each drawdown) and

service fee of not more than 2% (including tax, the exact interest rate to be negotiated upon each drawdown) being secured either by accounts receivables of Customer T or the purchase orders entered into by Customer Tas the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned and not more than 80% of the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

Since 28 November 2018, SY Factoring entered into the Previous Agreements (Customer U) with Customer U pursuant to which SY Factoring agreed to provide to Customer U, among other things, i) a revolving factoring loan credit limit of RMB100,000,000 at an annual interest rate of not more than 16% (including tax, the exact interest rate to be negotiated upon each drawdown) being secured either by accounts receivables of Customer U or the purchase orders entered into by Customer U as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer T) and Previous Agreements (Customer U), Customer T and Customer U applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB3.2 million and RMB7.9 million of the revolving factoring loan which was utilized remained outstanding respectively.

### **Supplemental Factoring Agreement (Customer T and Customer U)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer T and Customer U) with Customer T and Customer U pursuant to which i) a revolving factoring loan credit limit was granted to Customer T Customer U and their associated

companies jointly; ii) the credit limit was revised from RMB100,000,000 to RMB 200,000,000 to Customer T, Customer U and their associated companies; iii) an annual interest rate was revised from not more than 16% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was received from nil for Customer U and 2% for Customer T to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date was revised from 30 April 2019 to 30 April 2020; vi) the utilization deadline was revised from within 30 days from the date of receipt of the respective signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and vii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring of Customer T), 100% (for purchase order financing of Customer U) or not more than 100% (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

Save as disclosed above, all the terms of Previous Agreements (Customer T) and Previous Agreements (Customer U) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer T and Customer U) were determined by the parties on arm's length negotiation taking into account i) the credit ratings of Customer T and Customer U and the debtors of the accounts receivables provided by Customer T and Customer U; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer T Customer U and their associated companies utilizes the credit limit within 90 days by from the date of signing of the Supplemental Factoring Agreement (Customer T and Customer U), SY Factoring shall cease the provision of the credit limit to Customer T Customer U and their associated companies.



## **(VI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER V AND CUSTOMER W)**

### **Background**

Since 26 December 2018, SY Factoring entered into the Previous Agreements (Customer W) with Customer W pursuant to which SY Factoring agreed to provide to Customer W, among other things, i) a revolving factoring loan credit limit of RMB50,000,000.00 at an annual interest rate of not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) being secured either by accounts receivables of Customer W or the purchase orders entered into by Customer W as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer W) Customer W applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB1.3 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer V and Customer W)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer V and Customer W) with Customer V and Customer W pursuant to which i) a factoring loan credit limit was revised from RMB50,000,000 to RMB100,000,000; ii) the loan credit limit was granted to Customer V, Customer W and their associated companies jointly; iii) an interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from nil to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date was revised from 30 April 2019 to 30 April 2020; vi) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact

factoring loan prepayment ratio to be negotiated upon each drawdown); and vii) The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring.

Save as disclosed above, all the terms of the Previous Agreements (Customer W) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer V and Customer W) was determined by the parties on arm's length negotiation taking into account i) the credit ratings of Customer V and Customer W and the debtors of the accounts receivables provided by Customer V and Customer W; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer V, Customer W and their associated companies utilizes the credit limit within 90 days by from the date of signing of the Supplemental Factoring Agreement (Customer V and Customer W), SY Factoring shall cease the provision of the credit limit to Customer V, Customer W and their associated companies.

## **(VII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER X AND CUSTOMER Y)**

### **Background**

Since 20 July 2018, Sheng Zhuo entered into the Previous Agreements (Customer X) with Customer X pursuant to which Sheng Zhuo agreed to provide to Customer X, among other things, i) a revolving factoring loan credit limit of RMB52,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer X or the purchase orders entered into by Customer X as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

Since 21 November 2018, Sheng Zhuo entered into the Previous Agreements (Customer Y) with Customer Y pursuant to which Sheng Zhuo and its associated companies agreed to provide to Customer Y, among other things, i) a revolving factoring loan credit limit of RMB52,000,000 (for Customer X and Customer Y jointly) at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer X and Customer Y or the purchase orders entered into by Customer X and Customer Y as the vendors which would expire on 30 April 2019; and ii) accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The credit limit could be granted by Sheng Zhuo or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Zhuo. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer X) and Previous Agreements (Customer Y), Customer X and Customer Y applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by Sheng Zhuo or its associated companies. As at the Latest Practicable Date, RMB13.0 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer X and Customer Y)**

The Board hereby announces that on 29 March 2019, Sheng Zhuo entered into the Supplemental Factoring Agreement (Customer X and Customer Y) with Customer X pursuant to which i) a revolving factoring loan credit limit was granted to Customer X, Customer Y and their associated companies jointly; ii) the credit limit was revised from RMB52,000,000 to RMB100,000,000 to Customer X, Customer Y and their associated companies jointly; iii) an annual interest rate was revised from (1) not more than 15% (the exact interest rate to be negotiated upon each drawdown) for Customer X and (2) not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) for Customer Y, to not more than 15% (including tax, the exact sum of interest rate to be negotiated upon each drawdown); iv) a service fee was revised from (1) not more than 2% (the exact service fee to be negotiated upon each drawdown) for Customer X and (2) not more than 2% (including tax, the exact interest rate to be negotiated upon each drawdown) for Customer Y, to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be)

(including tax, the exact service fee to be negotiated upon each drawdown); v) the credit limit could be granted by Sheng Zhuo or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Zhuo; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; vii) the utilization deadline was revised from within 30 and 90 days from the date of receipt of the signed factoring agreement of Customer X and Customer Y, respectively, to 90 days from the date of receipt of the signed factoring agreement; and viii) the factoring loan prepayment ratio was revised from (1) not more than 100% of the accounts receivable assigned or the purchase order assigned by Customer X; and (2) not more than 80% for purchase order factoring or not more than 100% of the accounts receivable assigned by Customer Y, to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer X) was determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer X and Customer Y and the debtors of the accounts receivables provided by Customer X and Customer Y; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer X, Customer Y and their associated companies utilizes the credit limit within 90 days by from the date of signing of the Supplemental Factoring Agreement (Customer X), Sheng Zhuo shall cease the provision of the credit limit to Customer X, Customer Y and their associated companies.

## **(VIII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER Z)**

### **Background**

Since 18 September 2018, SY Factoring entered into the Previous Agreements (Customer Z) with Customer Z pursuant to which SY Factoring agreed to provide to Customer Z, among other things, i) SY Factoring granted to Customer Z and its associated companies jointly a revolving factoring loan credit limit of RMB78,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer Z or the purchase orders entered into by Customer Z as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the

framework agreement. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer Z), Customer Z applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB12.8 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer Z)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer Z) with Customer Z pursuant to which i) a revolving factoring loan credit limit was granted to Customer Z and its associated companies jointly; ii) the credit limit was revised from RMB78,000,000 to RMB 200,000,000; iii) an annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown), to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) a service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown), to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; vi) the expiry date was revised from 30 April 2019 to 30 April 2020; and vii) the utilization deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer Z) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer Z) was determined by the parties on arm's length negotiation taking into account i) the credit ratings of Customer Z and the debtors of the accounts receivables provided by Customer Z; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer Z and its associated companies utilizes the credit limit within 90 days by from the date of signing of the Supplemental Factoring Agreement (Customer Z), SY Factoring shall cease the provision of the credit limit to Customer Z and its associated companies.

## **(IX) FIFTH SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER AA)**

### **Background**

Since 11 July 2018, SY Factoring entered into the Previous Agreements (Customer AA) with Customer AA pursuant to which SY Factoring and its associated companies agreed to provide to Customer AA, among other things, i) a revolving factoring loan with a credit limit of RMB100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be negotiated upon each drawdown) being secured by the accounts receivables of Customer AA which would expire on 30 April 2019; and ii) accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring was with recourse. Whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer AA), Customer AA applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB51.4 million of the revolving factoring loan which was utilized remained outstanding.

### **Fifth Supplemental Factoring Agreement (Customer AA)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Fifth Supplemental Factoring Agreement (Customer AA) with Customer AA pursuant to which i) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring) to not more than 100% for both purchase order factoring and accounts receivable factoring; and ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer AA) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Fifth Supplemental Factoring Agreement (Customer AA) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer AA and the debtors of the accounts receivables provided by Customer AA; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer AA from the date of signing of the Fifth Supplemental Factoring Agreement (Customer AA), SY Factoring shall cease the provision of the credit limit to Customer AA.

## **(X) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER BB)**

### **Background**

Since 14 December 2017, SY Factoring entered into the Previous Agreements (Customer BB) with Customer BB pursuant to which SY Factoring and its associated companies agreed to provide to Customer BB, among other things, i) a revolving factoring loan credit limit of RMB52,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019; and ii) accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring is with recourse. Whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer BB), Customer BB applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB19.6 million of the revolving factoring loan which was utilized remained outstanding.

### **Second Supplemental Factoring Agreement (Customer BB)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer BB) with Customer BB pursuant to which i) the revolving factoring loan credit limit granted to Customer BB was revised from RMB52,000,000 to RMB100,000,000; ii) the factoring loan prepayment ratio was revised from not more than 80% (for

purchase order factoring) or not more than 100% (for accounts receivable factoring) to not more than 100% for both purchase order factoring and accounts receivable factoring (the exact factoring loan prepayment ratio to be determined of upon each drawdown); and iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer BB) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Second Supplemental Factoring Agreement (Customer BB) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer BB and the debtors of the accounts receivables provided by Customer BB; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer BB from the date of signing of the Second Supplemental Factoring Agreement (Customer BB), SY Factoring shall cease the provision of the credit limit to Customer BB.

## **(XI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER CC)**

### **Background**

Since 21 November 2018, SY Factoring entered into the Previous Agreements (Customer CC) with Customer CC pursuant to which SY Factoring agreed to provide to Customer CC, among other things, i) a revolving factoring loan credit limit of RMB80,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer CC or the purchase orders entered into by Customer CC as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer CC) and Supplemental Factoring Agreement (Customer CC), Customer CC applied for



utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB19.5 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer CC)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer CC) with Customer CC pursuant to which i) the revolving factoring loan credit limit granted to Customer CC was revised from RMB80,000,000 to RMB100,000,000; ii) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iv) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); v) a service fee was revised from 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (the exact service fee to be negotiated upon each drawdown) to not more than 2% of the accounts receivable assigned or the purchase order assigned (as the case may be) (including tax, the exact service fee to be negotiated upon each drawdown); and vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer CC) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer CC) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer CC and the debtors of the accounts receivables provided by Customer CC; ii) the credit period; and iii) the factoring was with recourse.

## **(XII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER DD)**

### **Background**

Since 8 October 2018, SY Factoring entered into the Previous Agreements (Customer DD) with Customer DD pursuant to which SY Factoring agreed to provide to Customer DD, among other things, i) a revolving factoring loan with a credit limit of RMB45,000,000 at an annual interest rate of 13% (including tax) being secured by the accounts receivables of Customer DD which would expire on 30 April 2020; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned. The factoring was with recourse and without notification.

After the entering into of the Previous Agreements (Customer DD), Customer DD applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB9.5 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer DD)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer DD) with Customer DD pursuant to which i) a revolving factoring loan with a credit limit was revised from RMB45,000,000 to RMB100,000,000; ii) the interest rate was revised from 13% (including tax) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iii) the service fee was revised from nil to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); iv) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; v) whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be); vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and vii) the factoring was revised from being without notification to that whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

Save as disclosed above, all the terms of the Previous Agreements (Customer DD) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate of the revolving factoring loan and the service fee in the Supplemental Factoring Agreement (Customer DD) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer DD and the debtors of the accounts receivables provided by Customer DD; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer DD or its associated companies utilizes the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer DD), SY Factoring shall cease the provision of the credit limit to Customer DD or its associated companies.

### **(XIII) FACTORING AGREEMENT (CUSTOMER EE)**

#### **Background**

On 30 November 2018, SY Factoring entered into the Previous Agreement (Customer EE) with Customer EE pursuant to which SY Factoring agreed to provide to Customer EE i) financing being secured by the accounts receivables of Customer EE; ii) accounts receivable management services; and iii) accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. Pursuant to the Previous Agreement (Customer EE), detailed terms of the factoring services to be provided by SY Factoring to Customer EE are to be further agreed by the parties.

#### **Factoring Agreement (Customer EE)**

The Board hereby announces that on 29 March 2019 SY Factoring entered into the Factoring Agreement (Customer EE) with Customer EE pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer EE and its associated companies jointly at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) secured by the accounts receivable assigned and purchase orders assigned by Customer EE which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring was with recourse and whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

The interest rate and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer EE and the debtors of the accounts receivables provided by Customer EE; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer EE or its associated companies utilizes the credit limit within 90 days by from the date of signing of the Factoring Agreement (Customer EE), SY Factoring shall cease the provision of the credit limit to Customer EE and its respective associated companies.

#### **(XIV) FACTORING AGREEMENT (CUSTOMER FF)**

The Board hereby announces that on 29 March 2019 SY Factoring entered into the Factoring Agreement (Customer FF) with Customer FF pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer FF and its associated companies jointly at an annual interest rate being not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of (including tax, the exact service fee to be negotiated upon each drawdown) secured by the accounts receivable assigned and purchase orders assigned by Customer FF which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring was with recourse and whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

The interest rate and the service fee in the Factoring Agreement (Customer FF) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer FF and the debtors of the accounts receivables provided by Customer FF; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer FF or its associated companies utilizes the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer FF), SY Factoring shall cease the provision of the credit limit to Customer FF and its associated companies.

#### **(XV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER GG)**

##### **Background**

On 5 December 2018, SY Factoring entered into the Previous Agreement (Customer GG) with Customer GG pursuant to which SY Factoring granted to Customer GG a revolving factoring loan credit limit of RMB80,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) secured by the accounts receivable assigned and purchase orders assigned by Customer GG which would expire on

30 April 2019. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring was with recourse and whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreement (Customer GG), Customer GG applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB20.7 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer GG)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer GG) with Customer GG pursuant to which i) the revolving factoring loan credit limit granted to Customer GG was revised from RMB80,000,000 to RMB100,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

Save as disclosed above, all the terms of the Previous Agreement (Customer GG) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and the service fee in the Supplemental Factoring Agreement (Customer GG) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer GG and the debtors of the accounts receivables provided by Customer GG; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer GG from the date of signing of the Supplemental Factoring Agreement (Customer GG), SY Factoring shall cease the provision of the credit limit to Customer GG.

## **(XVI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER HH)**

### **Background**

Since 6 November 2018, SY Factoring entered into the Previous Agreements (Customer HH) with Customer HH pursuant to which SY Factoring agreed to provide to Customer HH, among other things, i) a revolving factoring loan with a credit limit of RMB80,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer HH or the purchase orders entered into by Customer HH as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% (for accounts receivable factoring). The factoring was with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

After the entering into of the Previous Agreements (Customer HH), Customer HH applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB5.6 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer HH)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer HH) with Customer HH pursuant to which i) a revolving factoring loan credit limit was granted to Customer HH and their associated companies jointly; ii) the credit limit was revised from RMB80,000,000 to RMB 100,000,000; iii) the factoring loan prepayment ratio was revised from not more than 80% (for purchase order factoring) or not more than 100% of the (for accounts receivable factoring), to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and iv) the expiry date was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer HH) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer HH and the debtors of the accounts receivables provided by them; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer HH and their associated companies utilizes the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer HH), SY Factoring shall cease the provision of the credit limit to Customer HH and their associated companies.

#### **(XVII) FACTORING AGREEMENT (CUSTOMER II)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer II) with Customer II pursuant to which a revolving factoring loan credit limit of RMB100,000,000 was granted to Customer II at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) which will expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned or the purchase order assigned (as the case may be).

The interest rate of the revolving factoring loan and the service fee in the Factoring Agreement (Customer II) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer II and the debtors of the accounts receivables provided by Customer II; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer II from the date of signing of the Factoring Agreement (Customer II), SY Factoring shall cease the provision of the credit limit to Customer II.

**(XVIII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER JJ AND CUSTOMER KK)**

**Background**

Since 15 March 2019, SY Factoring entered into the Previous Agreements (Customer JJ) with Customer JJ pursuant to which SY Factoring agreed to provide to Customer JJ, among other things, i) a revolving factoring loans with a credit limit of RMB80,000,000 at an annual interest rate of not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) being secured either by accounts receivables of Customer JJ or the purchase orders entered into by Customer JJ as the vendor, which would expire on 30 April 2020. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 80% (for purchase order factoring) or not more than 100% of the (for accounts receivable factoring). The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer JJ), Customer JJ applied for utilizations of the factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB33.5 million of the revolving factoring loan which was utilized remained outstanding.

**Supplemental Factoring Agreement (Customer JJ and Customer KK)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer JJ and Customer KK) with Customer JJ and Customer KK pursuant to which i) the revolving factoring loan credit limit granted to Customer JJ was revised from RMB80,000,000 (for Customer JJ only) to RMB120,000,000 (shared among Customer JJ, Customer KK and their associated companies jointly); ii) the factoring loan prepayment ratio was not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); iii) the annual interest rate was revised from not more than 18% (including tax, the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); and iv) the service fee was revised from nil to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown).



Save as disclosed above, all the terms of the Previous Agreements (Customer JJ) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer JJ and Customer KK and the debtors of the accounts receivables provided by them; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer JJ, Customer KK and their associated companies utilizes the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer JJ and Customer KK), SY Factoring shall cease the provision of the credit limit to Customer JJ, Customer KK and their associated companies.

#### **(XIX) FACTORING AGREEMENT (CUSTOMER LL)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer LL) with Customer LL pursuant to which SY Factoring granted to Customer LL and its associated companies jointly a revolving factoring loan credit limit of RMB100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned or the purchase orders entered into (as the case may be) by Customer LL (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by accounts receivables of Customer LL, or the purchase orders entered into by Customer LL as the vendor which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or the purchase order assigned. The factoring is with recourse and whether it was with or without notification would be determined based on the accounts receivable assigned.

The interest rate of the revolving factoring loan and the service fee in the Factoring Agreement (Customer LL) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer LL and the debtors of the accounts receivables provided by Customer LL; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer LL or any of its associated companies from the date of signing of the Factoring Agreement (Customer LL), SY Factoring shall cease the provision of the credit limit to Customer LL and its associated companies.

## **(XX) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER MM)**

### **Background**

Since 2 August 2018, Sheng Zhou entered into the Previous Agreements (Customer MM) with Customer MM pursuant to which Sheng Zhou agreed to provide to Customer MM, among other things, i) a revolving factoring loan with a credit limit of RMB52,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer MM which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The factoring loan prepayment ratio was set at not more than 80%. The factoring was with recourse and without notification.

After the entering into of the Previous Agreements (Customer MM), Customer MM applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by Sheng Zhou. As at the Latest Practicable Date, RMB16.5 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer MM)**

The Board hereby announces that on 29 March 2019, Sheng Zhou entered into the Supplemental Factoring Agreement (Customer MM) with Customer MM pursuant to which i) the revolving factoring loan credit limit was revised from RMB52,000,000 to RMB100,000,000; ii) the credit limit could be granted by Sheng Zhou or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Zhou; iii) the factoring loan prepayment ratio was revised from not more than 80% to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); iv) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); v) the service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown) to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); vi) the expiry date of the

credit period was revised from 30 April 2019 to 30 April 2020; vii) the factoring was revised from without notification to whether the factoring is with or without notification is to be determined based on the accounts receivable assigned; and viii) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer MM) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer MM and the debtors of the accounts receivables provided by Customer MM; ii) the credit period; and iii) the factoring was with recourse.

If Customer MM does not utilize the credit limit within 90 days from the date of signing of Supplemental Factoring Agreement (Customer MM), Sheng Zhou shall cease the provision of the credit limit to Customer MM.

#### **(XXI) FACTORING AGREEMENT (CUSTOMER NN)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer NN) with Customer NN pursuant to which SY Factoring and its associated companies jointly granted to Customer NN a revolving factoring loan credit limit of RMB200,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate of the revolving factoring loan and the service fee in the Factoring Agreement (Customer NN) were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer NN and the debtors of the accounts receivables provided by Customer NN; ii) the credit period; and iii) the factoring was with recourse.

If the credit limit was never utilized within 90 days by Customer NN from the date of signing of the Factoring Agreement (Customer NN), SY Factoring shall cease the provision of the credit limit to Customer NN.

## **(XXII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER OO)**

### **Background**

Since 20 November 2018, SY Factoring entered into the Previous Agreements (Customer OO) with Customer OO pursuant to which SY Factoring agreed to provide to Customer OO, among other things, i) a revolving factoring loan with a credit limit of RMB80,000,000 shared among Customer OO and its associated companies jointly at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be negotiated upon each drawdown) being either secured by the accounts receivables of Customer OO or the purchase orders entered into by Customer OO as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the framework agreement. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer OO), Customer OO applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB6.7 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer OO)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer OO) with Customer OO pursuant to which i) the revolving factoring loan credit limit was revised from RMB80,000,000 to RMB100,000,000; ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact factoring loan prepayment ratio to be negotiated upon each drawdown).

Under the Supplemental Factoring Agreement (Customer OO), the credit limit is to be shared among Customer OO and its associated companies owned by the same ultimate beneficial owner jointly.

Save as disclosed above, all the terms of the Previous Agreements (Customer OO) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer OO and the debtors of the accounts receivables provided by Customer OO; ii) the credit period; and iii) the factoring was with recourse.

If Customer OO or any of its associated companies does not utilize the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer OO), SY Factoring shall cease the provision of the credit limit to Customer OO or any of its associated companies.

### **(XXIII) FACTORING AGREEMENT (CUSTOMER PP)**

#### **Background**

Since 6 December 2018, SY Factoring entered into the Previous Agreements (Customer PP) with Customer PP pursuant to which SY Factoring has in principle agreed to provide to Customer PP, among other things, i) financing being secured by either the accounts receivables of Customer PP or the purchase orders entered into by Customer PP as the vendor; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreements (Customer PP). Pursuant to the Previous Agreements (Customer PP), detailed terms of the factoring service to be provided by SY Factoring to Customer PP are to be further agreed by the parties.

#### **Factoring Agreement (Customer PP)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer PP) with Customer PP pursuant to which SY Factoring granted to Customer PP a revolving factoring loan credit limit of RMB 100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and an annual service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 100% (the exact ratio to be negotiated upon each drawdown). The credit limit could be granted by SY Factoring or any

of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer PP and the debtors of the accounts receivables provided by Customer PP; ii) the credit period; and iii) the factoring was with recourse.

If Customer PP utilizes the credit limit within 90 days from the date of signing of Factoring Agreement (Customer PP), SY Factoring shall cease the provision of the credit limit to Customer PP.

#### **(XXIV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER QQ AND CUSTOMER RR)**

##### **Background**

Since 30 October 2018, SY Factoring entered into the Previous Agreements (Customer QQ) with Customer QQ pursuant to which SY Factoring agreed to provide to Customer QQ, among other things, i) a revolving factoring loan with a credit limit of RMB80,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer QQ or the purchase orders entered into by Customer QQ as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreements (Customer QQ). The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

Since 26 November 2018, SY Factoring entered into the Previous Agreements (Customer RR) with Customer RR pursuant to which SY Factoring agreed to provide to Customer RR, among other things, i) a revolving factoring loan with a credit limit of RMB80,000,000 (for Customer QQ and Customer RR jointly) at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer RR or the purchase orders entered into by Customer RR as the vendor which would expire

on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreements (Customer RR). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer QQ) and Previous Agreements (Customer RR), Customer QQ and Customer RR applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB44.2 million of the revolving factoring loan which was utilized remained outstanding.

#### **Supplemental Factoring Agreement (Customer QQ and Customer RR)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer QQ and Customer RR) with Customer QQ and Customer RR pursuant to which, in relation to Previous Agreements (Customer QQ), i) the revolving factoring loan credit limit was revised from RMB80,000,000 to RMB150,000,000 (for Customer QQ, Customer RR and their associated companies jointly); ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; iii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); iv) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement; and v) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring.

Under the Supplemental Factoring Agreement (Customer QQ and Customer RR), the credit limit is to be shared among Customer QQ, Customer RR and their associated companies jointly.

Save as disclosed above, all the terms of the Previous Agreements (Customer QQ) and Previous Agreements (Customer RR) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer QQ and Customer RR and the debtors of the accounts receivables provided by them; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer QQ, Customer RR and their associated companies utilizes the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer QQ and Customer RR), SY Factoring shall cease the provision of the credit limit to Customer QQ, Customer RR and their associated companies.

## **(XXV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER SS)**

### **Background**

Since 7 January 2019, SY Factoring entered into the Previous Agreements (Customer SS) with Customer SS pursuant to which SY Factoring agreed to provide to Customer SS, among other things, i) a revolving factoring loan with a credit limit of RMB100,000,000 at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being either secured by the accounts receivables of Customer SS or the purchase orders entered into by Customer SS as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreements (Customer SS). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer SS), Customer SS applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB21.5 million of the revolving factoring loan which was utilized remained outstanding.



## **Supplemental Factoring Agreement (Customer SS)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer SS) with Customer SS pursuant to which i) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); and ii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Save as disclosed above, all the terms of the Previous Agreements (Customer SS) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer SS and the debtors of the accounts receivables provided by Customer SS; ii) the credit period; and iii) the factoring was with recourse.

If Customer SS does not utilize the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer SS), SY Factoring shall cease the provision of the credit limit to Customer SS.

## **(XXVI) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER TT)**

### **Background**

Since 1 November 2018, SY Factoring entered into the Previous Agreements (Customer TT) with Customer TT pursuant to which SY Factoring agreed to provide to Customer TT among other things, i) a revolving factoring loan with a credit limit of RMB100,000,000 at an annual interest rate of not more than 15% (the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer TT or the purchase orders entered into by Customer TT as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreement (Customer TT). The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer TT), Customer TT applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, RMB1.2 million of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer TT)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer TT) with Customer TT pursuant to which i) the credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring; ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% of the accounts receivable assigned or the purchase order assigned (the exact factoring loan prepayment ratio to be negotiated upon each drawdown); iii) the annual interest rate was revised from not more than 15% (the exact interest rate to be negotiated upon each drawdown) to not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown); iv) the service fee was revised from not more than 2% (the exact service fee to be negotiated upon each drawdown) to not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown); v) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020; and vi) the utilisation deadline was revised from within 30 days from the date of receipt of the signed factoring agreement to 90 days from the date of receipt of the signed factoring agreement.

Save as disclosed above, all the terms of the Previous Agreements (Customer TT) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer TT and the debtors of the accounts receivables provided by Customer TT; ii) the credit period; and iii) the factoring was with recourse.

If Customer TT does not utilize the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer TT), SY Factoring shall cease the provision of the credit limit to Customer TT.

**(XXVII) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER UU  
AND CUSTOMER VV)**

**Background**

Since 3 December 2018, SY Factoring entered into the Previous Agreements (Customer UU) with Customer UU pursuant to which SY Factoring agreed to provide to Customer UU, among other things, i) a revolving factoring loan with a credit limit of RMB95,000,000 (for Customer UU and Customer VV jointly) at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer UU or the purchase orders entered into by Customer UU as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreement (Customer UU). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

Since 3 December 2018, SY Factoring entered into the Previous Agreements (Customer VV) with Customer VV pursuant to which SY Factoring agreed to provide to Customer VV, among other things, i) a revolving factoring loan with a credit limit of RMB95,000,000 (for Customer UU and Customer VV jointly) at an annual interest rate of not more than 15% (including tax, the exact interest rate to be negotiated upon each drawdown) and a service fee of not more than 2% (including tax, the exact service fee to be negotiated upon each drawdown) being secured either by the accounts receivables of Customer VV or the purchase orders entered into by Customer VV as the vendor which would expire on 30 April 2019; and ii) accounts receivable management services and accounts receivable collection services for a period of 2 years from the date of signing of the Previous Agreement (Customer VV). The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring loan prepayment ratio was set at not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned. The factoring was with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

After the entering into of the Previous Agreements (Customer UU) and Previous Agreements (Customer VV), Customer UU and Customer VV applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the Latest Practicable Date, none of the revolving factoring loan which was utilized remained outstanding.

### **Supplemental Factoring Agreement (Customer UU and Customer VV)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Factoring Agreement (Customer UU and Customer VV) with Customer UU and Customer VV pursuant to which i) the revolving factoring loan credit limit granted to Customer UU, Customer VV jointly was revised from RMB95,000,000 to RMB 100,000,000 shared among Customer UU, Customer VV and their associated companies jointly; ii) the factoring loan prepayment ratio was revised from not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned to not more than 100% (the exact ratio to be negotiated upon each drawdown); and iii) the expiry date of the credit period was revised from 30 April 2019 to 30 April 2020.

Under the Supplemental Factoring Agreement (Customer UU and Customer VV), the credit limit is to be shared among Customer UU, Customer VV and their associated companies jointly.

Save as disclosed above, all the terms of the Previous Agreements (Customer UU) and Previous Agreements (Customer VV) shall remain materially unchanged and in full force and effect and binding on the parties.

The interest rate and service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer UU and Customer VV and the debtors of the accounts receivables provided by them; ii) the credit period; and iii) the factoring was with recourse.

If none of Customer UU, Customer VV and their associated companies utilizes the credit limit within 90 days from the date of signing of the Supplemental Factoring Agreement (Customer UU and Customer VV), SY Factoring shall cease the provision of the credit limit to Customer UU, Customer VV and their associated companies.

**(XXVIII) SUPPLEMENTAL REVERSE FACTORING AGREEMENT  
(CUSTOMER WW)**

**Background**

On 4 January 2019, SY Factoring entered into the Reverse Factoring Agreement (Customer WW) with Customer WW pursuant to which SY Factoring agreed to grant to Customer WW a revolving guarantee limit of RMB 180,000,000 and Customer WW would procure the creditors of Customer WW to engage SY Factoring to provide accounts receivable management services, accounts receivable collection services, guarantee services and/or factoring services. The term of the Reverse Factoring Agreement (Customer WW) is 2 years from the date of signing of the Reverse Factoring Agreement (Customer WW).

**Supplemental Reverse Factoring Agreement (Customer WW)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Supplemental Reverse Factoring Agreement (Customer WW) with Customer WW pursuant to which i) the revolving guarantee limit of RMB180,000,000 was revised to RMB 500,000,000 (the guarantee limit is granted to Customer WW and its associated companies with the same beneficial owner(s) or designated third parties approved by SY Factoring jointly. The guarantee limit could be granted by SY Factoring or any of its associated companies but the accumulated guarantee limit in any event would not exceed RMB500,000,000); ii) the credit guarantee ratio was set at not more than 100% of the Accounts Receivable (Customer WW); iii) the expiry date of the guarantee limit was revised from 30 April 2019 to 30 April 2020; iv) the factoring guarantee fee was set to not more than 12% of the amount of Accounts Receivable (Customer WW) per year; and v) the factoring was set to be with notification.

Save as disclosed above, all the terms of the Reverse Factoring Agreement (Customer WW) shall remain materially unchanged and in full force and effect and binding on the parties.

Under the Reverse Factoring Agreement (Customer WW) (as supplemented by the Supplemental Reverse Factoring Agreement (Customer WW)), SY Factoring as guarantor agreed to provide a revolving guarantee limit in favour of the creditors of Customer WW for the payment obligations of Customer WW under the Accounts Receivable (Customer WW). Pursuant to the Reverse Factoring Agreement (Customer WW) (as supplemented by the Supplemental Reverse Factoring Agreement (Customer WW)), Customer WW will settle its payment obligations under the Accounts Receivable (Customer WW) by paying to a designated account of SY Factoring. If Customer WW fails to honour its payment obligation under the Accounts Receivable (Customer WW) within 90

days from the due date of the relevant Account Receivable (Customer WW), SY Factoring shall pay to the creditors of Customer WW the outstanding amount owed by Customer WW. Customer WW agrees to procure the creditors of Customer WW to assign the Accounts Receivable (Customer WW) to SY Factoring as securities for guarantee provided by SY Factoring to Customer WW and procure the creditors of Customer WW to engage SY Factoring to provide accounts receivable collection services and/or factoring services to the creditors of Customer WW at the cost of Customer WW.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the creditors of Customer WW will be mainly engaged in various businesses including trading of oil and petrochemical products. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the creditors of Customer WW and their ultimate beneficial owner are Independent Third Parties.

The factoring guarantee fee in the Reverse Factoring Agreement (Customer WW) (as supplemented by the Supplemental Reverse Factoring Agreement (Customer WW)) was determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer WW; and ii) the guarantee period.

If the guarantee limit was never utilized within 90 days by Customer WW, its associated companies or designated third parties approved by SY Factoring from the date of signing of the Supplemental Reverse Factoring Agreement (Customer WW), SY Factoring shall cease the provision of the guarantee limit to Customer WW.

## **(XXIX) FACTORING AGREEMENT (CUSTOMER XX)**

### **Background**

Since 19 March 2019, Sheng Peng entered into the Previous Agreements (Customer XX) with Customer XX pursuant to which Sheng Peng has in principle agreed to provide, among other things, i) financing being secured by accounts receivables or a pool of accounts receivables; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer XX for a period of 2 years from the date of signing of the Previous Agreements (Customer XX). Pursuant to the Previous Agreements (Customer XX), detailed terms of the factoring service to be provided by Sheng Peng to Customer XX are to be further agreed by the parties.

## **Factoring Agreement (Customer XX)**

The Board hereby announces that on 29 March 2019, Sheng Peng entered into the Factoring Agreement (Customer XX) with Customer XX pursuant to which Sheng Peng granted to Customer XX a revolving factoring loan credit limit of RMB 600,000,000 at an annual interest rate of not more than 9.5% (including tax) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more than 70% of the accounts receivable assigned. The credit limit could be granted by Sheng Peng or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by Sheng Peng. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate of the revolving factoring loan and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer XX and the debtors of the accounts receivables provided by Customer XX; ii) the credit period; and iii) the factoring was with recourse.

If Customer XX does not utilize the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer XX), Sheng Peng shall cease the provision of the credit limit to Customer XX.

## **(XXX) FACTORING AGREEMENT (CUSTOMER YY)**

### **Background**

Since 12 March 2019, SY Factoring entered into the Previous Agreements (Customer YY) with Customer YY pursuant to which SY Factoring has in principle agreed to provide, among other things, i) financing being secured by accounts receivables or a pool of accounts receivables; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer YY for a period of 2 years from the date of signing of the Previous Agreements (Customer YY). Pursuant to the Previous Agreements (Customer YY), detailed terms of the factoring service to be provided by SY Factoring to Customer YY are to be further agreed by the parties.

### **Factoring Agreement (Customer YY)**

The Board hereby announces that on 29 March 2019, SY Factoring entered into the Factoring Agreement (Customer YY) with Customer YY pursuant to which SY Factoring granted to Customer YY a revolving factoring loan credit limit of RMB 300,000,000 at an annual interest rate of not more than 7.5% (including tax) and an annual service fee of not more than 3% (including tax) which would expire on 30 April 2020. The factoring loan prepayment ratio was set at not more

than 80% of the accounts receivable assigned. The credit limit could be granted by SY Factoring or any of its associated companies but the accumulated credit limit would not exceed the credit limit granted by SY Factoring. The factoring is with recourse and whether the factoring is with or without notification is to be determined based on the accounts receivable assigned.

The interest rate of the revolving factoring loan and the service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer YY and the debtors of the accounts receivables provided by Customer YY; ii) the credit period; and iii) the factoring was with recourse.

If Customer YY does not utilize the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer YY), SY Factoring shall cease the provision of the credit limit to Customer YY.

## **REASONS FOR THE FACTORING AGREEMENTS**

Customer A is a company established in the PRC and is principally engaged in, among other things, commercial factoring. The Company indirectly holds 10% equity interest in Customer A.

Customer B, Customer C and Customer D are companies established in the PRC and are principally engaged in, among other things, oil storage, logistics and trading in oil commodities. Customer B, Customer C and Customer D are owned by the same ultimate beneficial owner.

Customer E is a company established in the PRC and is principally engaged in, among other things, bulk commodity trading focusing on trading of non-ferrous metal and oil.

Customer F is a company established in the PRC and is principally engaged in, among other things, sale of ore products and construction materials. Customer G is a company established in the PRC and is principally engaged in, among other things, trading of metals and construction metals. Customer H is a company established in the PRC and is principally engaged in, among other things, trading of steel and chemicals. Customer I is a company established in the PRC and is principally engaged in, among other things, sale of ore products and chemicals. Customer F, Customer G, Customer H and Customer I are owned by the same ultimate beneficial owner.



Customer J is a company established in the PRC and is principally engaged in, among other things, purchase and sales of construction and decoration materials.

Customer K is a company established in the PRC and is principally engaged in, among other things, subcontractor in construction related work.

Customer L is a company established in the PRC and is principally engaged in, among other things, wholesale and retail of fuel oil and metal and construction material.

Customer M is a company established in the PRC and is principally engaged in, among other things, sale of coke, coal and electronic products.

Customer N is a company established in the PRC and is principally engaged in, among other things, sale of coke, coal and electronic products.

Customer O is a company established in the PRC and is principally engaged in, among other things, supply chain management service and network technology consulting and development service.

Customer P and Customer Q are companies established in the PRC and are principally engaged in, among other things, purchase and sales of construction and decoration materials. Customer P and Customer Q are owned by the same ultimate beneficial owner.

Customer R is a company established in the PRC and is principally engaged in, among other things, purchase and sales of construction and decoration materials.

Customer S is a company established in the PRC and is principally engaged in, among other things, trading of metals, construction and decoration materials.

Customer T and Customer U are companies established in the PRC and is principally engaged in, among other things, trading of metals, construction and decoration materials. Customer T and Customer U are owned by the same ultimate beneficial owner.

Customer V and Customer W are companies established in the PRC and is principally engaged in, among other things, trading of steel, chemicals and construction materials. Customer V and Customer W are owned by the same ultimate beneficial owner.

Customer X and Customer Y are companies established in the PRC and is principally engaged in, among other things, trading of steel and construction materials. Customer X and Customer Y are owned by the same ultimate beneficial owner.

Customer Z is a company established in the PRC and is principally engaged in, among other things, trading of steel, chemicals and construction materials.

Customer AA is a company established in the PRC and is principally engaged in, among other things, purchase and sales of production.

Customer BB is a company established in the PRC and is principally engaged in, among other things, purchase and sales of production.

Customer CC is a company established in the PRC and is principally engaged in, among other things, trading of metals, chemicals and materials of construction and decoration.

Customer DD is a company established in the PRC and is principally engaged in, among other things, commercial services.

Customer EE is a company established in the PRC and is principally engaged in, among other things, trading of metals, chemicals and construction materials.

Customer FF is a company established in the PRC and is principally engaged in, among other things, trading of metals, chemicals and materials of construction and decoration.

Customer GG is a company established in the PRC and is principally engaged in, among other things, trading of metals and construction materials.

Customer HH is a company established in the PRC and is principally engaged in, among other things, trading of metals and construction materials.

Customer II is a company established in the PRC and is principally engaged in, among other things, trading of metals and materials construction and decoration.

Customer JJ and Customer KK are companies established in the PRC and is principally engaged in, among other things, trading of metals and materials of construction. Customer JJ and Customer KK are owned by the same ultimate beneficial owner.

Customer LL is a company established in the PRC and is principally engaged in, among other things, trading of metals, chemicals and construction materials.

Customer MM is a company established in the PRC and is principally engaged in, among other things, sales of construction materials, steel and wood.

Customer NN is a company established in the PRC and is principally engaged in, among other things, sales of metals and construction materials.

Customer OO is a company established in the PRC and is principally engaged in, among other things, sales of machinery, electronic products, metals and chemical products.

Customer PP is a company established in the PRC and is principally engaged in, among other things, market information consultation, export of goods and technology and trading of metals and construction materials.

Customer QQ and Customer RR are companies established in the PRC and are principally engaged in, among other things, investment in individuals development and purchase and sales of construction materials. Customer QQ and Customer RR are owned by the same ultimate beneficial owner.

Customer SS is a company established in the PRC and is principally engaged in, among other things, wholesale and retail of steel and construction materials.

Customer TT is a company established in the PRC and is principally engaged in, among other things, wholesale and retail of metals, wood, construction and decoration materials and chemical products.

Customer UU and Customer VV are companies established in the PRC and are principally engaged in, among other things, sales of metals and construction materials. Customer UU and Customer VV are owned by the same ultimate beneficial owner.

Customer WW is a company established in the PRC and is principally engaged in, among other things, production and sale of fuel oil and chemical material.

Customer XX is a company established in the PRC and is principally engaged in, among other things, sales of Chinese medicine, medicine, and medical equipment.

Customer YY is a company established in the PRC and is principally engaged in, among other things, provision of technical consultation and other services in relation to medical equipments.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed herein, each of the Customers and their respective ultimate beneficial owners are Independent Third Parties.

The Group is principally engaged in the provision of enterprise financial services offering accounts receivable financing and other related solutions, mainly in the energy, construction and medical sectors in the PRC. The Directors consider that the Factoring Agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Owing to its business need, each of the Customers negotiated with the Group for the extension of the expiry date under the respective previous agreements. Since each of the Customers is able to provide the accounts receivable or purchase orders assignable to the Group, upon the request of each of the Customers and upon the approval of such request by the Group after assessment on the quality of the accounts receivables or purchase orders provided by each of the Customers, the Group entered into the Factoring Agreements with each of the Customers respectively.

Given that the entering into of the Factoring Agreements are being conducted in the ordinary and usual course of business of the Group, which will contribute profit to the Company over the financing term, are under normal commercial terms, and are beneficial to the Group in its business expansion and establishment of long term business relationship with each of the Customers, the Directors are of the view that the terms of the Factoring Agreements are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

### *Major transactions — Factoring Agreements (Major)*

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to each of the Factoring Agreements (Major) exceeds 25%, the entering into of each of the Factoring Agreements (Major) constitute a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting, announcement, circular and shareholders' approval requirements under the GEM Listing Rules.

Pursuant to Rule 19.44 of the GEM Listing Rules, Shareholders' approval of the Factoring Agreements (Major) may be given by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Factoring Agreements (Major) and the transactions contemplated thereunder; and (2) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Factoring Agreements (Major) and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, no Shareholder including Wisdom Cosmos is required to abstain from voting if the Company were to convene a general meeting for approving the Factoring Agreements (Major) and the transactions contemplated thereunder. Wisdom Cosmos, holding 555,000,000 Shares, representing 63.15% of the issued share capital of the Company, provided written shareholder's approvals on

the Factoring Agreements (Major) and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements (Major) and the transactions contemplated thereunder pursuant to Rule 19.44 of the GEM Listing Rules.

A circular, containing among other things, details of the Factoring Agreements (Major) and other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 18 April 2019.

*Material change of terms of the previously announced discloseable transactions — Factoring Agreements (Previous Discloseable)*

The Directors consider that each of the Factoring Agreements (Previous Discloseable) constitute material change to the terms of its respective preceding agreements and the Company shall re-comply with the requirements under Chapter 19 of the GEM Listing Rules.

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the Factoring Agreements (Previous Discloseable) each exceeds 5% but is less than 25%, the entering into of the Factoring Agreements (Previous Discloseable) constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements.

*Discloseable transactions — Factoring Agreements (Discloseable)*

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the Factoring Agreements (Discloseable) each exceeds 5% but is less than 25%, the entering into of the Factoring Agreements (Discloseable) constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements.

**GENERAL**

A circular, containing among other things, details of the Factoring Agreements (Major) and other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 18 April 2019.

## DEFINITIONS

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

“Accounts Receivable (Customer WW)”	the accounts receivable due from Customer WW to the creditors of Customer WW
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Company”	Sheng Ye Capital Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the GEM of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Customer A”	a company established in the PRC which principally engages in, among other things, commercial factoring
“Customer B”	a company established in the PRC which principally engages in, among other things, oil storage and logistics. Customer B, Customer C and Customer D are owned by the same ultimate beneficial owner
“Customer C”	a company established in the PRC which principally engages in, among other things, sale of oil products, import and export trade. Customer B, Customer C and Customer D are owned by the same ultimate beneficial owner
“Customer D”	a company established in the PRC which principally engages in, among other things, sale of oil products import and export trade. Customer B, Customer C and Customer D are owned by the same ultimate beneficial owner
“Customer E”	a company established in the PRC which principally engages in, among other things, bulk commodity trading focusing on trading of non-ferrous metal and oil

“Customer F”	a company established in the PRC which principally engages in, among other things, sale of ore products and construction materials. Customer F, Customer G, Customer H and Customer I are owned by the same ultimate beneficial owner
“Customer G”	a company established in the PRC which principally engages in, among other things, trading of metals and construction metals. Customer F, Customer G, Customer H and Customer I are owned by the same ultimate beneficial owner
“Customer H”	a company established in the PRC which principally engages in, among other things, trading of steel and chemicals. Customer F, Customer G, Customer H and Customer I are owned by the same ultimate beneficial owner
“Customer I”	a company established in the PRC which principally engages in, among other things, sale of ore products and chemicals. Customer F, Customer G, Customer H and Customer I are owned by the same ultimate beneficial owner
“Customer J”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials
“Customer K”	a company established in the PRC which principally engages in, among other things, subcontractor in construction related work
“Customer L”	a company established in the PRC which principally engages in, among other things, wholesale and retail of fuel oil and metal and construction material
“Customer M”	a company established in the PRC which principally engages in, among other things, sale of coke, coal and electronic products
“Customer N”	a company established in the PRC which principally engages in, among other things, sale of coke, coal and electronic products

“Customer O”	a company established in the PRC which principally engages in, among other things, supply chain management service and network technology consulting and development service
“Customer P”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials. Customer P and Customer Q are owned by the same ultimate beneficial owner
“Customer Q”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials. Customer P and Customer Q are owned by the same ultimate beneficial owner
“Customer R”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials
“Customer S”	a company established in the PRC which principally engages in, among other things, trading of metals, construction and decoration materials
“Customer T”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials. Customer T and Customer U are owned by the same ultimate beneficial owner
“Customer U”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials. Customer T and Customer U are owned by the same ultimate beneficial owner
“Customer V”	a company established in the PRC which principally engages in, among other things, trading of steel, chemicals and construction materials. Customer V and Customer W are owned by the same ultimate beneficial owner



“Customer W”	a company established in the PRC which principally engages in, among other things, trading of steel, chemicals and construction materials. Customer V and Customer W are owned by the same ultimate beneficial owner
“Customer X”	a company established in the PRC which principally engages in, among other things, trading of steel and construction materials. Customer X and Customer Y are owned by the same ultimate beneficial owner
“Customer Y”	a company established in the PRC which principally engages in, among other things, trading of steel, chemicals and construction materials. Customer X and Customer Y are owned by the same ultimate beneficial owner
“Customer Z”	a company established in the PRC which principally engages in, among other things, trading of steel, chemicals and construction materials
“Customer AA”	a company established in the PRC which principally engages in, among other things, purchase and sales of production
“Customer BB”	a company established in the PRC which principally engages in, among other things, purchase and sales of production
“Customer CC”	a company established in the PRC which principally engages in, among other things, trading of metals, chemicals and materials of construction and decoration
“Customer DD”	a company established in the PRC which principally engages in, among other things, commercial services
“Customer EE”	a company established in the PRC which principally engages in, among other things, trading of metals and construction materials

“Customer FF”	a company established in the PRC which principally engages in, among other things, trading of metals, chemicals and materials of construction and decoration
“Customer GG”	a company established in the PRC which principally engages in, among other things, trading of metals and construction materials.
“Customer HH”	a company established in the PRC which principally engages in, among other things, trading of metals and materials of construction and decoration
“Customer II”	a company established in the PRC which principally engages in, among other things, trading of metals and materials construction and decoration
“Customer JJ”	a company established in the PRC which principally engages in, among other things, trading of metals, and materials of construction. Customer JJ and Customer KK are owned by the same ultimate beneficial owner
“Customer KK”	a company established in the PRC which principally engages in, among other things, trading of metals and materials of construction. Customer JJ and Customer KK are owned by the same ultimate beneficial owner
“Customer LL”	a company established in the PRC which principally engages in, among other things, trading of metals, chemicals and construction materials
“Customer MM”	a company established in the PRC which principally engages in, among other things, sales construction materials, steel and woods
“Customer NN”	a company established in the PRC which principally engages in, among other things, sales of metals and construction materials
“Customer OO”	a company established in the PRC which principally engages in, among other things, sales of machinery, electronic products metals, chemical products

“Customer PP”	a company established in the PRC which principally engages in, among other things, market information consultation, export of goods and technology and trading of metals and construction materials
“Customer QQ”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction materials. Customer QQ and Customer RR are owned by the same ultimate beneficial owner
“Customer RR”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction materials. Customer QQ and Customer RR are owned by the same ultimate beneficial owner
“Customer SS”	a company established in the PRC which principally engages in, among other things, wholesale and retail of steel and construction materials
“Customer TT”	a company established in the PRC which principally engages in, among other things, wholesale and retail of metals, wood, construction and decoration materials and chemical products
“Customer UU”	a company established in the PRC which principally engages in, among other things, sales of metals and construction materials. Customer UU and Customer VV are owned by the same ultimate beneficial owner
“Customer VV”	a company established in the PRC which principally engages in, among other things, sales of metals and construction materials. Customer UU and Customer VV are owned by the same ultimate beneficial owner
“Customer WW”	a company established in the PRC which principally engages in, among other things, production and sale of fuel oil and chemical material

“Customer XX”	a company established in the PRC which principally engages in, among other things, sales of Chinese medicine, medicine, and medical equipment
“Customer YY”	a company established in the PRC which principally engages in, among other things, provision of technical consultation and other services in relation to medical equipments
“Customers”	collectively, Customer A to Customer YY as disclosed above
“Director(s)”	the director(s) of the Company
“Fifth Supplemental Factoring Agreement (Customer AA)”	the fifth supplemental factoring agreement between Customer AA and SY Factoring on 29 March 2019
“Factoring Agreement (Customer B)”	the factoring agreement between SY Factoring and Customer B on 29 March 2019
“Factoring Agreement (Customer C)”	the factoring agreement between SY Factoring and Customer C on 29 March 2019
“Factoring Agreement (Customer D)”	the factoring agreement between SY Factoring and Customer D on 29 March 2019
“Factoring Agreement (Customer E)”	the factoring agreement between SY Factoring and Customer E on 29 March 2019
“Factoring Agreement (Customer F)”	the factoring agreement between SY Shenzhen and Customer F on 29 March 2019
“Factoring Agreement (Customer G)”	the factoring agreement between SY Shenzhen and Customer G on 29 March 2019
“Factoring Agreement (Customer H)”	the factoring agreement between SY Shenzhen and Customer H on 29 March 2019
“Factoring Agreement (Customer I)”	the factoring agreement between SY Shenzhen and Customer I on 29 March 2019
“Factoring Agreement (Customer J)”	the factoring agreement between SY Factoring and Customer J on 29 March 2019
“Factoring Agreement (Customer EE)”	the factoring agreement between Customer EE and SY Factoring on 29 March 2019

“Factoring Agreement (Customer FF)”	the factoring agreement between Customer FF and SY Factoring on 29 March 2019
“Factoring Agreement (Customer II)”	the factoring agreement between Customer II and SY Factoring on 29 March 2019
“Factoring Agreement (Customer LL)”	the factoring agreement between Customer LL and SY Factoring on 29 March 2019
“Factoring Agreement (Customer NN)”	the factoring agreement between Customer NN and SY Factoring on 29 March 2019
“Factoring Agreement (Customer PP)”	the factoring agreement between Customer PP and SY Factoring on 29 March 2019
“Factoring Agreement (Customer XX)”	the factoring agreement between Customer XX and Sheng Peng on 29 March 2019
“Factoring Agreement (Customer YY)”	the factoring agreement between Customer YY and SY Factoring on 29 March 2019
“Factoring Agreements”	collectively the Factoring Agreements (Major), Factoring Agreements (Previous Discloseable) and Factoring Agreements (Discloseable)

“Factoring Agreements  
(Discloseable)”

collectively, Supplemental Factoring Agreement (Customer J), Supplemental Factoring Agreement (Customer P and Customer Q), Supplemental Factoring Agreement (Customer R), Supplemental Factoring Agreement (Customer S), Supplemental Factoring Agreement (Customer T and Customer U), Supplemental Factoring Agreement (Customer V and Customer W), Supplemental Factoring Agreement (Customer X and Customer Y), Supplemental Factoring Agreement (Customer Z), Fifth Supplemental Factoring Agreement (Customer AA), Second Supplemental Factoring Agreement (Customer BB), Supplemental Factoring Agreement (Customer CC), Supplemental Factoring Agreement (Customer DD), Factoring Agreement (Customer EE), Factoring Agreement (Customer FF), Supplemental Factoring Agreement (Customer GG), Supplemental Factoring Agreement (Customer HH), Factoring Agreement (Customer II), Supplemental Factoring Agreement (Customer JJ and Customer KK), Factoring Agreement (Customer LL), Factoring Agreement (Customer MM), Factoring Agreement (Customer NN), Supplemental Factoring Agreement (Customer OO), Factoring Agreement (Customer PP), Supplemental Factoring Agreement (Customer QQ and Customer RR), Supplemental Factoring Agreement (Customer SS), Supplemental Factoring Agreement (Customer TT), Supplemental Factoring Agreement (Customer UU and Customer VV), Supplemental Reverse Factoring Agreement (Customer WW), Factoring Agreement (Customer XX) and Factoring Agreement (Customer YY)

“Factoring Agreements  
(Major)”

collectively, Refactoring Agreement (Customer A), Factoring Agreement (Customer B), Factoring Agreement (Customer C), Factoring Agreement (Customer D), Factoring Agreement (Customer E), Factoring Agreement (Customer F), Factoring Agreement (Customer G), Factoring Agreement (Customer H) and Factoring Agreement (Customer I)

“Factoring Agreements (Previous Discloseable)”	collectively, Supplemental Factoring Agreement (Customer K), Second Supplemental Factoring Agreement (Customer L), Supplemental Factoring Agreement (Customer M), Supplemental Factoring Agreement (Customer N) and Supplemental Factoring Agreement (Customer O)
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“GEM”	the GEM operated by the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the GEM Listing Rules) of the Company
“Latest Practicable Date”	28 March 2019, being the latest practicable date prior to the release of this announcement for ascertaining certain information contained herein
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Agreements (Customer A)”	collectively, the refactoring agreement(s) granting a revolving factoring loan credit limit entered into between Customer A and SY Factoring since 29 December 2017
“Previous Agreements (Customer B)”	collectively, the framework agreement and the factoring agreements granting a revolving factoring loan credit limit between Customer B and SY Factoring since 13 September 2017

“Previous Agreements (Customer C)”	collectively, the framework agreement and the factoring agreements granting a revolving factoring loan credit limit between Customer C and SY Factoring since 13 September 2017
“Previous Agreements (Customer D)”	collectively, the framework agreement, purchase order financing agreement and the factoring agreements granting a revolving factoring loan credit limit between Customer D and SY Factoring since 21 May 2018
“Previous Agreements (Customer E)”	collectively, the framework agreement, pool financing agreement and the factoring agreements granting a revolving factoring loan credit limit between Customer E and SY Factoring since 20 February 2017
“Previous Agreements (Customer F)”	collectively, the framework agreement(s) and previous factoring agreement(s) granting a revolving factoring loan credit limit entered into between Customer F and SY Shenzhen since 21 May 2018
“Previous Agreements (Customer G)”	collectively, the framework agreement(s) and previous factoring agreement(s) granting a revolving factoring loan credit limit entered into between Customer G and SY Shenzhen since 21 May 2018
“Previous Agreements (Customer H)”	collectively, the framework agreement(s) and previous factoring agreement(s) granting a revolving factoring loan credit limit entered into between Customer H and SY Shenzhen since 21 May 2018
“Previous Agreements (Customer I)”	collectively, the framework agreement, and the factoring agreement granting a revolving factoring loan credit limit between Customer I and SY Shenzhen since 21 May 2018
“Previous Agreements (Customer J)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit between Customer J and SY Factoring since 13 August 2015



“Previous Agreements (Customer K)”	collectively, the framework agreement and the factoring agreements granting a revolving factoring loan credit limit entered into between Customer K and SY Factoring since 7 May 2018
“Previous Agreements (Customer L)”	collectively, the framework agreement and factoring agreement granting a revolving factoring loan credit limit entered into between Yong Zhuo and Customer L on 29 June 2018
“Previous Agreements (Customer M)”	collectively, the framework agreement and factoring agreement granting a revolving factoring loan credit limit entered into between Yong Zhuo and Customer M on 29 June 2018
“Previous Agreements (Customer N)”	collectively, the framework agreement and factoring agreement granting a revolving factoring loan credit limit entered into between Yong Zhuo and Customer N on 29 June 2018
“Previous Agreements (Customer O)”	collectively, the framework agreement and factoring agreement granting a revolving factoring loan credit limit entered into between Yong Zhuo and Customer O on 29 June 2018
“Previous Agreements (Customer P)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer P on 17 August 2018
“Previous Agreements (Customer Q)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer Q on 5 September 2018
“Previous Agreements (Customer R)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer R since 9 October 2018

“Previous Agreements (Customer S)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer S on 13 September 2018
“Previous Agreements (Customer T)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer T since 28 November 2018
“Previous Agreements (Customer U)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer U since 28 November 2018
“Previous Agreements (Customer W)”	collectively, the framework agreement and factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer W since 26 December 2018
“Previous Agreements (Customer X)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between Sheng Zhuo) and Customer X since 20 July 2018
“Previous Agreements (Customer Y)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between Sheng Zhuo or its associated companies and Customer Y since 21 November 2018
“Previous Agreements (Customer Z)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer Z since 18 September 2018

“Previous Agreements (Customer AA)”	collectively, the framework agreement(s) and the previous factoring agreements granting a revolving factoring loan credit limit entered into between SY Factoring and Customer AA since 11 July 2018
“Previous Agreements (Customer BB)”	collectively, the framework agreement(s) and the previous factoring agreements granting a revolving factoring loan credit limit entered into between SY Factoring and Customer BB since 14 December 2017
“Previous Agreements (Customer CC)”	collectively, the framework agreements, the factoring agreements and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer CC since 21 November 2018
“Previous Agreements (Customer DD)”	collectively, the framework agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer DD since 8 October 2018
“Previous Agreements (Customer EE)”	collectively, the framework agreement and the factoring agreement granting a revolving loan credit limit entered into between SY Factoring and Customer EE on 30 November 2018
“Previous Agreements (Customer GG)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving loan credit limit entered into between SY Factoring and Customer GG since 5 December 2018
“Previous Agreements (Customer HH)”	collectively, the framework agreement, the factoring agreement and the purchase order financing agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer HH since 6 November 2018
“Previous Agreements (Customer JJ)”	collectively, the framework agreement, purchase order financing agreement and factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer JJ since 15 March 2019

“Previous Agreements (Customer MM)”	collectively, the framework agreement, the purchase order financing agreement and the previous factoring agreement granting a revolving factoring loan credit limit entered into between Sheng Zhou and Customer MM since 2 August 2018
“Previous Agreements (Customer OO)”	collectively, the framework agreement, purchase order financing agreement and factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer OO since 20 November 2018
“Previous Agreements (Customer PP)”	collectively, the framework agreement and the purchase orders financing agreement entered into between SY Factoring and Customer PP since 6 December 2018
“Previous Agreements (Customer QQ)”	collectively, the framework agreement, the purchase orders financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer QQ since 30 October 2018
“Previous Agreements (Customer RR)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer RR since 26 November 2018
“Previous Agreements (Customer SS)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer SS since 7 January 2019
“Previous Agreements (Customer TT)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer TT since 1 November 2018

“Previous Agreements (Customer UU)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer UU since 3 December 2018
“Previous Agreements (Customer VV)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreement granting a revolving factoring loan credit limit entered into between SY Factoring and Customer VV since 3 December 2018
“Previous Agreements (Customer XX)”	collectively, the framework agreement and pool financing agreement entered into between Customer XX and Sheng Peng since 19 March 2019
“Previous Agreements (Customer YY)”	collectively, the framework agreement and pool financing agreement entered into between Customer YY and SY Factoring since 12 March 2019
“Refactoring Agreement (Customer A)”	the refactoring agreement between Customer A and SY Factoring on 29 March 2019
“Reverse Factoring Agreement (Customer WW)”	the reverse factoring agreement between Customer WW and SY Factoring on 4 January 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Second Supplemental Factoring Agreement (Customer BB)”	the second supplemental factoring agreement between Customer BB and SY Factoring on 29 March 2019
“Second Supplemental Factoring Agreement (Customer L)”	the second supplemental factoring agreement between Customer L and SY Factoring on 29 March 2019
“Second Supplemental Factoring Agreement (Customer M)”	the second supplemental factoring agreement between Customer M and SY Factoring on 29 March 2019
“Shareholders”	the holders of Shares
“Shares”	ordinary share(s) having a par value of HK\$0.01 each in the capital of the Company

“Sheng Peng”	盛鵬商業保理有限公司 (Sheng Peng Factoring Limited*), a company established in the PRC with limited liability and a subsidiary of the Group
“Sheng Zhou”	盛卓商業保理有限公司 (Sheng Zhuo Factoring Limited*), a company established in the PRC and a subsidiary of the Group
“Sheng Zhuo”	Sheng Zhuo Factoring Limited* (盛卓商業保理有限公司), a company established in the PRC with limited liability and a subsidiary of the Group
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“Supplemental Factoring Agreement (Customer K)”	the supplemental factoring agreement between Customer K and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer N)”	the supplemental factoring agreement between Customer N and Yong Zhuo on 29 March 2019
“Supplemental Factoring Agreement (Customer O)”	the supplemental factoring agreement between Customer O and Yong Zhuo on 29 March 2019
“Supplemental Factoring Agreement (Customer P and Customer Q)”	the supplemental factoring agreement between Customer P and Customer Q and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer T and Customer U)”	the supplemental factoring agreement between Customer T and Customer U and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer V and Customer W)”	the supplemental factoring agreement between Customer V and Customer W and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer X and Customer Y)”	the supplemental factoring agreement between Customer X, Customer Y and Sheng Zhuo on 29 March 2019
“Supplemental Factoring Agreement (Customer Z)”	the supplemental factoring agreement between Customer Z and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement(Customer R)”	the supplemental factoring agreement between Customer R and SY Factoring on 29 March 2019

“Supplemental Factoring Agreement(Customer S)”	the supplemental factoring agreement between Customer S and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement” (Customer CC))	the supplemental factoring agreement between Customer CC and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer DD)”	the supplemental factoring agreement between Customer DD and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer GG)”	the supplemental factoring agreement between Customer GG and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer HH)”	the supplemental factoring agreement between Customer HH and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer JJ and Customer KK)”	the supplemental factoring agreement between Customer JJ and Customer KK and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer MM)”	the supplemental factoring agreement between Customer MM and Sheng Zhou on 29 March 2019
“Supplemental Factoring Agreement (Customer OO)”	the supplemental factoring agreement between Customer OO and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer QQ and Customer RR)”	the supplemental factoring agreement between Customer QQ, Customer RR and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer SS)”	the supplemental factoring agreement between Customer SS and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer TT)”	the supplemental factoring agreement between Customer TT and SY Factoring on 29 March 2019
“Supplemental Factoring Agreement (Customer UU and Customer VV)”	the supplemental factoring agreement between Customer UU, Customer VV and SY Factoring on 29 March 2019

“Supplemental Reverse Factoring Agreement (Customer WW)”	the supplemental reverse factoring agreement between Customer WW and SY Factoring on 29 March 2019
“SY Factoring”	盛業商業保理有限公司 (SY Factoring Limited), a company established in the PRC and a subsidiary of the Group
“SY Shenzhen”	盛業(深圳)商業保理有限公司 (Sheng Ye (Shenzhen) Factoring Limited*), a company established in the PRC on 21 March 2016 and a subsidiary of the Group
“Yong Zhuo”	霍爾果斯永卓商業保理有限公司 (Khorgos Yong Zhuo Factoring Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Group
“%”	per cent

By order of the Board  
**Sheng Ye Capital Limited**  
**Tung Chi Fung**  
*Chairman*

Hong Kong, 29 March 2019

*This announcement, for which 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 this announcement misleading.*

*As at the date of this announcement, the Board comprises two executive Directors: Mr. Tung Chi Fung and Mr. Chen Jen-Tse; and four independent non-executive Directors: Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon, Mr. Tsoon Wai Mun, Benjamin and Mr. Fong Heng Boo.*

*The English transliteration of the Chinese name(s) in this announcement, where indicated with “\*”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*

*This announcement will remain on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) and, in the case of this announcement, on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.shengyecapital.com](http://www.shengyecapital.com).*