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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

MAJOR TRANSACTIONS —

- (I) THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER A);**
 - (II) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER B);**
 - (III) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER C);**
 - (IV) THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER D);**
 - (V) SEVENTH SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER E);**
- AND**
- (VI) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER F)**

(I) THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER A)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Third Supplemental Factoring Agreement (Customer A) with Customer A, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer A was revised from RMB260,000,000 to RMB600,000,000; ii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iii) the expiry date of the credit period was revised from 15 April 2018 to 28 March 2019.

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

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

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer B) and Second Supplemental Factoring Agreement (Customer C) with Customer B and Customer C respectively, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer B and Customer C jointly was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 40% or 80% (as the case may be) of each accounts receivable assigned (for Customer B) or not more than 90% of each accounts receivable assigned (for Customer C) to not more than 100% of each accounts receivable assigned (for both Customer B and Customer C); and iii) the expiry date of the credit period was revised from 1 May 2018 to 3 April 2019.

Under the Second Supplemental Factoring Agreement (Customer B) and the Second Supplemental Factoring Agreement (Customer C), the credit limit is to be shared between Customer B and Customer C.

(IV) THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER D)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Third Supplemental Factoring Agreement (Customer D) with Customer D, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer D was revised from RMB250,000,000 to RMB400,000,000; ii) the interest rate was revised from not more than 13.5% per annum to 10-15% per annum; iii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iv) the expiry date of the credit period was revised from 15 April 2018 to 1 April 2019.

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

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Seventh Supplemental Factoring Agreement (Customer E) with Customer E, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer E was revised from RMB350,000,000 to RMB650,000,000; and ii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019.

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

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer F) with Customer F, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer F was revised from RMB390,000,000 to RMB700,000,000; ii) the interest rate was revised from 10%-18% per annum to 10-15% per annum; and iii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019.

GEM LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the revised credit limit under each of the Factoring Agreements exceeds 25%, the entering into of each of the Factoring Agreements constitutes 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 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 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 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 and the transactions contemplated thereunder. As of the date of the announcement, Wisdom Cosmos, holding 555,000,000 Shares, representing 75% of the issued share capital of the Company, has provided written shareholder's approvals on the Factoring Agreements and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements 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 and other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 7 May 2018.

(I) THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER A)

Background

On 20 February 2017, 3 March 2017, 19 July 2017 and 19 January 2018, SY Factoring, an indirect wholly owned subsidiary of the Company, entered into the Previous Agreements (Customer A) with Customer A pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB260,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 0.35% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer A; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer A for a period of 2 years from the date of signing of the framework agreement.

After the entering into of the Previous Agreements (Customer A), Customer A applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB70,000,000 of the revolving factoring loan which was utilized remained outstanding.

Third Supplemental Factoring Agreement (Customer A)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Third Supplemental Factoring Agreement (Customer A) with Customer A, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer A was revised from RMB260,000,000 to RMB600,000,000; ii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iii) the expiry date of the credit period was revised from 15 April 2018 to 28 March 2019.

Save as disclosed above, all the terms of the Previous Agreements (Customer A) 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 were 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 provided by Customer A; ii) the credit period; and iii) the factoring was with recourse.

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

Condition precedent

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

(II) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER B)

(III) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER C)

Background

On 13 September 2017 and 19 January 2018, SY Factoring entered into the Previous Agreements (Customer B) and the Previous Agreements (Customer C) with Customer B and Customer C respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB200,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer B and Customer C; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer B and Customer C for a period of 2 years from the date of signing of the respective framework agreement.

Under the Previous Agreements (Customer B) and the Previous Agreements (Customer C), the credit limit was to be shared between Customer B and Customer C.

After the entering into of the Previous Agreements (Customer B) and the Previous Agreements (Customer C), Customer B and Customer C applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB144,000,000 of the revolving factoring loan which was utilized remained outstanding.

Second Supplemental Factoring Agreement (Customer B) and Second Supplemental Factoring Agreement (Customer C)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer B) and Second Supplemental Factoring Agreement (Customer C) with Customer B and Customer C respectively, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer B and Customer C jointly was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 40% or 80% (as the case may be) of each accounts receivable assigned (for Customer B) or not more than 90% of each accounts receivable assigned (for Customer C) to not more than 100% of each accounts receivable assigned (for both Customer B and Customer C); and iii) the expiry date of the credit period was revised from 1 May 2018 to 3 April 2019.

Under the Second Supplemental Factoring Agreement (Customer B) and the Second Supplemental Factoring Agreement (Customer C), the credit limit is to be shared between Customer B and Customer C.

Save as disclosed above, all the terms of the Previous Agreements (Customer B) and the Previous Agreements (Customer C) 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 were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer B, Customer C and the debtors of the accounts receivables provided by Customer B and Customer C; ii) the credit period; and iii) the factoring was with recourse.

If either Customer B or Customer C does not utilize the credit limit within 90 days from the date of signing of the Second Supplemental Factoring Agreement (Customer B) and the Second Supplemental Factoring Agreement (Customer C), SY Factoring shall cease the provision of the credit limit to Customer B and Customer C.

Condition precedent

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

(IV)THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER D)

Background

On 1 November 2016, 9 November 2016, 30 June 2017 and 15 November 2017, SY Factoring entered into the Previous Agreements (Customer D) with Customer D pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB250,000,000, an interest rate of not more than 13.5% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 0.35% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer D; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer D for a period of 2 years from the date of signing of the framework agreement.

After the entering into of the Previous Agreements (Customer D), Customer D applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB30,000,000 of the revolving factoring loan which was utilized remained outstanding.

Third Supplemental Factoring Agreement (Customer D)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Third Supplemental Factoring Agreement (Customer D) with Customer D, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer D was revised from RMB250,000,000 to RMB400,000,000; ii) the interest rate was revised from not more than 13.5% per annum to 10-15% per annum; iii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iv) the expiry date of the credit period was revised from 15 April 2018 to 1 April 2019.

Save as disclosed above, all the terms of the Previous Agreements (Customer D) 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 were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer D and the debtors of the accounts receivables provided by Customer D; ii) the credit period; and iii) the factoring was with recourse.

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

Condition precedent

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

(V) SEVENTH SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER E)

Background

On 7 August 2017, 21 August 2017, 10 August 2017, 22 August 2017, 14 September 2017, 27 September 2017, 12 October 2017, 13 October 2017 and 19 January 2018, SY Factoring entered into the Previous Agreements (Customer E) with Customer E pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB350,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by either the accounts receivables of Customer E or the purchase orders entered into by Customer E as the vendor; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer E for a period of 2 years from the date of signing of the framework agreement.

After the entering into of the Previous Agreements (Customer E), Customer E applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB129,647,200 of the revolving factoring loan which was utilized remained outstanding.

Seventh Supplemental Factoring Agreement (Customer E)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Seventh Supplemental Factoring Agreement (Customer E) with Customer E, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer E was revised from RMB350,000,000 to RMB650,000,000; and ii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019.

Save as disclosed above, all the terms of the Previous Agreements (Customer E) 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 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 does not utilize the credit limit within 90 days from the date of signing of the Seventh Supplemental Factoring Agreement (Customer E), SY Factoring shall cease the provision of the credit limit to Customer E.

Condition precedent

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

(VI) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER F)

Background

On 20 December 2017 and 19 January 2018, SY Factoring entered into the Previous Agreements (Customer F) with Customer F pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB390,000,000, an interest rate of 10-18% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by either the accounts receivables of Customer F or the purchase orders entered into by Customer F as the vendor; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer F for a period of 2 years from the date of signing of the framework agreement.

After the entering into of the Previous Agreements (Customer F), Customer F applied for utilizations of the revolving factoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB286,000,000 of the revolving factoring loan which was utilized remained outstanding.

Second Supplemental Factoring Agreement (Customer F)

The Board hereby announces that on 16 April 2018, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer F) with Customer F, pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer F was revised from RMB390,000,000 to RMB700,000,000; ii) the interest rate was revised from 10%-18% per annum to 10-15% per annum; and iii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019.

Save as disclosed above, all the terms of the Previous Agreements (Customer F) 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 were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer F and the debtors of the accounts receivables provided by Customer F; ii) the credit period; and iii) the factoring was with recourse.

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

Condition precedent

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

REASONS FOR THE FACTORING AGREEMENTS

Customer A 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.

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

Customer D is a company established in the PRC and is principally engaged in, among other things, trading of oil products.

Customer E is a company established in the PRC and is principally engaged in, among other things, trading of petrochemical products, electronic devices, precious metals, etc.

Customer F is a company established in the PRC and is principally engaged in, among other things, sale of petroleum products.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, 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 SY Factoring for the increase of credit limit under the respective previous agreements. Since each of the Customers is able to increase the accounts receivable assignable to the Group, upon the request of each of the Customers and upon the approval of such request by SY Factoring after assessment on the quality of the accounts receivable provided by each of the Customers, SY Factoring 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 SY Factoring, 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

As the highest applicable percentage ratio for the Company as calculated under Rule 19.07 of the GEM Listing Rules in relation to the revised credit limit under each of the Factoring Agreements exceeds 25%, the entering into of each of the Factoring Agreements constitutes 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 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 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 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 and the transactions contemplated thereunder. As of the date of the announcement, Wisdom Cosmos, holding 555,000,000 Shares, representing 75% of the issued share capital of the Company, has provided written shareholder's approvals on the Factoring Agreements and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements and the transactions contemplated thereunder pursuant to Rule 19.44 of the GEM Listing Rules.

GENERAL

A circular, containing among other things, details of the Factoring Agreements and other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 7 May 2018.

DEFINITIONS

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

“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, bulk commodity trading focusing on trading of non-ferrous metal and oil
“Customer B”	a company established in the PRC which principally engages in, among other things, oil storage and logistics. Customer B and Customer C are owned by the same ultimate beneficial owner
“Customer C”	a company established in the PRC which principally engages in, among other things, oil storage and logistics. Customer B and Customer C are owned by the same ultimate beneficial owner
“Customer D”	a company established in the PRC which principally engages in, among other things, trading of oil products
“Customer E”	a company established in the PRC which principally engages in, among other things, trading of petrochemical products, electronic devices, precious metals, etc

“Customer F”	a company established in the PRC which principally engages in, among other things, sale of petroleum products
“Customers”	collectively, Customer A, Customer B, Customer C, Customer D, Customer E and Customer F
“Director(s)”	the director(s) of the Company
“Factoring Agreements”	collectively, the Third Supplemental Factoring Agreement (Customer A); the Second Supplemental Factoring Agreement (Customer B); the Second Supplemental Factoring Agreement (Customer C); the Third Supplemental Factoring Agreement (Customer D); the Seventh Supplemental Factoring Agreement (Customer E); and the Second Supplemental Factoring Agreement (Customer F)
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of 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
“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 framework agreement, the factoring agreement, the first supplemental factoring agreement and the second supplemental factoring agreement being entered into between Customer A and SY Factoring on 20 February 2017, 3 March 2017, 19 July 2017 and 19 January 2018 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB260,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 0.35% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer A; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer A for a period of 2 years from the date of signing of the framework agreement

“Previous Agreements
(Customer B)”

collectively, the framework agreement, the factoring agreement and the first supplemental factoring agreement being entered into between Customer B and SY Factoring on 13 September 2017 and 19 January 2018 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB200,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer B; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer B for a period of 2 years from the date of signing of the framework agreement

“Previous Agreements
(Customer C)”

collectively, the framework agreement, the factoring agreement and the first supplemental factoring agreement being entered into between Customer C and SY Factoring on 13 September 2017 and 19 January 2018 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB200,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer C; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer C for a period of 2 years from the date of signing of the framework agreement

“Previous Agreements
(Customer D)”

collectively, the framework agreement, the factoring agreement, the first supplemental factoring agreement and the second supplemental factoring agreement being entered into between Customer D and SY Factoring on 1 November 2016, 9 November 2016, 30 July 2017 and 15 November 2017 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB250,000,000, an interest rate of not more than 13.5% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 0.35% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by accounts receivables of Customer D; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer D for a period of 2 years from the date of signing of the framework agreement

“Previous Agreements
(Customer E)”

collectively, the framework agreement, the purchase order financing agreement, the factoring agreement, the first supplemental factoring agreement, the second supplemental factoring agreement, the third supplemental factoring agreement, the fourth supplemental factoring agreement, the fifth supplemental factoring agreement and the sixth supplemental factoring agreement being entered into between Customer E and SY Factoring on 7 August 2017, 21 August 2017, 10 August 2017, 22 August 2017, 14 September 2017, 27 September 2017, 12 October 2017, 13 October 2017 and 19 January 2018 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB350,000,000, an interest rate of 10-15% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by either the accounts receivables of Customer E or the purchase orders entered into by Customer E as the vendor; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer E for a period of 2 years from the date of signing of the framework agreement

“Previous Agreements
(Customer F)”

collectively, the framework agreement, the purchase order financing agreement, the factoring agreement and the first supplemental factoring agreement being entered into between Customer F and SY Factoring on 20 December 2017 and 19 January 2018 respectively pursuant to which SY Factoring agreed to provide, among other things, i) a revolving factoring loan with a credit limit of RMB390,000,000, an interest rate of 10-18% per annum (the exact interest rate to be determined upon each drawdown) and a service fee of not more than 1% of each accounts receivable assigned (the exact service fee to be determined upon each drawdown) being secured by either the accounts receivables of Customer F or the purchase orders entered into by Customer F as the vendor; ii) accounts receivable management services; and iii) accounts receivable collection services to Customer F for a period of 2 years from the date of signing of the framework agreement

“RMB”

Renminbi, the lawful currency of the PRC

“Second Supplemental
Factoring Agreement
(Customer B)”

the second supplemental factoring agreement being entered into between Customer B and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer B and Customer C jointly was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 40% or 80% (as the case may be) of each accounts receivable assigned (for Customer B) or not more than 90% of each accounts receivable assigned (for Customer C) to not more than 100% of each accounts receivable assigned (for both Customer B and Customer C); and iii) the expiry date of the credit period was revised from 1 May 2018 to 3 April 2019

“Second Supplemental Factoring Agreement (Customer C)”	the second supplemental factoring agreement being entered into between Customer C and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer B and Customer C jointly was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 40% or 80% (as the case may be) of each accounts receivable assigned (for Customer B) or not more than 90% of each accounts receivable assigned (for Customer C) to not more than 100% of each accounts receivable assigned (for both Customer B and Customer C); and iii) the expiry date of the credit period was revised from 1 May 2018 to 3 April 2019
“Second Supplemental Factoring Agreement (Customer F)”	the second supplemental factoring agreement being entered into between Customer F and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer F was revised from RMB390,000,000 to RMB700,000,000; ii) the interest rate was revised from 10%-18% per annum to 10-15% per annum; and iii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019
“Seventh Supplemental Factoring Agreement (Customer E)”	the seventh supplemental factoring agreement being entered into between Customer E and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer E was revised from RMB350,000,000 to RMB650,000,000; and ii) the expiry date of the credit period was revised from 16 May 2018 to 2 April 2019
“Shares”	ordinary share(s) having a par value of HK\$0.01 each in the capital of the Company
“Shareholders”	the holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules

“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
“Third Supplemental Factoring Agreement (Customer A)”	the third supplemental factoring agreement being entered into between Customer A and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer A was revised from RMB260,000,000 to RMB600,000,000; ii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iii) the expiry date of the credit period was revised from 15 April 2018 to 28 March 2019
“Third Supplemental Factoring Agreement (Customer D)”	the third supplemental factoring agreement being entered into between Customer D and SY Factoring on 16 April 2018 pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer D was revised from RMB250,000,000 to RMB400,000,000; ii) the interest rate was revised from not more than 13.5% per annum to 10-15% per annum; iii) the service fee was revised from not more than 0.35% of each accounts receivable assigned to not more than 1% of each accounts receivable assigned; and iv) the expiry date of the credit period was revised from 15 April 2018 to 1 April 2019
“Wisdom Cosmos”	Wisdom Cosmos Limited (慧普有限公司), a company incorporated in the British Virgin Islands with limited liability and the controlling shareholder (as defined in the GEM Listing Rules) of the Company
“%”	per cent

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

Hong Kong, 16 April 2018

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 document misleading.

As at the date of this announcement, the Board comprises two executive Directors: Mr. Tung Chi Fung and Mr. Chen Jen-Tse; one non-executive Director: Ms. Tung Ching Ching; and three independent non-executive Directors: Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon and Mr. Tsoon Wai Mun, Benjamin.

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 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.