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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 —**

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- (II) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER E);**
- (III) FACTORING AGREEMENT (CUSTOMER F);**
- (IV) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER G);**
- (V) FACTORING AGREEMENT (CUSTOMER H);**
- (VI) FACTORING AGREEMENT (CUSTOMER I);**
- (VII) FACTORING AGREEMENT (CUSTOMER J); AND**
- (VIII) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER K)**

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## **MAJOR TRANSACTIONS**

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Refactoring Agreement (Customer A) with Customer A, pursuant to which i) the revolving refactoring loan credit limit granted to Customer A was revised from RMB300,000,000 to RMB1,000,000,000; ii) the refactoring prepayment ratio was revised from 90% to 100% of the accounts receivable reassigned iii) the annual interest rate was revised from not more than 8% to not more than 15%; iv) the expiry date of the credit period was revised from 28 December 2018 to 30 April 2019; 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.

### **(II) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER E)**

The Board hereby announces that on 21 May 2018, Sheng Peng entered into the Supplemental Factoring Agreement (Customer E) with Customer E pursuant to which i) the revolving factoring loan credit limit granted to Customer E was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 70% of the accounts receivable assigned to not more than 80% of the accounts receivable assigned or not more than 50% of the purchase order assigned (as the case may be); iii) the annual interest rate was revised from 9% to not more than 10%; iv) the expiry date of the credit period was revised from 28 December 2018 to 30 April 2019; v) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned; and vi) 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.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer F) with Customer F pursuant to which SY Factoring and its subsidiaries jointly granted to Customer F a revolving factoring loan credit limit of RMB600,000,000 at an annual interest rate of not more than 10% (including tax, to be paid within the first five business days each month) with an expiry date of 30 April 2019. The factoring was with or without recourse which would be determined based on the situation and whether it was with or without notification would be determined based on the accounts receivable assigned.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Factoring Agreement (Customer G) with Customer G pursuant to which the expiry date of the credit period was revised from 4 June 2018 to 30 April 2019.

**(V) FACTORING AGREEMENT (CUSTOMER H)**

**(VI) FACTORING AGREEMENT (CUSTOMER I)**

**(VII) FACTORING AGREEMENT (CUSTOMER J)**

**(VIII) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER K)**

The Board hereby announces that on 21 May 2018, SY Shenzhen entered into the Factoring Agreement (Customer H), Factoring Agreement (Customer I) and Factoring Agreement (Customer J) with Customer H, Customer I and Customer J respectively pursuant to which a revolving factoring loan credit limit of RMB400,000,000 was granted to Customer H, Customer I, Customer J and Customer K jointly at the sum of annual interest rate and service fee being not more than 15% (including tax, the exact sum of interest rate and service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. 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. Further, whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

The Board hereby further announces that on 21 May 2018, SY Factoring entered into the Second Supplemental Factoring Agreement (Customer K) with Customer K pursuant to which i) the revolving factoring loan credit limit was revised from RMB70,000,000 (for Customer K only) to RMB400,000,000 (for Customer H, Customer I, Customer J and Customer K jointly); ii) the annual interest rate was revised from 12% to the sum of annual interest rate and service fee being not more than 15%; iii) the expiry date of the credit period was revised from 24 October 2018 to 30 April 2019; iv) the factoring was revised from being with notification to being with or without notification which would be determined based on the accounts receivable assigned; v) 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.

Under the Factoring Agreement (Customer H), Factoring Agreement (Customer I), Factoring Agreement (Customer J) and Second Supplemental Factoring Agreement (Customer K), the credit limit is to be shared among Customer H, Customer I, Customer J and Customer K jointly.

**MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED MAJOR TRANSACTION — FACTORING AGREEMENT (CUSTOMER D)**

Reference is made to the announcement of the Company dated 16 April 2018.

The Board hereby announces that immediately after entering into the Confirmation Letters, on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer D) with Customer D (an associated company of Customer B and Customer C) pursuant to which SY Factoring granted a revolving factoring loan credit limit of RMB600,000,000 to Customer B, Customer C, Customer D and their associated companies jointly at an annual interest rate of 10-15% (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 (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019.

**DISCLOSEABLE TRANSACTIONS**

**(I) FACTORING AGREEMENT (CUSTOMER M)**

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer M) with Customer M pursuant to which SY Factoring granted to Customer M 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 (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. The factoring is with recourse and whether it is with or without notification will be determined based on the accounts receivable assigned.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Factoring Agreement (Customer N) with Customer N pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer N was revised from RMB43,000,000 to RMB100,000,000; ii) the factoring loan prepayment ratio was revised from not more than 80% of the accounts receivable assigned to not more than 100% of the accounts receivable assigned or not more than 80% of the purchase

order assigned (as the case may be); iii) the annual interest rate was revised from 14% (including tax) to not more than 15% (including tax, the exact interest rate to be determined upon each drawdown); iv) the service fee was revised from nil to not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be determined upon each drawdown); v) the expiry date of the credit period was revised from 20 April 2019 to 30 April 2019; and vi) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer O) with Customer O pursuant to which SY Factoring granted to Customer O a revolving factoring loan credit limit of RMB170,000,000 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. The factoring is with recourse and whether it is with or without notification will be determined based on the accounts receivable assigned.

### **MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED DISCLOSEABLE TRANSACTION — THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER L)**

Reference is made to the announcement of the Company dated 15 March 2018.

The Board hereby announces that on 21 May 2018, Sheng Peng entered into the Third Supplemental Factoring Agreement (Customer L) with Customer L pursuant to which i) the factoring loan prepayment ratio was revised from not more than 50% of the purchase orders assigned or not more than 80% of the accounts receivable assigned (as the case may be) to not more than 50% of the purchase orders assigned or not more than 90% of the accounts receivable assigned (as the case may be); (ii) the expiry date of the credit period was revised from 14 March 2019 to 30 April 2019; iii) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned; and iv) 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.

## **GEM LISTING RULES IMPLICATIONS**

*Major Transactions — (I) Supplemental Refactoring Agreement (Customer A); (II) Supplemental Factoring Agreement (Customer E); (III) Factoring Agreement (Customer F); (IV) Supplemental Factoring Agreement (Customer G); (V) Factoring Agreement (Customer H); (VI) Factoring Agreement (Customer I); (VII) Factoring Agreement (Customer J); and (VIII) Second Supplemental Factoring Agreement (Customer K); and Material Change of Terms of the Previously Announced Major Transaction — Factoring Agreement (Customer D)*

The Directors consider that the Factoring Agreement (Customer D) 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 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 75% 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 11 June 2018.

*Discloseable Transactions — (I) Factoring Agreement (Customer M); (II) Supplemental Factoring Agreement (Customer N); and (III) Supplemental Factoring Agreement (Customer O); and Material Change of Terms of the Previously Announced Discloseable Transaction — Third Supplemental Factoring Agreement (Customer L)*

The Directors consider that the Third Supplemental Factoring Agreement (Customer L) 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 (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.

## **MAJOR TRANSACTIONS**

### **(I) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER A)**

#### **Background**

On 29 December 2017, SY Factoring, an indirect wholly owned subsidiary of the Company, entered into the Previous Agreement (Customer A) with Customer A pursuant to which SY Factoring agreed to provide a revolving refactoring loan with a credit limit of RMB300,000,000 at an annual interest rate of not more than 8% (the exact interest rate to be determined upon each drawdown) being secured by accounts receivables being assigned to Customer A by Customer A's factoring customers which would expire on 28 December 2018. The refactoring was with recourse.

After the entering into of the Previous Agreement (Customer A), Customer A applied for utilizations of the revolving refactoring loan via several applications respectively which had been approved and granted by SY Factoring. As at the date of this announcement, RMB285,281,025.68 of the revolving refactoring loan which was utilized remained outstanding.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Refactoring Agreement (Customer A) with Customer A, pursuant to which i) the revolving refactoring loan credit limit granted to Customer A was revised from RMB300,000,000 to RMB1,000,000,000; ii) the refactoring prepayment ratio was revised from 90% to 100% of the accounts receivable reassigned; iii) the annual interest rate was revised from not more than 8% to not more than 15%; iv) the expiry date of the credit period was revised from 28 December 2018 to 30 April 2019; 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.

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

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; and ii) the credit period.

### **Condition precedent**

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

## **(II) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER E)**

### **Background**

On 26 December 2017, Sheng Peng entered into the Previous Agreements (Customer E) with Customer E pursuant to which Sheng Peng agreed to provide to Customer E, among other things, i) a revolving factoring loan with a credit limit of RMB200,000,000 at an annual interest rate of 9% (including tax, to be paid by Customer E to Sheng Peng within the first five business days each month) being secured by a pool of accounts receivables of Customer E which would expire on 25 December 2018; 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 was with recourse and without notification.



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 Sheng Peng. As at the date of this announcement, RMB199,590,000 of the revolving factoring loan which was utilized remained outstanding.

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

The Board hereby announces that on 21 May 2018, Sheng Peng entered into the Supplemental Factoring Agreement (Customer E) with Customer E pursuant to which i) the revolving factoring loan credit limit granted to Customer E was revised from RMB200,000,000 to RMB600,000,000; ii) the factoring loan prepayment ratio was revised from not more than 70% of the accounts receivable assigned to not more than 80% of the accounts receivable assigned or not more than 50% of the purchase order assigned (as the case may be); iii) the annual interest rate was revised from 9% to not more than 10%; iv) the expiry date of the credit period was revised from 28 December 2018 to 30 April 2019; v) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned; and vi) 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.

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 was 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 Supplemental Factoring Agreement (Customer E), Sheng Peng shall cease the provision of the credit limit to Customer E.

### **Condition precedent**

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

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

#### **Factoring Agreement (Customer F)**

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer F) with Customer F pursuant to which SY Factoring and its subsidiaries jointly granted to Customer F a revolving factoring loan credit limit of RMB600,000,000 at an annual interest rate of not more than 10% (including tax, to be paid within the first five business days each month) with an expiry date of 30 April 2019. The factoring was with or without recourse which would be determined based on the situation and whether it was with or without notification would be determined based on the accounts receivable assigned.

The interest rate was 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 Supplemental Factoring Agreement (Customer F), SY Factoring shall cease the provision of the credit limit to Customer F.

#### **Condition precedent**

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

### **(IX) SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER G)**

#### **Background**

On 13 August 2015, 20 July 2016, 1 June 2017 and 5 June 2017, SY Factoring entered into the Previous Agreements (Customer G) with Customer G pursuant to which SY Factoring agreed to provide to Customer G, among other things, i) a revolving factoring loan with a credit limit of RMB320,000,000 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 by the accounts receivables of Customer G which would expire on 4 June 2018; and ii) accounts receivable collection services for a period of 3 years from the date of signing of the framework agreement. The factoring was 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 G), Customer G 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, RMB220,255,719.18 of the revolving factoring loan which was utilized remained outstanding.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Factoring Agreement (Customer G) with Customer G pursuant to which the expiry date of the credit period was revised from 4 June 2018 to 30 April 2019.

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

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

### **Condition precedent**

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

**(X) FACTORING AGREEMENT (CUSTOMER H)**

**(XI) FACTORING AGREEMENT (CUSTOMER I)**

**(XII) FACTORING AGREEMENT (CUSTOMER J)**

**(XIII) SECOND SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER K)**

**Background**

On 25 April 2018 and 10 May 2018, SY Shenzhen entered into the Previous Agreements (Customer K) with Customer K pursuant to which SY Shenzhen agreed to provide to Customer K, among other things, i) a revolving factoring loan with a credit limit of RMB70,000,000 at an annual interest rate of 12% (including tax, to be collected upon each drawdown) being secured by the accounts receivables of Customer K which would expire on 24 October 2018; 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 was with recourse and with notification.

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 Shenzhen. As at the date of this announcement, RMB65,000,000 of the revolving factoring loan which was utilized remained outstanding.

**Factoring Agreement (Customer H), Factoring Agreement (Customer I), Factoring Agreement (Customer J) and Second Supplemental Factoring Agreement (Customer K)**

The Board hereby announces that on 21 May 2018, SY Shenzhen entered into the Factoring Agreement (Customer H), Factoring Agreement (Customer I) and Factoring Agreement (Customer J) with Customer H, Customer I and Customer J respectively pursuant to which a revolving factoring loan credit limit of RMB400,000,000 was granted to Customer H, Customer I, Customer J and Customer K jointly at the sum of annual interest rate and service fee being not more than 15% (including tax, the exact sum of interest rate and service fee to be negotiated upon each drawdown) which would expire on 30 April 2019. 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. Further, whether the factoring was with notification or without notification to the debtors would be determined based on the accounts receivable assigned.

The Board hereby further announces that on 21 May 2018, SY Shenzhen entered into the Second Supplemental Factoring Agreement (Customer K) with Customer K pursuant to which i) the revolving factoring loan credit limit was revised from RMB70,000,000 (for Customer K only) to RMB400,000,000 (for Customer H, Customer I, Customer J and Customer K jointly); ii) the annual interest rate was revised from 12% to the sum of annual interest rate and service fee being not more than 15%; iii) the expiry date of the credit period was revised from 24 October 2018 to 30 April 2019; iv) the factoring was revised from being with notification to being with or without notification which would be determined based on the accounts receivable assigned; v) 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.

Under the Factoring Agreement (Customer H), Factoring Agreement (Customer I), Factoring Agreement (Customer J) and Second Supplemental Factoring Agreement (Customer K), the credit limit is to be shared among Customer H, Customer I, Customer J and Customer K jointly.

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 service fee were determined by the parties on arm's length negotiation taking into account i) the credit rating of Customer H, Customer I, Customer J and Customer K 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 H, Customer I, Customer J and Customer K utilizes the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer H), Factoring Agreement (Customer I), Factoring Agreement (Customer J) and Second Supplemental Factoring Agreement (Customer K), SY Shenzhen shall cease the provision of the credit limit to Customer H, Customer I, Customer J and Customer K.

### **Condition precedent**

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

## **MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED MAJOR TRANSACTION — FACTORING AGREEMENT (CUSTOMER D)**

Reference is made to the announcement of the Company dated 16 April 2018.

After the entering into of the Second Supplemental Factoring Agreement (Customer B) and Second Supplemental Factoring Agreement (Customer C), Customer B and Customer C applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by SY Factoring. As at the date of this announcement, RMB168,685,637.85 of the revolving factoring loan which was utilised remained outstanding.

On 21 May 2018, each of Customer B and Customer C entered into the Confirmation Letter with SY Factoring pursuant to which SY Factoring agreed that the credit limit granted to Customer B and Customer C jointly would be shared among the associated companies of Customer B and Customer C.

The Board hereby announces that immediately after entering into the Confirmation Letters, on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer D) with Customer D (an associated company of Customer B and Customer C) pursuant to which SY Factoring granted a revolving factoring loan credit limit of RMB600,000,000 to Customer B, Customer C, Customer D and their associated companies jointly at an annual interest rate of 10-15% (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 (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019.

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 them; ii) the credit period; and iii) the factoring was with recourse.

If none of the Customer B, Customer C and Customer D utilizes the credit limit within 90 days from the date of signing of the Factoring Agreement (Customer D), SY Factoring shall cease the provision of the credit limit to Customer B, Customer C and Customer D.

### **Condition precedent**

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

## **DISCLOSEABLE TRANSACTIONS**

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

#### **Background**

On 9 January 2018 and 10 January 2018, SY Factoring entered into the Previous Agreements (Customer M) with Customer M, pursuant to which SY Factoring agreed to provide to Customer M i) financing being secured by either the accounts receivables of Customer M or the purchase orders entered into by Customer M as the vendor; 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 Agreements (Customer M), detailed terms of the factoring services to be provided by SY Factoring to Customer M were to be further agreed by the parties.

#### **Factoring Agreement (Customer M)**

The Board hereby announces that on 21 May 2018, pursuant to the Previous Agreements (Customer M), SY Factoring entered into the Factoring Agreement (Customer M) with Customer M pursuant to which SY Factoring granted to Customer M 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 (including tax, the exact service fee to be negotiated upon each drawdown) which would expire on 30 April 2019.

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

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

On 16 April 2018 and 25 April 2018, SY Factoring entered into the Previous Agreements (Customer N) with Customer N, pursuant to which SY Factoring agreed to provide to Customer N, among other things, i) a revolving factoring loan with a credit limit of RMB43,000,000 at an annual interest rate of 14% (including tax) being secured by the accounts receivables of Customer N or the purchase orders entered into by Customer N as the vendor which would expire

on 20 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 was with recourse and without notification.

After the entering into of the Previous Agreements (Customer N), Customer N 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, RMB947,472.35 of the revolving factoring loan which was utilized remained outstanding.

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

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Supplemental Factoring Agreement (Customer N) with Customer N pursuant to which i) the revolving factoring loan credit limit granted by SY Factoring to Customer N was revised from RMB43,000,000 to RMB100,000,000; ii) the factoring loan prepayment ratio was revised from not more than 80% of the accounts receivable assigned to not more than 100% of the accounts receivable assigned or not more than 80% of the purchase order assigned (as the case may be); iii) the annual interest rate was revised from 14% (including tax) to not more than 15% (including tax, the exact interest rate to be determined upon each drawdown); iv) the service fee was revised from nil to not more than 2% of the accounts receivable assigned (including tax, the exact service fee to be determined upon each drawdown); v) the expiry date of the credit period was revised from 20 April 2019 to 30 April 2019; and vi) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned.

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



## **(VI) FACTORING AGREEMENT (CUSTOMER O)**

### **Background**

On 7 May 2018, SY Factoring entered into the Previous Agreements (Customer O) with Customer O, pursuant to which SY Factoring agreed to provide to Customer O i) financing being secured by the accounts receivables of Customer O; 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 Agreements (Customer O), detailed terms of the factoring services to be provided by SY Factoring to Customer O are to be further agreed by the parties.

### **Factoring Agreement (Customer O)**

The Board hereby announces that on 21 May 2018, SY Factoring entered into the Factoring Agreement (Customer O) with Customer O pursuant to which SY Factoring granted to Customer O a revolving factoring loan credit limit of RMB170,000,000 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. The factoring is with recourse and whether it is with or without notification will 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 O) 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 the credit limit was never utilized within 90 days by Customer O from the date of signing of the Factoring Agreement (Customer O), SY Factoring shall cease the provision of the credit limit to Customer O.

## **MATERIAL CHANGE OF TERMS OF THE PREVIOUSLY ANNOUNCED DISCLOSEABLE TRANSACTION — THIRD SUPPLEMENTAL FACTORING AGREEMENT (CUSTOMER L)**

Reference is made to the announcement of the Company dated 15 March 2018.

After the entering into of the Second Supplemental Factoring Agreement (Customer L), Customer L applied for utilizations of the revolving factoring loan via several applications which had been approved and granted by Sheng Peng. As at the date of this announcement, RMB163,000,000 of the revolving factoring loan which was utilised remained outstanding.

The Board hereby announces that on 21 May 2018, Sheng Peng entered into the Third Supplemental Factoring Agreement (Customer L) with Customer L pursuant to which i) the factoring loan prepayment ratio was revised from not more than 50% of the purchase orders assigned or not more than 80% of the accounts receivable assigned (as the case may be) to not more than 50% of the purchase orders assigned or not more than 90% of the accounts receivable assigned (as the case may be); (ii) the expiry date of the credit period was revised from 14 March 2019 to 30 April 2019; (iii) the factoring was revised from being without notification to being with or without notification which would be determined based on the accounts receivable assigned; and iv) 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.

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

## **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, the wholesale of anesthetics, psychotropics and Chinese medicine.

Customer F is a company established in the PRC and is principally engaged in, among other things, wholesale of medicine and retail of medical equipment.

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

Customer H is a company established in the PRC and is principally engaged in, among other things, sale of ore products and construction materials.

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

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

Customer K is a company established in the PRC and is principally engaged in, among other things, sale of ore products and chemicals.

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

Customer M is a company established in the PRC and is principally engaged in, among other things, sales of steel and metal products.

Customer N is a company established in the PRC and is principally engaged in, among other things, sale of metal and construction materials.

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

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 increase of credit limit under the respective previous agreements. Since each of the Customers is able to increase 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 — (I) Supplemental Refactoring Agreement (Customer A); (II) Supplemental Factoring Agreement (Customer E); (III) Factoring Agreement (Customer F); (IV) Supplemental Factoring Agreement (Customer G); (V) Factoring Agreement (Customer H); (VI) Factoring Agreement (Customer I); (VII) Factoring Agreement (Customer J); and (VIII) Second Supplemental Factoring Agreement (Customer K); and Material Change of Terms of the Previously Announced Major Transaction — Factoring Agreement (Customer D)*

The Directors consider that the Factoring Agreement (Customer D) 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 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 75% 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.

*Discloseable Transactions — (I) Factoring Agreement (Customer M); (II) Supplemental Factoring Agreement (Customer N); and (III) Factoring Agreement (Customer O); and Material Change of Terms of the Previously Announced Discloseable Transaction — Third Supplemental Factoring Agreement (Customer L)*

The Directors consider that the Third Supplemental Factoring Agreement (Customer L) 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 (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 11 June 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
“Confirmation Letter(s)”	the confirmation letter(s) between SY Factoring and each of Customer B and Customer C dated 18 May 2018
“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, the wholesale of anesthetics, psychotropics and Chinese medicine
“Customer F”	a company established in the PRC which principally engages in, among other things, wholesale of medicine and retail of medical equipment
“Customer G”	a company established in the PRC which principally engages in, among other things, purchase and sales of construction and decoration materials
“Customer H”	a company established in the PRC which principally engages in, among other things, sale of ore products and construction materials
“Customer I”	a company established in the PRC which principally engages in, among other things, trading of metals and construction metals
“Customer J”	a company established in the PRC which principally engages in, among other things, trading of steel and chemicals
“Customer K”	a company established in the PRC which principally engages in, among other things, sale of ore products and chemicals
“Customer L”	a company established in the PRC which principally engages in, among other things, sales of Chinese medicine, medicine, and medical equipment
“Customer M”	a company established in the PRC which principally engages in, among other things, sales of steel and metal products
“Customer N”	a company established in the PRC which principally engages in, among other things, sale of metal and construction materials
“Customer O”	a company established in the PRC which principally engages in, among other things, subcontractor in construction related work

“Customers”	collectively, Customer A, Customer B, Customer C, Customer D, Customer E, Customer F, Customer G, Customer H, Customer I, Customer J, Customer K, Customer L, Customer M, Customer N and Customer O
“Director(s)”	the director(s) of the Company
“Factoring Agreements”	collectively the Factoring Agreements (Major) and Factoring Agreements (Discloseable)
“Factoring Agreement (Customer D)”	the factoring agreement between Customer D and SY Factoring on 21 May 2018
“Factoring Agreement (Customer F)”	the factoring agreement between Customer F and SY Factoring on 21 May 2018
“Factoring Agreement (Customer H)”	the factoring agreement between Customer H and SY Shenzhen on 21 May 2018
“Factoring Agreement (Customer I)”	the factoring agreement between Customer I and SY Shenzhen on 21 May 2018
“Factoring Agreement (Customer J)”	the factoring agreement between Customer J and SY Shenzhen on 21 May 2018
“Factoring Agreement (Customer M)”	the factoring agreement between Customer M and SY Factoring on 21 May 2018
“Factoring Agreement (Customer O)”	the factoring agreement between Customer O and SY Factoring on 21 May 2018
“Factoring Agreements (Discloseable)”	collectively, the Factoring Agreement (Customer M), Supplemental Factoring Agreement (Customer N), Factoring Agreement (Customer O), and Third Supplemental Factoring Agreement (Customer L)
“Factoring Agreements (Major)”	collectively, Supplemental Refactoring Agreement (Customer A), Supplemental Factoring Agreement (Customer E); Factoring Agreement (Customer F); Supplemental Factoring Agreement (Customer G); Factoring Agreement (Customer H); Factoring Agreement (Customer I); Factoring Agreement (Customer J); Second Supplemental Factoring Agreement (Customer K); and Factoring Agreement (Customer D)



“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“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 Agreement (Customer A)”	the refactoring agreement between Customer A and SY Factoring on 29 December 2017
“Previous Agreements (Customer B)”	collectively, the framework agreement, the factoring agreement and the first supplemental factoring agreement between Customer B and SY Factoring on 13 September 2017 and 19 January 2018 respectively
“Previous Agreements (Customer C)”	collectively, the framework agreement, the factoring agreement and the first supplemental factoring agreement between Customer C and SY Factoring on 13 September 2017 and 19 January 2018 respectively
“Previous Agreements (Customer E)”	collectively, the framework agreement, the pool financing agreement, the purchase order financing agreement and the factoring agreement between Customer E and Sheng Peng on 26 December 2017

“Previous Agreements (Customer G)”	collectively, the framework agreement, the supplemental framework agreement, the purchase order financing agreement and the factoring agreement between Customer G and SY Factoring on 3 August 2015, 20 July 2016, 1 June 2017 and 5 June 2017
“Previous Agreements (Customer K)”	collectively, the framework agreement, the factoring agreement and the first supplemental factoring agreement between Customer K and SY Shenzhen on 25 April 2018 and 10 May 2018
“Previous Agreements (Customer L)”	collectively, the framework agreement, the pool financing agreement, the factoring agreement, the first supplemental agreement and the second supplemental factoring agreement between Customer L and a wholly owned subsidiary of the Company on 7 March 2017, 7 March 2017, 12 April 2017, 23 October 2017 and 15 March 2018
“Previous Agreements (Customer M)”	collectively, the framework agreement, the supplemental framework agreement, the purchase order financing agreement between Customer M and SY Factoring on 9 January 2018 and 10 January 2018
“Previous Agreements (Customer N)”	collectively, the framework agreement, the purchase order financing agreement and the factoring agreements between Customer N and SY Factoring on 16 April 2018 and 25 April 2018
“Previous Agreement (Customer O)”	the framework agreement between Customer O and SY Factoring on 7 May 2018.
“RMB”	Renminbi, the lawful currency of the PRC
“Second Supplemental Factoring Agreement (Customer B)”	the second supplemental factoring agreement between SY Factoring and Customer B on 16 April 2018
“Second Supplemental Factoring Agreement (Customer C)”	the second supplemental factoring agreement between SY Factoring and Customer C on 16 April 2018

“Second Supplemental Factoring Agreement (Customer K)”	the second supplemental factoring agreement between Customer K and SY Shenzhen on 21 May 2018
“Second Supplemental Factoring Agreement (Customer L)”	the second supplemental factoring agreement between Customer L and Sheng Peng on 15 March 2018
“Shares”	ordinary share(s) having a par value of HK\$0.01 each in the capital of the Company
“Shareholders”	the holders of Shares
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“Supplemental Refactoring Agreement (Customer A)”	the supplemental refactoring agreement between Customer A and SY Factoring on 21 May 2018
“Supplemental Factoring Agreement (Customer E)”	the supplemental factoring agreement between Customer E and Sheng Peng on 21 May 2018
“Supplemental Factoring Agreement (Customer G)”	the supplemental factoring agreement between Customer G and SY Factoring on 21 May 2018
“Supplemental Factoring Agreement (Customer N)”	the supplemental factoring agreement between Customer N and SY Factoring on 21 May 2018
“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

“Third Supplemental  
Factoring Agreement  
(Customer L)”

the third supplemental factoring agreement  
between Customer L and Sheng Peng on 21 May  
2018

“%”

per cent

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

Hong Kong, 21 May 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](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).*