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## **YUXING INFOTECH INVESTMENT HOLDINGS LIMITED**

**裕興科技投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8005)**

### **FURTHER ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTION**

Reference is made to the announcement of the Company dated 24 August 2017 (the “**Announcement**”) in relation to the Investment. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise stated. This announcement is to provide further information about the Investment.

#### **FURTHER INFORMATION ON REASONS FOR THE INVESTMENT**

Yuxing Technology Company Limited (“**Yuxing Technology**”), a wholly-owned subsidiary of the Company, had subscribed in limited partnership interests in MaxWealth Great China Fixed Income Fund II LP (formerly known as Yue Xiu Great China Fixed Income Fund II LP) (“**MaxWealth Fund**”), a Cayman Islands exempted limited partnership, since June 2015. Around January 2017, Yue Xiu Investment Management Limited, the general partner of the MaxWealth Fund, had transferred all of its partnership interest in the MaxWealth Fund to MaxWealth Investment Management Limited (i.e. the General Partner) which was then admitted as the new general partner of the MaxWealth Fund. As of the date of this announcement, Yuxing Technology remains to be a limited partner of the MaxWealth Fund (as disclosed in note 14 (vi) of the 2017 Interim Report of the Company).

The Company acquainted with the General Partner through Yuxing Technology’s investment in the MaxWealth Fund. Through discussions with the General Partner, the Board was informed that the Portfolio Company has granted a subscription quota to the Fund for its convertible bonds. The General Partner then recommended to the Board to subscribe into the Fund. Due to quota restrictions in the Portfolio Company, the Company is unable to subscribe to the convertible bonds of the Portfolio Company directly. Therefore, the Company considered subscribing to the convertible bonds of the Portfolio Company through the Fund by making the Subscription.

The Board has reviewed the latest consolidated financial statements of the Portfolio Company, a company listed on the Stock Exchange since April 2016, and considers it to be a financially healthy listed company. Given that the Portfolio Company has declared dividends in the last two financial years, the Board expects that the Portfolio Company will continue to perform positively. Further, the Board also considered the terms of the convertible bonds to be issued by the Portfolio Company including coupon rate and conversion price which they believe are favorable to the investors of the Portfolio Company. The Board also values the successful experience of the General Partner and its opportunity to subscribe for the convertible bonds of the Portfolio Company.

In view of the above, the Board considered the Subscription to be a good investment opportunity for the Company and its Shareholders.

## **BACKGROUND OF THE INITIAL LIMITED PARTNER AND GENERAL PARTNER**

The Initial Limited Partner is Pan Shangcong (“**Mr. Pan**”). To the best knowledge, information and belief of the Company, the ultimate beneficial owner of the General Partner, MaxWealth Investment Management Limited, is Mr. Pan.

Mr. Pan is the founder and ultimate beneficial owner of the General Partner and the Initial Limited Partner and has served as the executive chairman of the General Partner since June 2015.

To the best of the knowledge, information and belief of the Board having made all reasonable enquiries, Mr. Pan and the General Partner are Independent Third Parties.

## **DISTRIBUTION**

Under the Limited Partnership Agreement, any investment proceeds realised by the partnership shall be apportioned among and distributed as follows:

- (a) First, the first-tier Limited Partners are entitled to receive distributions accordingly to the table below:

	<b>Investment Profit Rate</b>	<b>Distributions to the first-tier Limited Partners</b>
Scenario 1	Less than 0%	First 100% of the investment proceeds; thereafter, 5% of the aggregate capital contributions made by the first-tier Limited Partners
Scenario 2	0%-5% (inclusive of 0% and 5%)	105% of the aggregate capital contributions made by the first-tier Limited Partners
Scenario 3	More than 5% (exclusive of 5%)	First, 105% of the aggregate capital contributions made by the first-tier Limited Partners; thereafter, sixty percent (60%) of the residual amount to the second-tier Limited Partner, twenty percent (20%) to the General Partner and twenty percent (20%) to the first-tier Limited Partners.

Distributions made to the first-tier Limited Partners pursuant to (a) above shall with respect to each first-tier Limited Partner, be pro rata to each first-tier Limited Partner's aggregate capital contribution.

In the event the full amount of the payment under either Scenario 1 or Scenario 2 cannot be distributed to the first-tier Limited Partners from the investment proceeds, the General Partner shall make immediate capital calls to the second-tier Limited Partner to the limit of the second-tier Limited Partner's commitment to the extent that the first-tier Limited Partners shall receive the full amount of payment under (a) above.

- (b) Any residual amount after the distribution to the first-tier Limited Partners pursuant to (a) above shall be distributed to the second-tier Limited Partner. The Company's subscribing subsidiary is a first-tier Limited Partner.

## **THE PORTFOLIO COMPANY**

The Portfolio Company is Get Nice Financial Group Limited, a company incorporated under the laws of the Cayman Islands, whose ordinary shares are listed on the Stock Exchange (Stock Code: 1469).

## **RELATIONSHIP WITH RECENT SUBSCRIPTION OF INTEREST IN LIMITED PARTNERSHIP**

Reference is made to the announcement of the Company dated 25 July 2017 in relation to the subscription of interest in limited partnership in iSun Global Restructuring-led Partnership Fund I LP ("**iSun Fund**") by the Group. As far as the Company is aware, the General Partner and its ultimate beneficial owners do not have any relationship with the iSun Fund and/or its ultimate beneficial owners. The iSun Fund is separately managed and administered and unrelated to the management of administration of the Fund.

By order of the Board  
**Yuxing InfoTech Investment Holdings Limited**  
**Li Qiang**  
*Chairman*

Hong Kong, 6 September 2017

\* *For identification purpose only*

*As at the date of this announcement, the executive Directors are Mr. Li Qiang, Mr. Shi Guangrong, Mr. Zhu Jiang and Mr. Gao Fei; the independent non-executive Directors are Ms. Shen Yan, Mr. Zhong Pengrong and Mr. Wu Jiajun.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the Company's website at [www.yuxing.com.cn](http://www.yuxing.com.cn).*