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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)

DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 19th December 2019, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower a loan in the principal amount of RMB100.0 million (equivalent to approximately HK\$111.2 million) to the Borrower for a term commencing from the Drawdown Date and ending on 18th September 2020.

As one or more of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the amount of financial assistance provided to the Borrower under the Loan Facility is more than 5% but less than 25%, the Loan Facility constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

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THE LOAN AGREEMENT

The principal terms of the Loan Agreement are as follows:

Date: 19th December 2019

Lender: Beijing E-rich Investment Management Co., Ltd.* (北京裕睿投資管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

- Borrower:** Beijing Aihuan Times Technology Limited* (北京愛換時代科技股份有限公司), a company established in the PRC with limited liability and to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, it and its ultimate beneficial owner are third parties independent of the Company and its Connected Persons. The share capital of Beijing Aihuan Times Technology Limited* (北京愛換時代科技股份有限公司) is held by 7 shareholders comprising of companies and individuals. Its largest shareholder holding approximately 62.89% of its share capital is Mr. Liang Xiao* (梁瀟), and its second largest shareholder holding approximately 19.19% of its share capital is Mr. Lu Zhongnan* (呂忠楠)
- Principal:** RMB100.0 million (equivalent to approximately HK\$111.2 million)
- The Loan will be available for drawdown upon the satisfaction of certain conditions as set out in the Loan Agreement. Pursuant to the Loan Agreement, the Borrower may within the period from the date of the Loan Agreement to 31st January 2020 draw the full amount of the Loan
- Interest:** The Loan shall bear interest at rate of 8% per annum and will be paid on repayment date
- Repayment date:** On or before 18th September 2020
- Guarantors:** Zhong Tai Jin An Business Factoring Limited* (中泰金安商業保理有限公司), a company established in the PRC with limited liability. The share capital of Zhong Tai Jin An Business Factoring Limited* (中泰金安商業保理有限公司) is held by 2 individual shareholders, and its largest shareholder holding approximately 99% of its share capital is Mr. Cui Liwei* (崔立偉); and
- Mr. Liang Xiao* (梁瀟), a shareholder of Beijing Aihuan Times Technology Limited* (北京愛換時代科技股份有限公司)

The Loan Facility will be funded by internal resources of the Group.

INFORMATION OF THE BORROWER

The Borrower is a company established in the PRC with limited liability, engaged in the provision of services including technical promotion, economic information consultation, technical development, technical services, advertising agency and publication, exhibition contracting, conferencing and organization of cultural and art exchanges.

REASON FOR AND BENEFITS OF THE PROVISION OF THE LOAN FACILITY

The Group is a conglomerate which combines commercial enterprises with investments and is currently mainly engaged in internet data centre, information home appliances, investing and leasing. The provision of the Loan Facility is an investment consistent with the principle of value investment. The funding of the Loan Facility comes from spare internal resources of the Group and therefore allows the Group to utilise its idle funding to gain a return.

The terms of the Loan Agreement (including the interest rate) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan Facility. The Directors consider that the terms of the Loan Agreement are fair and reasonable and the advance of the Loan Facility is in the interest of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the amount of financial assistance provided to the Borrower under the Loan Facility is more than 5% but less than 25%, the Loan Facility constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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| “Board” | the board of Directors |
| “Borrower” | Beijing Aihuan Times Technology Limited* (北京愛換時代科技股份有限公司), a company established in the PRC with limited liability |
| “Company” | Yuxing InfoTech Investment Holdings Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on GEM (Stock Code: 8005) |
| “Connected Person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Drawdown Date” | the date on which the Loan is drawn down, which is expected to be on or before 31st January 2020 |
| “GEM” | GEM of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Group” | The Company and its subsidiaries |
| “Guarantors” | Zhong Tai Jin An Business Factoring Limited* (中泰金安商業保理有限公司), a company established in the PRC with limited liability; and Mr. Liang Xiao* (梁瀟), a shareholder of Beijing Aihuan Times Technology Limited* (北京愛換時代科技股份有限公司) |
| “Hong Kong” | The Hong Kong Special Administrative Region of the PRC |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Lender” | Beijing E-rich Investment Management Co., Ltd.* (北京裕睿投資管理有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Loan” | a loan in the principal amount of RMB100.0 million (equivalent to approximately HK\$111.2 million) advanced by Lender to the Borrower under the Loan Agreement |

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| “Loan Agreement” | Loan agreement dated 19th December 2019 entered into by the Lender and the Borrower in relation to the granting of the Loan Facility |
| “Loan Facility” | loan facility in the principal amount of RMB100.0 million (equivalent to approximately HK\$111.2 million) to be granted by the Lender to the Borrower pursuant to the Loan Agreement |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent. |

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

Hong Kong, 19th December 2019

* *For identification purposes only*

For the purpose of this announcement, translation of RMB into HK\$ is made for illustration purpose only at the exchange of RMB0.89904 to HK\$1.00.

As at the date of this announcement, the executive Directors are Mr. Li Qiang, Mr. Gao Fei, Mr. Shi Guangrong and Mr. Zhu Jiang; the independent non-executive Directors are Ms. Shen Yan, Ms. Dong Hairong and Ms. Huo Qiwei.

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 GEM website at www.hkgem.com for at least seven days from the day of its publication and on the Company’s website at www.yuxing.com.cn.