

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



FREEMAN FINTECH CORPORATION LIMITED

民眾金融科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

PROFIT WARNING

This announcement is made by Freeman FinTech Corporation Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

As disclosed in the Company’s interim report for the six months ended 30 September 2018, the Group recorded an unaudited net loss of approximately HK\$1,740 million for the six months ended 30 September 2018. The unaudited net loss for the six months ended 30 September 2018 was mainly attributable to (i) net realised loss and net unrealised loss of investments at fair value through profit or loss of approximately HK\$283 million and approximately HK\$22 million respectively; (ii) net provision for impairment loss of loans receivable of approximately HK\$1,202 million as a result of extremely challenging market conditions that affect the repayments from the borrowers; (iii) net provision for impairment loss of accounts receivable of approximately HK\$38 million; (iv) finance costs of approximately HK\$171 million; and (v) an one-off equity-settled share option expense of approximately HK\$74 million.

The market conditions remained extremely challenging and the trade frictions between the People's Republic of China and the United States of America continued to be uncertain during the second half year of 2018. Based on the financial information currently available, the Group expected to record a net loss of approximately HK\$2,047 million for the eleven months ended 28 February 2019, which was mainly attributable to (i) additional net provision for impairment loss of loans receivable of approximately HK\$165 million and (ii) additional finance costs of approximately HK\$137 million incurred during the five months ended 28 February 2019.

The information contained in this profit warning announcement is only based on the Company's preliminary review on the unaudited consolidated management accounts of the Group for the eleven months ended 28 February 2019 subject to finalisation and necessary adjustments, which have not been confirmed, audited nor reviewed by the Company's auditor. The Company would make further announcement(s) if necessary.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Freeman FinTech Corporation Limited
Ye Ye
Chairman

Hong Kong, 11 April 2019

As at the date of this announcement, the Board comprises the following Directors: –

Executive Directors:

Mr. Ye Ye (*Chairman*)
Mr. Yang Haoying (*Chief Executive Officer*)
Mr. Pun Hong Hai (*Chief Operating Officer*)
Ms. Chow Mun Yee
Mr. Zhao Tong

Independent Non-executive Directors:

Mr. An Dong
Mr. Cheung Wing Ping
Mr. Fung Tze Wa
Mr. Wu Keli