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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)

**(1) DELAY IN PUBLICATION OF INTERIM RESULTS AND
DESPATCH OF INTERIM REPORT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019,
(2) UPDATES ON PROFIT WARNING,
(3) POSTPONEMENT OF BOARD MEETING,
AND
(4) SUSPENSION OF TRADING**

References are made to (i) the announcement of Freeman FinTech Corporation Limited (the “**Company**”) dated 15 November 2019 in relation to the date of meeting (the “**Board Meeting**”) of the board of directors (the “**Board**”) of the Company for the purposes of considering and approving the interim results of the Company and its subsidiaries for the six months ended 30 September 2019 (the “**Interim Results**”) and considering the recommendation on the payment of an interim dividend (if any); (ii) the announcement of the Company dated 17 November 2019 in relation to the fact the Company was not able to receive the relevant financial information of Wins Finance due to the uncertain recoverability of the Product; and (iii) the profit warning announcement of the Company dated 17 November 2019 (the “**Profit Warning Announcement**”). Unless otherwise ascribed, defined terms herein shall have the same meaning as in the announcements of the Company dated 17 November 2019.

DELAY IN PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT

Under Rule 13.49(6) of the Listing Rules, the Company is required to publish the announcement in relation to its results for the first six months of each financial year, i.e. the Interim Results, not later than two months after the end of that period of six months, i.e. on or before 30 November 2019.

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) that, as at the date of this announcement, the management of Wins Finance is still in discussions with the relevant Financial Institution and has not provided the Group with the financial information such as the expected recoverable amount and expected timing for the redemption of the Product. Accordingly, the Company has still not received such financial information of Wins Finance for the purpose of the Interim Results. As a result, the Company is unable to announce the Interim Results within the prescribed time in accordance with the Listing Rules.

The Board acknowledges that the delay in the publication of the Interim Results constitutes a non-compliance of Rule 13.49(6) of the Listing Rules. The Company endeavours to publish the Interim Results as soon as practicable.

UPDATES ON PROFIT WARNING

Further to the Profit Warning Announcement, the Board wishes to update the Shareholders and potential investors that based on further review and assessment of the financial information currently available, the Group expected to record a significant net loss attributable to the owners of the Company of approximately HK\$967 million for the six months ended 30 September 2019 (instead of HK\$717 million as stated in the Profit Warning Announcement) before potential fair value adjustments on unlisted wealth management products and potential impairment of goodwill in relation to acquisition of Wins Finance as compared to the net loss attributable to the owners of the Company of approximately HK\$1,758 million recorded in the corresponding period in 2018. Based on the information currently available, the net loss attributable to the owners of the Company for the six months ended 30 September 2019 is mainly attributable to (i) provision for impairment loss of loans receivable of approximately HK\$253 million (2018: HK\$1,202 million) as a result of extremely challenging market conditions that affect the repayments from the borrowers; (ii) finance costs of approximately HK\$386 million (2018: HK\$171 million) as a result of accrual of additional finance costs subsequent to the alleged events of defaults and cross defaults in relation to the Company’s loans facilities and convertible debt instruments since the first half of 2019; and (iii) provision for impairment of factoring receivables of approximately HK\$243 million (instead of HK\$42 million as stated in the Profit Warning Announcement) (2018: reversal of HK\$0.1 million) as a result of increased credit risks due to the extremely challenging market conditions.

As the Company is still in the process of finalising the interim results of the Group for the six months ended 30 September 2019, the information above is only based on the Company’s preliminary review on the unaudited consolidated management accounts of the Group for the six months ended 30 September 2019, which are subject to finalisation of fair value adjustments on unlisted wealth management products, impairment assessment on goodwill and other necessary adjustments. The unaudited consolidated management accounts have not been confirmed, audited nor reviewed by the Company’s auditor. The Shareholders and potential investors are advised to read carefully the results announcement of the Company for the six months ended 30 September 2019 once the same is available.

POSTPONEMENT OF BOARD MEETING

The date of the Board Meeting originally scheduled to be held on 29 November 2019 has been adjourned to a later date. The Company will publish further announcement in due course to update the Shareholders in this regard.

SUSPENSION OF TRADING

As a result of the delay in publication of the Interim Results and the requirements of Rule 13.50 of the Listing Rules, the Company has applied for the suspension of trading in the shares of the Company on The Stock Exchange of Hong Kong Limited with effect from 9:00 a.m. on 2 December 2019, and will remain suspended pending the publication of the Interim Results.

The Company will publish further announcement(s) to inform the Shareholders and potential investors of the Company any material developments in connection with the Interim Results as and when appropriate.

Shareholders 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, 29 November 2019

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

Executive Directors:

Mr. Ye Ye (*Chairman*)
Mr. Wong Xiang Hong (*Chief Executive Officer*)
Mr. Pun Hong Hai (*Chief Operating Officer*)
Mr. Yang Haoying

Independent Non-executive Directors:

Mr. An Dong
Mr. Fung Tze Wa
Mr. Wu Keli