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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)

RESULTS OF THE INVESTIGATION AND UPDATE ON THE STATUS OF THE INTERIM RESULTS AND THE INTERIM REPORT AND DATE OF BOARD MEETING

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 of the board of directors; (ii) the announcement of the Company dated 29 November 2019 in relation to, among other things, the delay in publication of the interim results of the Company for the six months ended 30 September 2019 and despatch of the interim report and the postponement of the date of meeting of the board of directors; (iii) the announcement of the Company dated 20 December 2019 in relation to, among other things, an update on the delay in publication of the interim results of the Company for the six months ended 30 September 2019; and (iv) the announcement of the Company dated 31 December 2019 in relation to, among other things, the delay in despatch of the interim report. Unless otherwise ascribed, defined terms herein shall have the same meaning as in the aforesaid announcements (the “**Announcements**”).

RESULTS OF THE INVESTIGATION AND UPDATE ON THE STATUS OF THE INTERIM RESULTS AND THE INTERIM REPORT

As stated in the Announcements, the Company has set up the Investigation Committee to investigate into the affairs relating to the Products, including without limitation the status and terms of redemption of the Subject Product.

The Investigation Committee and Wins Finance Holdings Inc. (“**Wins Finance**”) have engaged Global Law Office, an external independent law firm in the People’s Republic of China (the “**Professional Party**”) to assist in such investigation. On 9 January 2020, the Investigation Committee and Wins Finance received a report (the “**Investigation Report**”) from the Professional Party with respect to the affairs relating to the Subject Product. A summary of the Investigation Report is set out below:

1. 山西棟盛融資擔保有限公司 (Shanxi Dongsheng Financing Guarantee Company Limited*) (“**Wins Finance Subsidiary**”), a subsidiary of Wins Finance (as settlor), entered into an asset management contract (the “**Wins Finance Asset Management Contract**”) with 國泓資產管理有限公司 (Guohong Asset Management Company Limited*) (“**Guohong Asset Management**”) (as asset manager) and 恒豐銀行股份有限公司 (Hengfeng Bank Company Limited*) (“**Hengfeng Bank**”) (as asset custodian) in respect of the management and custody of the investment assets of Wins Finance Subsidiary. Under the Wins Finance Asset Management Contract and the investment instructions, Wins Finance Subsidiary invested an aggregate of RMB750 million (the “**Subject Asset**”) for the specific purpose of interbank deposit with Hengfeng Bank Nanjing Branch.
2. During the investigation process, it was discovered from the scanned copies provided by Guohong Asset Management, Hengfeng Bank Nanjing Branch and 華林證券股份有限公司 (ChinaLin Securities Co., Ltd.*) that Guohong Asset Management and certain other parties had executed some additional documents (the “**Additional Documents**”) in respect of the investment of RMB750 million in other investments. Neither Wins Finance nor Wins Finance Subsidiary was a party to the Additional Documents and neither of them was aware of the Additional Documents previously. As at the date of this announcement, Guohong Asset Management has refused to provide the originals of the Additional Documents for verification.
3. Based on the above, it was found that there was no evidence which shows that Wins Finance or Wins Finance Subsidiary has knowledge of the Subject Asset being ultimately invested in the other investments or has instructed so.

Based on the results of the Investigation Report, the Company is taking legal advice as to how to proceed with a view to maximising the interests of the Company and the Shareholders. The Company reserves its right to and will exhaust all possible remedies in order to seek for compensation for the loss of Wins Finance Subsidiary under the Wins Finance Asset Management Contract including without limitation the institution of legal proceedings against the relevant parties. However, such process will take time and there will be significant uncertainties. Taking into account the above circumstances, the Company considers that a full fair value loss on the remaining balance of the Subject Product including related interest receivable under current assets should be recognised and the impairment on the goodwill resulted from the acquisition of Wins Finance should be assessed accordingly. The Company will prepare the Interim Results and the Interim Report on such basis.

* *for identification purpose only*

In view of the above, the Company expects to finalise and publish the Interim Results on or about 10 January 2020, and will apply for resumption of trading in its shares once the Interim Results are published. The Company also expects to publish and despatch the Interim Report to the Shareholders on or about 20 January 2020.

DATE OF BOARD MEETING

The Board hereby announces that the Board Meeting is currently scheduled to be held on 10 January 2020. In accordance with the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), it is expected that the Interim Results will be published on or about 10 January 2020 after the Board Meeting.

CONTINUED SUSPENSION OF TRADING AND APPLICATION FOR RESUMPTION 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 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 apply for resumption of trading in its shares once the Interim Results are published, which, as mentioned above, is expected to be on or about 10 January 2020. The Company will publish further announcement(s) to update the Shareholders and potential investors on the status of the resumption of trading of the Company’s shares 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, 9 January 2020

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