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## 上海大生農業金融科技股份有限公司

Shanghai Dasheng Agriculture Finance Technology Co., Ltd.

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 1103)**

### **DISCLOSEABLE TRANSACTIONS — FACTORING AGREEMENTS**

#### **FACTORING AGREEMENTS A WITH ZIYOU**

The Board hereby announces that on 29 January 2018 Ruiying Factoring entered into two factoring agreements, being two of the Factoring Agreements A with Ziyou, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB80,920,000 (equivalent to approximately HK\$97,104,000) to Ziyou. In light of the above, as of 29 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements A, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB240,230,000 (equivalent to approximately HK\$288,276,000) to Ziyou.

#### **FACTORING AGREEMENTS B WITH TIANKAO**

The Board hereby announces that on 30 January 2018 Ruiying Factoring entered into four factoring agreements, being four of the Factoring Agreements B with Tiankao, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB152,480,000 (equivalent to approximately HK\$182,976,000) to Tiankao. In light of the above, as of 30 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements B, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB303,920,000 (equivalent to approximately HK\$364,704,000) to Tiankao.

## **FACTORING AGREEMENTS C WITH GUOHUO**

The Board hereby announces that on 29 January 2018 Ruiying Factoring entered into two factoring agreements, being two of the Factoring Agreements C with Guohuo, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB72,250,000 (equivalent to approximately HK\$86,700,000) to Guohuo. In light of the above, as of 29 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements C, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB279,830,000 (equivalent to approximately HK\$335,796,000) to Guohuo.

The Directors consider that the Factoring Agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the outstanding principal account receivable factoring service of the Factoring Agreements and the transactions contemplated as at 29 January 2018 for the Factoring Agreements A and the Factoring Agreements C and 30 January 2018 for the Factoring Agreements B are in aggregate more than 5% but are less than 25%, the entering into of the Factoring Agreements and the transactions contemplated therein constitute discloseable transaction(s) for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **I. FACTORING AGREEMENTS A**

The Board hereby announces that Ruiying Factoring entered into two factoring agreements, being four of the Factoring Agreements A, with Ziyou, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB80,920,000 (equivalent to approximately HK\$97,104,000) to Ziyou. In light of the above, as of 29 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements A, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB240,230,000 (equivalent to approximately HK\$288,276,000) to Ziyou.

Each Factoring Agreements A contains the similar major terms to each other. The principal terms of the Factoring Agreements A are set out as below:

Dates : 7 December 2017, 15 December 2017, 15 December 2017,  
22 December 2017, 29 January 2018 and 29 January 2018

- Parties : (1) Ziyou, a company established in the PRC with limited liability and is principally engaged in, among others, import and export of commodities and techniques
- (2) Ruiying Factoring

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Ziyou and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the Factoring Agreements A, Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB240,230,000 (equivalent to approximately HK\$288,276,000) to Ziyou in accordance with the terms and conditions of the Factoring Agreements A as of 29 January 2018.

The factoring service shall be provided for period specified in each of the Factoring Agreements A. All interest shall be paid at the end of the financing term.

Summary of the credit limit, financing term and interest of each of the Factoring Agreements A are as follows:

<b>Signing date</b>	<b>Credit limit (RMB)</b>	<b>Financing term</b>	<b>Interest rate per annum</b>
(1) 7 December 2017	44,530,000	From 7 December 2017 to 27 April 2018	11.5%
(2) 15 December 2017	35,380,000	From 15 December 2017 to 10 May 2018	11.5%
(3) 15 December 2017	35,770,000	From 15 December 2017 to 9 May 2018	11.5%
(4) 22 December 2017	43,630,000	From 22 December 2017 to 2 May 2018	11.5%
(5) 29 January 2018	40,700,000	From 29 January 2018 to 21 May 2018	11.5%
(6) 29 January 2018	40,220,000	From 29 January 2018 to 21 May 2018	11.5%

As of the date of this announcement, the aggregate principal outstanding account receivable factoring service provided by Ruiying Factoring to Ziyou pursuant to the Factoring Agreements A does not exceed RMB240,230,000 (equivalent to approximately HK\$288,276,000).

## Repurchase

In the event that:

- (a) the debtor under the Factoring Agreements A (the “**Debtor**”) has still failed to repay the outstanding debt to Ruiying Factoring in full upon the expiry of the financing term and after Ruiying Factoring has demanded the repayment of the outstanding debt;
- (b) prior to the expiry of the financing term, the Debtor notifies Ruiying Factoring or Ziyou in writing the commercial disputes; and/or Ruiying Factoring was acknowledged of the commercial disputes through Ziyou or any other way;
- (c) any one of the following events has occurred to the Debtor:
  - (i) the operation condition goes downturn;
  - (ii) the assets and cash are being transferred for the purpose of avoidance of debts;
  - (iii) the commercial reputation is lost; and
  - (iv) the ability to repay the debts has been or is likely to be lost,

Ruiying Factoring shall have the right to request Ziyou to repurchase the account receivable due by the Debtor and repay all the outstanding sum due, including the interest, to Ruiying Factoring.

## II. FACTORING AGREEMENTS B

The Board hereby announces that Ruiying Factoring entered into four factoring agreements, being four of the Factoring Agreements B, with Tiankao, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB152,480,000 (equivalent to approximately HK\$182,976,000) to Tiankao. In light of the above, as of 30 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements B, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB303,920,000 (equivalent to approximately HK\$364,704,000) to Tiankao.

Each Factoring Agreements B contains the similar major terms to each other. The principal terms of the Factoring Agreements B are set out as below:

Dates : 7 December 2017, 7 December 2017, 15 December 2017, 22 December 2017 and four factoring agreements all dated 30 January 2018

- Parties : (1) Tiankao, a company established in the PRC with limited liability and is principally engaged in, among others, import and export of commodities and techniques
- (2) Ruiying Factoring

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Tiankao and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the Factoring Agreements B, Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB303,920,000 (equivalent to approximately HK\$364,704,000) to Tiankao in accordance with the terms and conditions of the Factoring Agreements B as of 30 January 2018.

The factoring service shall be provided for period specified in each of the Factoring Agreements B. All interest shall be paid at the end of the financing term.

Summary of the credit limit, financing term and interest of each of the Factoring Agreements B are as follows:

<b>Signing date</b>	<b>Credit limit (RMB)</b>	<b>Financing term</b>	<b>Interest rate per annum</b>
(1) 7 December 2017	31,590,000	From 7 December 2017 to 14 May 2018	11.5%
(2) 7 December 2017	34,780,000	From 7 December 2017 to 18 May 2018	11.5%
(3) 15 December 2017	43,650,000	From 15 December 2017 to 21 May 2018	11.5%
(4) 22 December 2017	41,420,000	From 22 December 2017 to 17 May 2018	11.5%
(5) 30 January 2018	36,010,000	From 30 January 2018 to 11 May 2018	11.5%
(6) 30 January 2018	36,700,000	From 30 January 2018 to 11 May 2018	11.5%
(7) 30 January 2018	40,080,000	From 30 January 2018 to 7 May 2018	11.5%
(8) 30 January 2018	39,690,000	From 30 January 2018 to 9 May 2018	11.5%

As of the date of this announcement, the aggregate principal outstanding account receivable factoring service provided by Ruiying Factoring to Tiankao pursuant to the Factoring Agreements B does not exceed RMB303,920,000 (equivalent to approximately HK\$364,704,000).

The terms in relation to the repurchase of the account receivable are the same as the terms set out in the paragraph headed “I. FACTORING AGREEMENTS A — Repurchase”.

### III. FACTORING AGREEMENTS C

The Board hereby announces that Ruiying Factoring, an indirect non-wholly owned subsidiary of the Company, entered into two factoring agreements, being two of the Factoring Agreements C, with Guohuo, pursuant to which Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of RMB72,250,000 (equivalent to approximately HK\$86,700,000) to Guohuo. In light of the above, as of 29 January 2018, Ruiying Factoring, pursuant to the Factoring Agreements C, has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB279,830,000 (equivalent to approximately HK\$335,796,000) to Guohuo.

Each Factoring Agreements C contains the similar major terms to each other. The principal terms of the Factoring Agreements C are set out as below:

- |         |   |  |
|---------|---|--|
| Dates   | : | 3 January 2018, 5 January 2018, three agreements dated 10 January 2018, and two agreements dated 29 January 2018   |
| Parties | : | (1) Guohuo, a company established in the PRC with limited liability and is principally engaged in, among others, industrial investment and investment management.<br><br>(2) Ruiying Factoring, an indirect non-wholly owned subsidiary of the Company, which principal business is, among other things, the commercial factoring (not in the category of bank facilities), equity interest investment, investment management, finance consultation and corporate management consultation. |

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Guohuo and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the Factoring Agreements C, Ruiying Factoring has agreed to provide account receivable factoring service in aggregate principal sum of not exceeding RMB279,830,000 (equivalent to approximately HK\$335,796,000) to Guohuo in accordance with the terms and conditions of the Factoring Agreements C as of 29 January 2018.

The factoring service shall be provided for period specified in each of the Factoring Agreements C. All interest shall be paid at the end of the financing term.

Summary of the credit limit, financing term and interest of each of the Factoring Agreements C are as follows:

<b>Signing date</b>	<b>Credit limit (RMB)</b>	<b>Financing term</b>	<b>Interest rate per annum</b>
(1) 3 January 2018	44,940,000	From 3 January 2018 to 11 May 2018	10.0%
(2) 5 January 2018	35,130,000	From 5 January 2018 to 9 May 2018	10.0%
(3) 10 January 2018	45,800,000	From 10 January 2018 to 14 May 2018	10.0%
(4) 10 January 2018	40,410,000	From 10 January 2018 to 28 April 2018	10.0%
(5) 10 January 2018	41,300,000	From 10 January 2018 to 16 May 2018	10.0%
(6) 29 January 2018	36,630,000	From 29 January 2018 to 14 May 2018	10.0%
(7) 29 January 2018	35,620,000	From 29 January 2018 to 8 May 2018	10.0%

As of the date of this announcement, the aggregate principal outstanding account receivable factoring service provided by Ruiying Factoring to Guohuo pursuant to the Factoring Agreements C does not exceed RMB279,830,000 (equivalent to approximately HK\$335,796,000).

The terms in relation to the repurchase of the account receivable are the same as the terms set out in the paragraph headed “I. FACTORING AGREEMENTS A — Repurchase”.

#### **IV. REASONS FOR THE FACTORING AGREEMENTS**

The Group is principally engaged in road and bridge construction business, agricultural and petrochemical products supply chain services business, and agricultural industry chain financial services business and agricultural big data services business. The Directors consider that the Factoring Agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Given that the Factoring Agreements are being conducted in the ordinary and usual course of business of Ruiying Factoring, which will earn a considerable profit over the respective financing term, and are under normal commercial terms, the Directors are of the view that the terms of the Factoring Agreements, including the credit limits under the Factoring Agreements, are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

#### **V. LISTING RULES IMPLICATION**

The applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the outstanding principal account receivable factoring service of the Factoring Agreements and the respective transactions contemplated prior to 29 January 2018 for the Factoring Agreements A and the Factoring Agreements C and 30 January 2018 for the Factoring Agreements B are in aggregate ***not*** more than 5% and thus the transactions contemplated therein do not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore not subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As at 30 January 2018, one or more of the applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the outstanding principal account receivable factoring service of the Factoring Agreements and the respective transactions contemplated are in aggregate more than 5% but are less than 25%, the entering into of each of the Factoring Agreements and the transactions contemplated therein now constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.



## VI. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Shanghai Dasheng Agriculture Finance Technology Co., Ltd. (上海大生農業金融科技股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Domestic Share(s)”	the ordinary domestic share(s) of the Company with a nominal value of RMB0.10 each in the share capital of the Company
“Director(s)”	the director(s) of the Company
“Factoring Agreements”	collectively, Factoring Agreements A, Factoring Agreements B and Factoring Agreements C
“Factoring Agreements A”	six factoring agreements dated 7 December 2017, 15 December 2017, 15 December 2017, 22 December 2017, 29 January 2018 and 29 January 2018, all containing the similar major terms, entered into between Ruiying Factoring and Ziyou
“Factoring Agreements B”	total of eight factoring agreements, four of which dated 7 December 2017, 7 December 2017, 15 December 2017, 22 December 2017 and four of which all dated 30 January 2018, all containing the similar major terms, entered into between Ruiying Factoring and Tiankao
“Factoring Agreements C”	seven factoring agreements dated 3 January 2018, 5 January 2018, 10 January 2018, 10 January 2018, 10 January 2018, 29 January 2018 and 29 January 2018, all containing the similar major terms entered into between Ruiying Factoring and Guohuo
“Group”	the Company and its subsidiaries

“Guohuo”	上海國貨貿發控股有限公司(Shanghai Guohuo Trading and Development Holdings Co., Limited*), a company established in the PRC with limited liability
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“H Share(s)”	the overseas listed foreign share(s) with a nominal value of RMB0.10 each in the share capital of the Company which are listed on the Stock Exchange and are traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Ruiying Factoring”	瑞盈信融(深圳)商業保理有限公司 (Ruiying Xinrong (Shenzhen) Commercial Factoring Co., Limited*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Shares”	collectively, the Domestic Shares and H Shares
“Shareholders”	the holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tiankao”	浙江天考國際貿易有限公司 (Zhejiang Tiankao International Trading Co., Limited*), a company established in the PRC with limited liability
“Ziyou”	湖北子由國際貿易有限公司 (Hubei Ziyou International Trading Co., Limited*), a company established in the PRC with limited liability
“%”	per cent

*\* The English translation in this announcement is for reference only. The official names are in Chinese.*

By Order of the Board  
**Shanghai Dasheng Agriculture Finance Technology Co., Ltd.**  
**Lan Huasheng**  
*Chairman*

Shanghai, PRC, 30 January 2018

*As at the date of this announcement, the Board comprises three executive directors: Mr. Lan Huasheng, Mr. Mo Luojiang and Mr. Wang Ligu; one non-executive director: Mr. Zhu Tianxiang; and three independent non-executive directors: Mr. Chung Cheuk Ming, Mr. Yang Gaoyu and Mr. Zhou Jianhao.*

*Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.2 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*