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## **Flying Financial Service Holdings Limited**

**匯聯金融服務控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8030)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2013**

#### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of Flying Financial Service Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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.*

## FINANCIAL HIGHLIGHTS

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>	Changes
<b>OPERATING RESULTS</b>			
Revenue	<b>107,980</b>	94,630	+14.11%
Profit for the year attributable to owners of the Company	<b>9,697</b>	41,409	-76.58%
Basic earnings per share	<b>RMB0.95 cent</b>	RMB4.47 cents	-78.75%
Dividend for the year per share	<b>HK0.00 cent</b>	HK3.00 cents	N/A
<b>FINANCIAL POSITION</b>			
Total assets	<b>467,761</b>	385,528	+21.33%
Bank balances and cash	<b>125,794</b>	141,417	-11.05%
Net assets	<b>336,447</b>	354,213	-5.02%

## ANNUAL RESULTS

The board of Directors (the “Board”) announces the annual consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2013 together with the comparative figures for the corresponding year in 2012.

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 December 2013*

	<i>Notes</i>	<b>2013</b> <b>RMB'000</b>	2012 <i>RMB'000</i>
Revenue	5	<b>107,980</b>	94,630
Other (loss) or income	6	<b>(26,013)</b>	413
Employee benefit expenses		<b>(19,544)</b>	(9,625)
Administrative expenses		<b>(39,754)</b>	(26,657)
Finance costs	7	<b>(6,593)</b>	(54)
Profit before income tax expense	8	<b>16,076</b>	58,707
Income tax expense	9	<b>(9,168)</b>	(17,470)
Profit for the year		<b>6,908</b>	41,237
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences on translating foreign operation		<b>275</b>	84
– Unrealised loss for available-for-sales financial asset		<b>–</b>	–
Total comprehensive income for the year		<b>7,183</b>	41,321
Profit for the year attributable to:			
Owners of the Company		<b>9,697</b>	41,409
Non-controlling interests		<b>(2,789)</b>	(172)
		<b>6,908</b>	41,237
Total comprehensive income attributable to:			
Owners of the Company		<b>9,972</b>	41,493
Non-controlling interests		<b>(2,789)</b>	(172)
		<b>7,183</b>	41,321
Earnings per share – Basic and diluted (RMB cents)	11	<b>0.95</b>	4.47

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	Notes	2013 RMB'000	2012 RMB'000
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,886	1,805
Other investments	12	31,999	10,200
Deferred tax asset	9	–	114
Deposit paid	14	78,310	–
		<u>116,195</u>	<u>12,119</u>
<b>Current assets</b>			
Other investments	12	98,371	–
Loan and account receivables	13	119,253	228,874
Deposits paid, prepayments and other receivables		8,148	3,118
Cash and cash equivalents		125,794	141,417
		<u>351,566</u>	<u>373,409</u>
<b>Current liabilities</b>			
Receipt in advance, accruals and other payables		8,772	10,668
Amounts due to non-controlling interests		1,791	2,271
Dividend payable		35	–
Financial liabilities at fair value through profit and loss	12	5,000	–
Provision for taxation		21,616	18,376
		<u>37,214</u>	<u>31,315</u>
<b>Net current assets</b>		<u>314,352</u>	<u>342,094</u>
Total assets less current liabilities		430,547	354,213
<b>Non-current liabilities</b>			
Corporate bonds payable	15	94,078	–
Deferred tax liabilities	9	22	–
		<u>94,100</u>	<u>–</u>
<b>NET ASSETS</b>		<u><u>336,447</u></u>	<u><u>354,213</u></u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		83,165	83,165
Reserves		256,235	271,213
		<u>339,400</u>	<u>354,378</u>
<b>Non-controlling interests</b>		<u>(2,953)</u>	<u>(165)</u>
<b>TOTAL EQUITY</b>		<u><u>336,447</u></u>	<u><u>354,213</u></u>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

	Attributable to owners of the Company									Non-controlling interest	Total
	Share capital RMB'000	Share premium RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Available-for-sale reserve RMB'000	Retained profits RMB'000	Dividend proposed RMB'000	Total RMB'000	RMB'000	RMB'000
At 1 January 2012	1	–	116,659	7,397	230	–	58,309	–	182,596	–	182,596
Transactions with owners:											
Share capitalisation	61,117	(61,117)	–	–	–	–	–	–	–	–	–
Issue of ordinary shares by placing	20,372	112,049	–	–	–	–	–	–	132,421	–	132,421
Issue of ordinary shares by exercising Over-allotment Option	1,675	9,213	–	–	–	–	–	–	10,888	–	10,888
Share issue costs	–	(13,020)	–	–	–	–	–	–	(13,020)	–	(13,020)
	83,164	47,125	–	–	–	–	–	–	130,289	–	130,289
Profit for the year	–	–	–	–	–	–	41,409	–	41,409	(172)	41,237
Other comprehensive income for the year	–	–	–	–	84	–	–	–	84	–	84
Total comprehensive income for the year	–	–	–	–	84	–	41,409	–	41,493	(172)	41,321
2012 final dividend (note 10)	–	(24,950)	–	–	–	–	–	24,950	–	–	–
Capital contribution by non-controlling interests of subsidiaries	–	–	–	–	–	–	–	–	–	7	7
Transfer to statutory reserve	–	–	–	4,588	–	–	(4,588)	–	–	–	–
At 31 December 2012 and 1 January 2013	83,165	22,175	116,659	11,985	314	–	95,130	24,950	354,378	(165)	354,213
Profit for the year	–	–	–	–	–	–	9,697	–	9,697	(2,789)	6,908
Other comprehensive income for the year	–	–	–	–	275	(4,629)	–	–	(4,354)	–	(4,354)
Reclassified to profit or loss for impairment loss	–	–	–	–	–	4,629	–	–	4,629	–	4,629
Total comprehensive income for the year	–	–	–	–	275	–	9,697	–	9,972	(2,789)	7,183
2012 Dividend paid – Transaction with owners (note 10)	–	–	–	–	–	–	–	(24,950)	(24,950)	–	(24,950)
Capital contribution by non-controlling interests of subsidiaries	–	–	–	–	–	–	–	–	–	1	1
Transfer to statutory reserve	–	–	–	46	–	–	(46)	–	–	–	–
At 31 December 2013	83,165	22,175	116,659	12,031	589	–	104,781	–	339,400	(2,953)	336,447

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the Year Ended 31 December 2013*

## 1. GENERAL

Flying Financial Service Holdings Limited (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands on 4 May 2011. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company and its subsidiaries (the “Group”) is located at Room 801A and 807B, 8/F., Tsim Sha Tsui Centre, 66 Mody Road, Tsim Sha Tsui, Hong Kong. The Company’s shares have been listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 7 May 2012.

The Group, comprising the Company and its subsidiaries, currently engages in provision of pawn loans, entrusted loans, other loans and financial consultancy services. The Company acts as an investment holding company.

In the opinion of the Directors, the ultimate holding company of the Company is Ding Rong Limited, a limited liability company incorporated in the British Virgin Islands (“BVI”).

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange.

The functional currency of the Company is Hong Kong Dollar (“HK\$”). The consolidated financial statements are presented in Renminbi (“RMB”) since most of the companies comprising the Group are operating in RMB environment and the functional currency of most of the companies comprising the Group is RMB.

## 2. BASIS OF PRESENTATION

Pursuant to a group reorganisation exercise (the “Reorganisation”) carried out by the Group to rationalise the structure of the Group in preparation for the listing of the Company’s shares on GEM of the Stock Exchange, the Company became the holding company of the subsidiaries comprising the Group. The contractual arrangements under the Reorganisation (“Contractual Arrangements”) enable the Company to exercise control over Guangdong Hui Jin Dian Dang Investment Holding Limited (“Guangdong Huijin”). The Contractual Arrangements, taken as a whole, permit the financial results of Guangdong Huijin and economic benefits of its business to flow to Flying Investment Services (Shenzhen) Company Limited (“Flying Investment”). In addition, all the directors and top management in Guangdong Huijin should be assigned by Flying Investment. Through the Contractual Arrangements, Flying Investment is able to control Guangdong Huijin so that it is regarded as a subsidiary of the Group.

### 3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### (a) Adoption of new/revised HKFRSs – effective 1 January 2013

HKFRSs (Amendments)	Annual Improvements 2010–2012 Cycle
Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income
Amendments to HKFRS 7	Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 27 (2011)	Separate Financial Statements

HKFRSs (Amendments) and the adoption of the amendments to HKAS 1 (Revised) and HKFRS 7 have no impact on the financial statements as the Group has not offset financial instruments, nor has it entered into a master netting agreement or a similar arrangement.

The adoption of HKFRS 10 does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.

HKFRS 13 did not materially affect any fair value measurements of the Group’s assets and liabilities and therefore has no effect on the Group’s financial position and performance.

#### (b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised standards, potentially relevant to the Group’s financial statements, have been issued but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities <sup>1</sup>
Amendments to HKAS 36	Recoverable Amount Disclosures <sup>1</sup>
HKFRS 9	Financial Instruments
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment entities <sup>1</sup>
HKFRSs (Amendments)	Annual Improvements 2010–2012 Cycle <sup>3</sup>
HKFRSs (Amendments)	Annual Improvements 2011–2013 Cycle <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2014

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2014

<sup>3</sup> Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014

The Directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policy for the first period beginning after the effective date of the pronouncement.

The Directors are currently assessing the impact of other new and amended HKFRSs upon initial application. So far, the Directors have preliminarily concluded that the initial application of these new and amended HKFRSs is not expected to have a material impact on the Group’s financial statements.

### 4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decision.

The Group has two reportable segments. The segments are managed separately as each business offers different services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Pawn loan services – short-term small loan offer;
- Financial consultancy and entrusted loan services – short-term large loan offer and consultation services to borrower and financial institutions.

Segment information about reportable segments:

	<b>Pawn loan services RMB'000</b>	<b>Financial consultancy and entrusted loan services RMB'000</b>	<b>Total RMB'000</b>
<b>For the year ended 31 December 2013</b>			
Revenue from external customers	<b>4,604</b>	<b>103,376</b>	<b>107,980</b>
Reportable segment (loss)/profit	<b>(2,395)</b>	<b>63,670</b>	<b>61,275</b>
Other income	<b>134</b>	<b>1,020</b>	<b>1,154</b>
Finance costs	<b>–</b>	<b>–</b>	<b>–</b>
Depreciation	<b>655</b>	<b>462</b>	<b>1,117</b>
Income tax expenses	<b>(1,176)</b>	<b>10,322</b>	<b>9,146</b>
Additions to non-current assets	<b>3,206</b>	<b>1,128</b>	<b>4,334</b>
<b>As at 31 December 2013</b>			
Reportable segment assets	<b>5,320</b>	<b>207,738</b>	<b>213,058</b>
Reportable segment liabilities	<b>301</b>	<b>13,395</b>	<b>13,696</b>
<b>For the year ended 31 December 2012</b>			
Revenue from external customers	<b>15,386</b>	<b>79,244</b>	<b>94,630</b>
Reportable segment profit	<b>7,092</b>	<b>60,490</b>	<b>67,582</b>
Other income	<b>115</b>	<b>255</b>	<b>370</b>
Finance costs	<b>–</b>	<b>54</b>	<b>54</b>
Depreciation	<b>653</b>	<b>285</b>	<b>938</b>
Income tax expenses	<b>1,738</b>	<b>15,729</b>	<b>17,467</b>
Capital expenditure	<b>664</b>	<b>1,080</b>	<b>1,744</b>
Additions to non-current assets	<b>739</b>	<b>7,120</b>	<b>7,859</b>
<b>As at 31 December 2012</b>			
Reportable segment assets	<b>86,121</b>	<b>252,231</b>	<b>338,352</b>
Reportable segment liabilities	<b>2,730</b>	<b>7,626</b>	<b>10,356</b>



Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

	<b>2013</b> <i>RMB'000</i>	2012 <i>RMB'000</i>
<b>Revenue</b>		
Revenue from external customers	<b>107,980</b>	94,630
<b>Profit before income tax expense</b>		
Reportable segment profit	<b>61,275</b>	67,582
Other (loss) or gain	<b>(26,013)</b>	413
Depreciation	<b>(1,363)</b>	(938)
Finance costs	<b>(6,593)</b>	(54)
Unallocated corporate expenses	<b>(11,230)</b>	(8,296)
Consolidated profit before income tax expense	<b>16,076</b>	58,707
<b>Assets</b>		
Reportable segment assets	<b>213,058</b>	338,352
Held-to-maturity investments	<b>23,999</b>	4,000
Available-for-sale investments	<b>106,371</b>	6,200
Deferred tax assets	–	114
Unallocated corporate assets	<b>124,333</b>	36,862
Consolidated total assets	<b>467,761</b>	385,528
<b>Liabilities</b>		
Reportable segment liabilities	<b>13,696</b>	10,356
Current tax liabilities	<b>21,616</b>	18,376
Deferred tax liabilities	<b>22</b>	–
Unallocated corporate liabilities	<b>95,980</b>	2,583
Consolidated total liabilities	<b>131,314</b>	31,315

The geographical location of customers is based on the location at which the services were provided. The total revenue from external customers is mainly sourced from the PRC.

	Revenue from external customers 2013 RMB'000	Revenue from external customers 2012 RMB'000
Hong Kong (place of domicile)	67,095	8,633
People's Republic of China ("PRC")	40,762	85,887
Macau	123	110
Other countries	—	—
	40,885	85,997
	107,980	94,630

The Group's customer base is diversified and includes only the following customers with whom transactions have exceeded 10% of the Group's revenue:

	2013 RMB'000	2012 RMB'000
Customer A	13,931	—
Customer B	14,301	—
Customer C	N/A	13,355
Customer D	—	10,523

N/A: transactions during the year did not exceed 10% of the Group's revenue.

## 5. REVENUE

Revenue, which is also the Group's turnover, represents the income from its principal activities. Revenue recognised during the year are as follows:

	2013 RMB'000	2012 RMB'000
Interest income	27,406	44,177
Consultancy service income	80,574	50,453
	107,980	94,630

## 6. OTHER (LOSS) OR INCOME

	Notes	2013 RMB'000	2012 RMB'000
Bank interest income		513	376
Fair value change of financial liabilities at fair value through profit and loss	12(b)(ii)	(5,000)	–
Investment income	(a)	691	–
Impairment loss on available-for-sale-investment	12(b)(ii)	(4,629)	–
Impairment lost on deposit paid	(b)	(7,890)	–
Provision for impairment of account receivables	(13)	(9,695)	–
Other receivable written off		(5)	–
Others		2	37
		<b>(26,013)</b>	<b>413</b>

- (a) Investment income included income from available-for-sales investment and gain on disposal of available-for-sales investment during the year.
- (b) During the year, the Group entered into a sale and purchase agreement to acquire the entire equity interests in certain companies comprising a group at a consideration of HK\$20,410,000. A deposit of HK\$10,000,000 (equivalent to approximately RMB7,890,000) was paid to the vendor during the year. However, the Group decided not to proceed the acquisition and considered the deposit paid could not be recovered from the vendor. Therefore, an impairment of the full amount paid was recognised in the profit or loss for the year. In the opinion of the Directors, after considering the opinion of the legal adviser, no further provision for not completing the agreement is considered necessary for the year ended 31 December 2013.

## 7. FINANCE COSTS

	2013 RMB'000	2012 RMB'000
Interest charged on financial liabilities carried at amortised cost		
Other loan wholly repayable within one year	–	54
Corporate bonds	6,593	–
	<b>6,593</b>	<b>54</b>

## 8. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging:

	2013 RMB'000	2012 RMB'000
Auditor's remuneration		
– Current year	513	333
– Under provision in prior year	72	–
Depreciation of property, plant and equipment	1,363	938
Employee benefit expenses (including directors' remuneration)		
Salaries and wages	17,392	8,972
Pension scheme contributions – Defined contribution plans	2,152	653
	<b>19,544</b>	<b>9,625</b>
Operating lease charges in respect of properties	9,843	3,963

## 9. INCOME TAX EXPENSE AND DEFERRED TAX ASSET/(LIABILITY)

	2013 RMB'000	2012 RMB'000
Hong Kong Profits Tax		
– Current year	8,386	888
PRC Enterprise Income Tax		
– Current year	1,737	16,696
– Over provision in respect of prior years	(1,091)	–
	9,032	17,584
Deferred tax	136	(114)
	9,168	17,470

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) on the estimated assessable profit for the year.

Enterprise income tax (“EIT”) arising from the PRC for the year was calculated at 25% (2012: 25%) of the estimated assessable profits of subsidiaries operating in PRC during the year. According to the EIT law, the taxable income of an enterprise shall be the total revenue of such enterprise, deducted by any non-assessable revenue, exempted revenue, other deductions and amount of offsetting any accumulated losses.

## 10. DIVIDENDS

	2013 RMB'000	2012 RMB'000
Final dividend – Nil (2012: HK3 cents) per ordinary share	–	24,950

At a meeting held on 19 March 2013, the Directors recommended a final dividend of HK3 cents per ordinary share, amounting to approximately RMB24,950,000 (equivalent to approximately HK\$30,617,000) for the year ended 31 December 2012, and the proposal was submitted for formal approval by the shareholders at the annual general meeting held on 30 April 2013. This final dividend was reflected as an appropriation of share premium for the year ended 31 December 2013.

No final dividend was proposed for the year ended 31 December 2013.

## 11. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculations of basic earnings per share is based on the profit attributable to owners of the Company of approximately RMB9,697,000 (2012: RMB41,409,000) and the weighted average number of 1,020,555,000 (2012: 925,468,479) ordinary shares during the year.

**(b) Diluted earnings per share**

There were no potential ordinary shares in issue for the years ended 31 December 2013 and 2012. Accordingly, the diluted earnings per share presented is the same as basic earnings per share for both years.

**12. OTHER INVESTMENTS**

	<b>2013</b> <b>RMB'000</b>	<b>2012</b> <b>RMB'000</b>
Held-to-maturity investments ( <i>note a</i> )	<b>23,999</b>	4,000
Available-for-sale investments ( <i>note b</i> )	<b>106,371</b>	6,200
	<b>130,370</b>	10,200
Less: Non-current portion		
Held-to-maturity investments	<b>21,999</b>	4,000
Available-for-sale investments	<b>10,000</b>	6,200
	<b>31,999</b>	10,200
Current portion	<b>98,371</b>	–

*Notes:*

- (a) At 31 December 2013, the Group had certain held-to-maturity investments which bore fixed interest rates ranging from 7.92% to 11% (2012: 9.5% to 11%) per annum and had maturities ranging from one to six years (2012: two to three years).
- (b) At 31 December 2013, available for sale investments represented:

	<i>Note</i>	<b>2013</b> <b>RMB'000</b>	<b>2012</b> <b>RMB'000</b>
Unlisted equity securities, at cost	(i)	–	4,200
Unlisted debt securities, at fair value	(ii)	<b>106,371</b>	2,000
		<b>106,371</b>	6,200

- (i) The unlisted equity securities represented investments of RMB4,200,000, the fair value was not disclosed as the fair value cannot be measured reliably. There was no open market on the unlisted investment and the management has no intention to dispose of such investment as at 31 December 2012.
- (ii) There are certain available-for-sale investments, which are debt securities at fair value as at 31 December 2013:
- investment of RMB2,000,000 (2012: RMB2,000,000) in a private bond bore fixed interest rate at 9.5% per annum for 24 months with a put option right after 18 months. The investment has been redeemed in January 2014.

- investment of RMB90,000,000 (2012: Nil) in an income receivable right on a limited partnership which is incorporated in PRC, with expected maximum return rate at 12% per annum for 12 months. The main activity of the limited partnership was investment in obtaining income receivable right on other three limited partnerships. These underlying partnerships are principally engaged in entrusted loan businesses in the PRC.

In assessing the returns on the investment, the Directors assessed the expected income from the loans in the underlying partnerships.

The debt investment includes an embedded derivative which has been accounted for separately as the economic risks and characteristics are dissimilar. The derivative feature links the return on the debt investment to the income from the borrower's investments in the limited partnerships. The debt investment is classified as available-for-sale financial asset whereas the derivative is accounted for as a financial liability at fair value through profit or loss.

Notwithstanding that the collaterals ("Collaterals") to a bank of certain entrusted loans amounted to RMB68 million granted by the underlying partnerships ("Loans") to an independent third party (the "Borrower") was filed to the relevant PRC authorities, the relevant PRC authorities issued a notice revoking such filing because the original filing contained information which was not correct. Based on the notice, the Collaterals have been sold prior to the filing of such pledge. These Collaterals were also pledged to secure an entrusted loan granted by the Group directly (note 13).

As a result, the Group applied to the PRC court to seal up certain other properties of the Borrower for a period of approximately 2 years. The seal up was confirmed by the PRC court during the year.

After the seal up, the local government participated in assisting settlements of the affected parties under this event. According to the minutes from the local government, a debt restructuring exercise will be conducted so that the estimated proceeds from such exercise will then be used to settle the principal loan amounts outstanding to 4 financial institutions, including the bank entrusted by the underlying partnerships and the Group.

As a result, no income will be received by the limited partnership on these loans of RMB68 million. Consequently, the Group will in turn suffer a loss of income on its investment. The loss is attributable to the derivative component and is recorded as a fair value change in the profit or loss.

- investments of RMB1,500,000 (2012: Nil) in certain limited partnerships which are incorporated in PRC. All limited partnerships will be terminated in 2014 according to the contract term of its major assets.
- investment in a trust at a consideration of RMB7,500,000 with a return from the trust after paying the guaranteed return to other type of trust holders and direct expense of the trust. Since there was a significant decline in fair value of the investment, a fair value loss of RMB 4,629,000 was recognised in other comprehensive income and reclassified to profit or loss for the year (note 6).
- investment in a trust at a consideration of RMB10,000,000 incorporated in the PRC, with expected return of 10.9% per annum for two years.

### 13. LOAN AND ACCOUNT RECEIVABLES

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Pawn loan receivables, gross and net	–	80,000
Entrusted loan receivables, gross and net	<b>118,695</b>	143,000
Consultancy fee receivables, gross and net	<b>9,527</b>	4,973
Interest receivables, gross and net	<b>726</b>	901
	<hr/>	<hr/>
Loan and account receivables, gross	<b>128,948</b>	228,874
Less: Impairment loss	<b>(9,695)</b>	–
	<hr/>	<hr/>
Loan and account receivables, net	<b>119,253</b>	228,874
	<hr/>	<hr/>

For pawn loan receivables, customers are obliged to settle the amounts according to the terms set out in relevant contracts, with an option to renew the loan granted for a period up to 183 days. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The pawn loan receivables charged interests at effective interest rates ranging from 2.8% to 3% (2012: 2.9% to 3.0%) per month as at 31 December 2013 and the maturity date for each loan contract is not more than 183 days.

For entrusted loan receivables, it represented the loans from the Group to customers through certain banks in the PRC. In an entrusted loan arrangement, the Group entered into loan agreements with the customers and banks. The customers repaid the loan to the bank and then the bank returned the principal and accrued interests to the Group. While the bank exercises supervision over and receives repayment from the borrowers, the bank does not assume any risk of default in repayment by the borrowers. The entrusted loan receivables charged interests at effective interest rates at ranging from 1.8% to 1.86% (2012: 1.8% to 1.9%) per month as at 31 December 2013. The maturity date for each loan contract is normally not more than 183 days with a renewal option. During the year, the Group granted an entrusted loan of approximately RMB19,000,000 to the Borrower (note 12(b)(ii)), which were secured by the Collaterals. Since the Collaterals of the loan were sealed up by the relevant PRC authorities as disclosed in note 12(b)(ii), the fair value of the Collaterals is excluded from the table below.

For consultancy fee receivables, customers are obliged to settle the amounts according to the terms set out in relevant contracts and with no credit period. During the year, the Group provided certain consultancy services to the Borrower (note 12(b)(ii)) which gave rise to a consultancy fee receivable of approximately RMB9,695,000. After taking into consideration the situation as disclosed in note 12(b)(ii), a full provision on the impairment loss of such amount receivable was made during the year ended 31 December 2013.

For interest receivables, customers are obliged to settle the amounts according to the terms set out in relevant loan contracts and with no credit period.

Based on the loan starting date as stated in the relevant contracts, ageing analysis of the Group's loan and account receivables as of each reporting date is as follows:

	<b>2013</b> <b>RMB'000</b>	2012 <i>RMB'000</i>
0 to 30 days	<b>67,429</b>	80,677
31 to 90 days	–	55,160
91 to 180 days	–	73,000
Over 180 days	<b>51,824</b>	20,037
	<b>119,253</b>	228,874

The Group's loan and account receivables relate to a large number of diversified customers and there is no significant concentration of credit risk. Impairment losses in respect of loan and account receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against loan and account receivables directly. Based on this assessment, bad debt of approximately RMB9,695,000 (2012: Nil) has been determined as individually impaired (2012: Nil). The impaired loan and account receivables is due to the Borrower experiencing financial difficulties. The movement in the allowance for impairment of loan and account receivables is as follows:

	<b>2013</b> <b>RMB'000</b>	2012 <i>RMB'000</i>
At 1 January	–	–
Impairment loss recognised	<b>9,695</b>	–
At 31 December	<b>9,695</b>	–

The Group holds collaterals over the pawn loan and certain entrusted loan receivables and the bank holds certain collaterals over the entrusted loan receivables on behalf of the Group. At the end of each reporting date, the fair value of the pledged assets in respect of all loan receivables is as follows:

	<b>2013</b> <b>RMB'000</b>	2012 <i>RMB'000</i>
Equities	<b>405,925</b>	700,045
Properties (including construction in progress)	<b>167,750</b>	156,651
At 31 December	<b>573,675</b>	856,696



#### 14. DEPOSIT PAID – GROUP AND COMPANY

Balance included the following deposits paid by the Group during the year:

- (a) On 5 September 2013, the Group entered into the equity transfer agreement (“ETA”) with an independent third party (the “ETA Vendor”). Pursuant to the ETA, the Group shall acquire 1.119% equity interests (“Interest”) of China Railway Trust Co., Ltd (中鐵信託有限責任公司) (“China Railway”) at a consideration of approximately RMB78,310,000. China Railway is a non-listed company engaged in the business of management of different kind of trust (e.g. fund trust, estate trust, real estate trust, securities trust, investments funds etc.), investment banking, provision of intermediary, credit investigation, guarantee, money lending and other financial services as well as other business approved under the relevant laws and regulations of the PRC. The immediate holding company of China Railway is China Railway Group Limited which shares are dually listed on the Stock Exchange and Shanghai Stock Exchange.

The share registration of the Interest has not yet completed up to 31 December 2013 because the change in shareholder of China Railway need to be approved by the board of directors of China Railway.

According to the ETA, if the related share registration cannot be completed in 120 days after the full payment, the transaction will be terminated and the deposit will become refundable. In March 2014, a supplemental agreement to the ETA was signed to extend the registration completion date from 120 days to 165 business days.

The Directors considered the approval process in China Railway is not an administration procedure and this is a condition that may make the acquisition voided and ETA Vendor may have to refund the amount received. As the risk and rewards from the Interest had not yet passed to the Group up to 31 December 2013, the amount paid during the year is recognised as a deposit paid as at 31 December 2013.

- (b) During the year, the Group made a deposit of approximately RMB7,890,000 (equivalent to HK\$10,000,000) as deposit for acquisition of certain companies. The amount was fully impaired during the year (note 6(b)).

#### 15. CORPORATE BONDS PAYABLE

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Nominal value of corporate bonds	100,000	–
Direct transaction costs	(6,500)	–
	<u>93,500</u>	<u>–</u>
Imputed interest expenses ( <i>note 7</i> )	6,593	–
Finance cost paid	(5,178)	–
Exchange alignment	(837)	–
	<u>94,078</u>	<u>–</u>

The Company issued RMB100,000,000 corporate bonds in two tranches on 27 May 2013 and 11 August 2013, which bore interest at the rate of 10.5% per annum payable semi-annually in arrears on 30 June and 31 December in each year. The maturity date will be the date falling on the 24 months of the date of issue. The corporate bonds contain liability component and do not have any early redemption option elements and equity component. The net proceed from the issue of the corporate bonds after the aggregate direct transaction cost of RMB6,500,000 was approximately RMB93,500,000. The corporate bonds payable is subsequently measured at amortised cost using effective interest rate of 14.35% per annum and imputed interest of RMB6,593,000 was incurred in the current year.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

The Group offers comprehensive financing services to its customers. For the year ended 31 December 2013, the turnover was mainly derived from financial consultancy service, entrusted loan service and provision of pawn loan service.

### Financial Review

#### *Revenue*

The Group's revenue grew approximately 14.11% to approximately RMB108.0 million from approximately RMB94.6 million for the year ended 31 December 2012. Such increase was attributable to the strong demand in the Group's financial consultancy service.

#### *Financial consultancy service income*

With developed experience and expertise, the Group has successfully assisted many customers in obtaining satisfactory financing service provided by the Group or other financial institutions. For the year ended 31 December 2013, the Group's revenue from provision of financial consultancy service increased by approximately 58.6% from approximately RMB50.5 million for last year to approximately RMB80.1 million. We experienced a stable demand for financial consultancy services in 2013. In 2014, we expect this segment of business will remain as our core source of income.

#### *Entrusted loan service income*

The revenue from provision of entrusted loan service was approximately RMB23.3 million, representing a decrease of approximately 19.1% from approximately RMB28.8 million of the prior year. The decrease was due to the fact that we adopted a more prudent loan-granting policy in 2013, hence the amounts of loans granted by the Group decreased and so as the interest income therefrom.

#### *Pawn loan service income*

For the year ended 31 December 2013, the Group recorded revenue of approximately RMB4.5 million from provision of pawn loan service, representing a decrease of approximately 70.1% as compared to the revenue of approximately RMB15.4 million last year. The competition for pawn loan services remained fierce in Guangdong Province. In 2013, we continued to shift our focus to entrusted loan services and financial consultancy services which provide more flexibility and security on serving our customers.

### *Interest expenses*

The Group recorded an increase in its interest expenses to approximately RMB6.6 million during the year ended 31 December 2013, representing a significant increase from approximately RMB54,000 for last year. The interest expenses incurred in the current year were mainly in connection with the issuance of the corporate bonds denominated in Renminbi with an aggregate nominal value of RMB100 million (the “RMB Denominated Bonds”) due 2015 issued by the Company during the year under review. For further details, please refer to the announcements of the Company dated 27 May 2013, 28 May 2013 and 12 August 2013.

### *Administrative and other operating expenses*

The Group’s administrative and other operating expenses primarily comprised salaries and staff welfare, rental expenses and marketing and advertising expenses. The Group’s administrative and other operating expenses for each of the two years ended 31 December 2013 and 31 December 2012 were approximately RMB59.3 million and approximately RMB36.3 million respectively. The increase of approximately 63.4% was mainly attributed to certain expenses including (i) increase in staff costs of approximately RMB9.9 million as a result of the increase of average number of staff in connection with the Group’s expansion plan, (ii) increase of impairment on investment of approximately RMB7.5 million, (iii) increase of rental expenses of approximately RMB5.2 million for office expansion, (iv) increase of marketing and advertising expenses, and (v) increase of legal and professional expenses.

### *Profit for the year attributable to owners of the Company*

The profit attributable to owners of the Company for the year ended 31 December 2013 was approximately RMB9.7 million, representing a decrease of approximately 76.6% as compared to approximately RMB41.4 million for the year ended 31 December 2012 due to the significant increase in the interest expenses and administrative and other operating expenses as set out above, as well as other loss disclosed in note 6.

### **Outlook**

It is expected that China economic growth will gradually slow down in 2014. Under the circumstances, we expect the demand for our financing services will be decreased. With the continuance of credit tightening policy in China, default risk of borrowers remained as one of the major concern. We will continue to adopt a prudent loan-granting policy and therefore, our revenue and profit for the forthcoming year may be less than those of 2013.

## **Advance to an Entity**

Pursuant to Rule 17.15 of the GEM Listing Rules, a general disclosure obligation arises where an advance to an entity from the Company exceeds 8% of the total assets of the Company. As at 31 December 2013, the Company's total assets were approximately RMB467.8 million. Pursuant to Rule 17.22 of the GEM Listing Rules, details of advances as defined under Rule 17.15 of the GEM Listing Rules which remained outstanding as at 31 December 2013 were as follow:

### *Entrusted loan agreement dated 6 December 2013 (the "Entrusted Loan Agreements")*

On 6 December 2013, 廣東匯聯商務服務有限公司 (Guangdong Huilian Business Services Limited\*) ("Huilian Business Services"), an indirect wholly-owned subsidiary of the Company, entered into the entrusted loan agreements with 雲南海運房地產開發經營有限公司 (Yunnan Haiyun Property Development Limited\*) (the "Borrower") and 廣東南粵銀行股份有限公司深圳分行 (Shenzhen Branch of Guangdong Nanyue Bank\*) as the lending agent (the "Lending Agent"), pursuant to which, Huilian Business Services had agreed to entrust a fund in the amount of RMB60 million in aggregate (the "Entrusted Fund") to the Lending Agent, for on-lending to the Borrower for a term of six months from the first drawdown date of the loan subject to and upon the terms and conditions therein. The Borrower's principal business activities include, among others, real estate development, sales of machinery, electronics, construction materials and metals. The Lending Agent is a PRC commercial bank. The principal terms of Entrusted Loan Agreements are set out below:

#### *Loan amount:*

RMB60 million.

#### *Interest:*

Interest rate on the loan amount was 1.8% per month.

#### *Consultation fee:*

Junhao Group Limited (郡豪集團有限公司) ("Junhao"), an indirect non wholly-owned subsidiary of the Company, entered into a consultation service agreement with the Borrower pursuant to which Junhao charged the Borrower a consultation fee of 0.7% per month for assisting the Borrower in securing the loan through the Entrusted Fund.

#### *Term of the loan:*

Six months from the first drawdown date of the loan.

### *Security:*

The loan was secured by the following construction in progress of commercial real properties (“Commercial Real Properties”) with a total building area of approximately 10,500 square meters located at Haiyun Garden, the junction of Caiyun North Road and Guangfu Road, Yunnan City (昆明市彩雲北路與廣福路交匯處海運花園) (“Haiyun Garden”) including (i) Shops No. 1 to 13, Block 17 of Haiyun Garden, (ii) 1st to 4th Floor, Block 17 of Haiyun Garden (which will be used as mall); and (iii) 5th to 9th Floor, Block 17 of Haiyun Garden (which will be used as office). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Commercial Real Properties were not charged to any other parties other than being charged to the Lending Agent.

### *Guarantees:*

Corporate guarantee was provided in favour of the Lending Agent by a PRC company engaging in, among others, real estate development and sales, property management and rental and sales of construction materials. To the best of the knowledge, belief and information of the Directors, such PRC company is independent to the Borrower, the Company and their respective connected persons. In addition, a personal guarantee was given by the chairman of the board of directors of the Borrower, who is also a controlling shareholder of the Borrower, in favour of the Lending Agent to secure the obligations of the Borrower under the Entrusted Loan Agreements.

### **Major Investments**

As strategic investment, the Group entered into an equity transfer agreement on 5 September 2013 (as supplemented on 17 March 2014) to acquire approximately 1.119% of the equity interest (“Sale Equity Interest”) of 中鐵信託有限責任公司 (China Railway Trust Co., Ltd.). As at the date of this announcement, the transfer and registration was yet to complete as more time is required for completing the procedure for the related transfer and registration. For further detail, please refer to the announcement of the Company dated 5 September 2013 and 17 March 2014.

On 22 August 2013, to improve the investment return of the Group, the Group also entered into an asset management agreement as the assets trustor, with 五礦證券有限公司 (Minmetals Securities Co., Ltd.) as the manager, and 寧波銀行股份有限公司 (Bank of Ningbo Co., Ltd.) as the custodian in relation to the investment and management of the entrusted assets with a total amount of RMB90 million. For further details, please refer to the announcement of the Company dated 22 August 2013.

### **Final Dividend**

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2013.

## **Liquidity, Financial Resources and Capital Structure**

As at 31 December 2013, the Group had bank balances and cash of approximately RMB125.8 million (2012: approximately RMB141.4 million). During the year under review, the Group did not use any financial instruments for hedging purposes. The gearing ratio representing the ratio of total borrowings to the total assets of the Group was 21.4% as at 31 December 2013 (2012: nil). The increase of gearing ratio was mainly attributable to the RMB Denominated Bonds payable.

## **Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies**

There was no material acquisition or disposal of subsidiaries and affiliated companies during the year ended 31 December 2013.

## **Future Plans for Material Investments or Capital Assets and Expected Sources of Funding**

Save as disclosed under “Comparison of Business Objectives with Actual Business Progress” in this announcement, there was no specific plan for material investments or capital assets as at 31 December 2013.

## **Contingent Liabilities**

As at 31 December 2013, the Group has no significant contingent liabilities (2012: nil).

## **Capital Commitments**

As at 31 December 2013, the Group had total capital expenditure contracted for but not provided in the financial statements amounted to approximately RMB156,000 (2012: nil).

## **Foreign Exchange Exposure**

The Group is mainly exposed to the fluctuation of Hong Kong dollars (“HK\$”) against RMB as its certain bank balances are denominated in HK\$ which is not the functional currency of the relevant group entities. The Group has not made other arrangement to hedge against the exchange rate risk. However, the Directors and management will continue to monitor the foreign exchange exposure and will consider utilizing applicable derivatives to hedge out the exchange risk when necessary.

## **Treasury Policies**

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its customers. To manage liquidity risk, the Directors closely monitor the Group’s liquidity position to ensure that the liquidity structure of the Group’s assets, liabilities and commitments can meet its funding requirements.

## **Employees and Remuneration Policies**

As at 31 December 2013, the Group had a total of 156 staff (2012: 94). Total staff costs (including Directors' emoluments) were approximately RMB19.5 million for the year ended 31 December 2013 (2012: RMB9.6 million). Remuneration is determined with reference to market conditions and the performance, qualifications and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include share option scheme, and contributions to statutory mandatory provident fund scheme and social insurance together with housing provident funds to its employees in Hong Kong and the PRC respectively.

The emoluments of the Directors are reviewed by the remuneration committee of the Company, having regard to the relevant Director's experience, responsibility, workload and the time devoted to the Group, the Group's operating results and comparable market statistics.

## **COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS**

An analysis comparing the business objectives as set out in the Company's prospectus dated 20 April 2012 (the "Prospectus") with the Group's actual business progress for the year ended 31 December 2013 is set out below:

### **Business objectives for the year ended 31 December 2013 as stated in the Prospectus**

### **Actual business progress for the year ended 31 December 2013**

#### **Develop marketing network in Shenzhen, Guangdong Province, Beijing and Shanghai for short-term financing services and financial consultation services**

- Establish sales offices in Shanghai and Guangdong Province
- Recruit new staff for the Shanghai and Guangdong Province sales office
- Placing advertisement

- Establish sales offices in Shanghai and Guangdong Province
- Recruit new staff for the Shanghai and Guangdong Province sales office
- Placing advertisement

Planned use of proceeds of approximately HK\$7,400,000 for the year ended 31 December 2013

Actual use of proceeds of approximately HK\$4,821,000 for the year ended 31 December 2013



## USE OF PROCEEDS

The business objectives and planned use of proceeds as stated in the Prospectus were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied in accordance with the actual development of the market. During the period from 20 April 2012 to 31 December 2013, the net proceeds from placing had been applied as follows:

	<b>Planned use of proceeds as stated in the Prospectus for period from 20 April 2012 to 31 December 2013 HK\$ Approximately</b>	<b>Actual use of proceeds for the period from 20 April 2012 to 31 December 2013 HK\$ Approximately</b>
1. Develop marketing network in Shenzhen, Guangdong Province, Beijing and Shanghai for short-term financing services and financial consultation services	10,800,000	11,226,000
– Establish sales offices in Beijing, Shanghai and Guangdong Province		
– Recruit new staff for the Beijing, Shanghai and Guangdong Province sales office		
– Placing advertisement		
2. Inject fundings or make contributions into member(s) of the Group	<u>123,900,000</u>	<u>115,927,000</u>

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2013.

## CORPORATE GOVERNANCE

The Company acknowledges the important roles of the Board in providing effective leadership and direction to the Group's business, and ensuring transparency and accountability of the Company's operations. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.



The Company has applied the principles and code provisions as set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules.

In the opinion of the Board, the Company has complied with the code provision set out in the CG Code.

Further information on the Company’s corporate governance practices will be set out in the Corporate Governance Report contained in the Company’s annual report for the year ended 31 December 2013, which will be sent to the shareholders in due course.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings. The Company has also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the year ended 31 December 2013.

## **COMPETING INTERESTS**

None of the Directors, controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interests in any business which compete or may compete with the business of the Group or any other conflicts of interest which any person may have with the Group as at 31 December 2013.

## **INTEREST OF COMPLIANCE ADVISER**

As notified by GF Capital (Hong Kong) Limited (“GF Capital”), the Company’s compliance adviser, neither GF Capital nor any of its directors or employees or associates had any interest in the securities of the Company or any member of the Group (including options or rights to subscribe for such securities) as at 31 December 2013 save as interests in the RMB Denominated Bonds due 2015 issued by the Company during the year ended 31 December 2013.

## **AUDIT COMMITTEE**

The audit committee of the Company, which comprises the three independent non-executive Directors, namely, Mr. Vincent Cheng (Chairman), Mr. Lu Quanzhang and Mr. Zhang Gongjun, have reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the annual results of the Group for the year ended 31 December 2013.

## REVIEW OF FINANCIAL INFORMATION

The figures in respect of the preliminary announcement of the Group's result for the year ended 31 December 2013 have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

By order of the Board  
**Flying Financial Service Holdings Limited**  
**Li Zhongyu**  
*Chairman*

Hong Kong, 30 April 2014

As at the date of this announcement, the Directors are as follows:

*Executive Directors:*

Li Zhongyu (*Chairman*)

Zheng Weijing

Peng Zuohao

*Independent Non-executive Directors:*

Vincent Cheng

Lu Quanzhang

Zhang Gongjun

*This announcement will remain on the "Latest Company Announcements" page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from the date of its publication and on the website of the Company ([www.flyingfinancial.hk](http://www.flyingfinancial.hk)).*

\* For identification purposes only