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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)

PROPOSED OPEN OFFER OF 510,277,500 OFFER SHARES AT HK\$0.4 PER OFFER SHARE ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO SHARES HELD ON THE RECORD DATE

Financial Adviser



Underwriters



Ming Cheng Investments Limited

PROPOSED OPEN OFFER

The Company proposes to raise approximately HK\$204.1 million before expenses by allotting and issuing 510,277,500 Offer Shares at the subscription price of HK\$0.4 per Offer Share on the basis of one Offer Share for every two Shares held on the Record Date.

Based on 1,020,555,000 Shares in issue as at the date of this announcement and assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date, upon completion of the Open Offer, 510,277,500 Offer Shares will be allotted and issued.

Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date, the aggregate number of 510,277,500 Offer Shares proposed to be allotted and issued pursuant to the Open Offer represent: (i) 50.00% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.33% of the enlarged issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares.

The Company's register of members will be closed from Wednesday, 30 September 2015 to Wednesday, 7 October 2015 (both dates inclusive) to determine the entitlement to the Open Offer. No transfer of Shares will be registered during such period.

The Record Date is Wednesday, 7 October 2015. The last day of dealings in the Shares on a cum-entitlement basis is Thursday, 24 September 2015. The Shares will be dealt in on an ex-entitlement basis from Friday, 25 September 2015.

To qualify for the Open Offer, Shareholders must be registered as a member of the Company as at the close of business on the Record Date and not be an Excluded Shareholder.

The Offer Shares to which the Excluded Shareholders would otherwise have been entitled, any assured entitlements of Offer Shares which have not been accepted by the Qualifying Shareholders, and the Offer Shares created by aggregation of fractional Offer Shares, will be available for subscription of excess Offer Shares by the Qualifying Shareholders.

The Company will send the Prospectus Documents to the Qualifying Shareholders only. The Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the Application Form and the EAF) will be despatched to the Excluded Shareholders for their information only.

THE UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, the Open Offer (other than the Committed Shares which the Committing Shareholders have agreed to take up all of their respective assured entitlements under the Open Offer) will be fully underwritten by MCI and GF Securities, on the terms and subject to the conditions in the Underwriting Agreement.

As at the date of this announcement, MCI and parties acting in concert with it are beneficially interested in 232,673,180 Shares, representing approximately 22.80% of the issued share capital of the Company. Of these Shares, 208,493,045 Shares are held in the name of MCI, and 24,180,135 Shares are held in the name of Mr. Zheng.

Pursuant to the Underwriting Agreement, the Underwriters have conditionally undertaken to underwrite the Offer Shares (other than the Committed Shares), being 200,999,652 Offer Shares, on a fully underwritten basis. As one of the conditions precedent to the obligations of the Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained an undertaking executed by each of the Committing Shareholders (including MCI and Mr. Zheng) in relation to the acceptance of their respective Committed Shares.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% and arrangements to apply for the Offer Shares by the Qualifying Shareholders in excess of their assured entitlements under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules has been made, pursuant to Rules 10.39 and 10.42(2) of the GEM Listing Rules, the Open Offer is not subject to Shareholders' approval under the GEM Listing Rules.

As MCI is wholly-owned by Mr. Zheng, an executive Director, the chairman and the chief executive officer of the Company, MCI is a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. There is no payment of underwriting commission to MCI (as one of the Underwriters) under the Underwriting Agreement.

Pursuant to Rule 20.90(2)(b) of the GEM Listing Rules, provided that Rule 10.42(2) of the GEM Listing Rules has been complied with, the allotment and issue of the Underwritten Shares to MCI (as one of the Underwriters) pursuant to the Underwriting Agreement will be exempt from the reporting, announcement and independent shareholders' approval requirements of Chapter 20 of the GEM Listing Rules. As the Company has made arrangement for application of the Offer Shares by the Qualifying Shareholders in excess of their assured entitlements under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules, Rule 10.42(2) of the GEM Listing Rules has been complied with and the allotment and issue of the Underwritten Shares to MCI (as one of the Underwriters) pursuant to the Underwriting Agreement will be exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

WARNING OF THE RISK OF DEALINGS IN THE SHARES

The Open Offer is conditional, among other things, upon the obligations of the Underwriters under the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares. Any Shareholders or other persons contemplating dealing in the Shares are recommended to consult their own professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Friday, 25 September 2015 and that dealing in the Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on 4:00 p.m. on Wednesday, 28 October 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating selling or purchasing the Shares, who is in any doubt about their position, is recommended to consult their own professional advisers.

PROPOSED OPEN OFFER

On 7 September 2015 (after trading hour), the Company and the Underwriters entered into the Underwriting Agreement in respect of the proposed Open Offer.

The Company proposes to raise approximately HK\$204.1 million before expenses by allotting and issuing 510,277,500 Offer Shares at the subscription price of HK\$0.4 per Offer Share on the basis of one Offer Share for every two Shares held on the Record Date.

Issue statistics

Basis of the Open Offer : One Offer Share for every two Shares held on the Record Date and payable in full on acceptance

Subscription Price : HK\$0.4 per Offer Share

Number of Shares in issue
as at the date of this
announcement : 1,020,555,000 Shares

Number of Offer Shares : 510,277,500 Offer Shares

The aggregate nominal value of the total Offer Shares will be HK\$51,027,750.

On the basis that 510,277,500 Offer Shares are allotted and issued under the Open Offer, the net subscription price for each Offer Share is approximately HK\$0.39.

Number of Shares in issue
upon completion of the
Open Offer : 1,530,832,500 Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date)

Amount raised before
expenses : Approximately HK\$204.1 million

Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date, the aggregate number of 510,277,500 Offer Shares proposed to be allotted and issued pursuant to the Open Offer represents: (i) 50.00% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.33% of the enlarged issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares.

As at the date of this announcement, the Company had no derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus (without the Application Form and the EAF), for information only, to the Excluded Shareholders.

To qualify for the Open Offer, Shareholders must be registered as a member of the Company on the Record Date and not be an Excluded Shareholder.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

The Record Date is Wednesday, 7 October 2015. The last day of dealings in the Shares on a cum-entitlement basis is Thursday, 24 September 2015. The Shares will be dealt in on an ex-entitlement basis from Friday, 25 September 2015.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfer of Shares (together with the relevant share certificates) for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. on Tuesday, 29 September 2015.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable.

Save for the Committing Shareholders, who have irrevocably undertaken to the Company respectively to accept and pay for their respective Committed Shares (being all of their respective assured entitlements under the Open Offer based on their respective shareholdings in the Company as at the date of the Underwriting Agreement), as at the date of this announcement, the Board had not received any information from any other Shareholders of their intention to take up any Offer Shares under the Open Offer.

Excluded Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. If there are Overseas Shareholders at the close of business on the Record Date, the Overseas Shareholders may not be eligible to take part in the Open Offer as explained below.

The Directors will comply with Rule 17.41(1) of the GEM Listing Rules and make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Offer Shares to such Overseas Shareholders, the Open Offer will not be available or extended to such Overseas Shareholders who will become the Excluded Shareholders.

The result of the enquiries and the basis of the exclusion, if any, will be included in the Prospectus. The Company will send copies of the Prospectus (without the Application Form and the EAF) to the Excluded Shareholders for their information only.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 30 September 2015 to Wednesday, 7 October 2015, both dates inclusive, to determine the eligibility of the Open Offer. No transfer of Shares will be registered during such period.

Subscription Price

The Subscription Price is HK\$0.4 per Offer Share, payable in full when a Qualifying Shareholder accepts his/her/its assured entitlements under the Open Offer.

The Subscription Price represents:

- (1) a discount of approximately 48.05% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (2) a discount of approximately 48.85% to the average closing price of HK\$0.782 per Share quoted on the Stock Exchange for the five trading days immediately before the Last Trading Day; and
- (3) a discount of approximately 38.18% to the theoretical ex-entitlement price of approximately HK\$0.647 per Share based on the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price also represents a premium of approximately 37.93% over the audited consolidated net asset value per Share of approximately HK\$0.29 as at 31 December 2014 (based on the audited consolidated net asset value of the Group over the number of Shares in issue as at 31 December 2014). The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriters with reference to the prevailing market condition, trading liquidity of the Shares and the funding needs of the Group. The Directors consider that the Open Offer will enable all Qualifying Shareholders to subscribe for the Offer Shares at the same Subscription Price in proportion to their shareholdings held on the Record Date. In addition, the Subscription Price has been set as a discount to the recent closing prices of the Shares to encourage existing Shareholders to take up their entitlements and to participate in the future development of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the terms of the Open Offer, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Offer Shares

Each of the Offer Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Shares in issue on the date of their allotment and issue. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment and issue of the Offer Shares. Dealings in the Offer Shares will be subject to payment of stamp duty in Hong Kong, Stock Exchange trading fees, SFC transaction levy and other applicable fees and charges in Hong Kong.

Share certificates of the Offer Shares and refund cheques

Subject to the fulfilment of the conditions of the Open Offer, share certificates for the Offer Shares are expected to be posted on or before Tuesday, 3 November 2015 to those entitled thereto by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares are also expected to be posted to the applicants on or before Tuesday, 3 November 2015 by post at their own risk. One share certificate will be issued for all Offer Shares allotted and issued to an applicant.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares.

No part of the securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the grant of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares in their fully-paid form to be admitted into CCASS.

Fractions of the Offer Shares

Entitlements to the Open Offer will be rounded down to the nearest whole number. No fractional entitlements to the Offer Shares will be allotted and issued to the Qualifying Shareholders. All fractions of the Offer Shares will be aggregated and made available for application by the Qualifying Shareholders in excess of their assured entitlements.

No odd lot matching services will be provided for the Offer Shares.

Application for excess Offer Shares

Qualifying Shareholders shall be entitled to apply for, (i) Offer Shares representing the entitlement of the Excluded Shareholders; (ii) any Offer Shares not accepted by the Qualifying Shareholders; and (iii) the aggregation of the fractional entitlements of the Qualifying Shareholders as described in the paragraph headed “Fractions of the Offer Shares” above. Application may be made by completing the EAF for excess Offer Shares and lodging the same with a separate remittance for the excess Offer Shares being applied for with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by no later than the Latest Time for Acceptance. The Board will allocate the excess Offer Shares at its discretion on a fair and equitable basis, in proportion to the number of excess Offer Shares being applied for under each application, except that preference will be given to applications for less than a board lot of Offer Shares where it appears to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with intention to abuse the mechanism.

Any Offer Shares not taken up by the Qualifying Shareholders and not taken by excess applications will be taken up by the Underwriters pursuant to the terms and conditions of the Underwriting Agreement.

Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are summarised as follows:

- Date : 7 September 2015
- Parties : (1) the Company; and
- (2) the Underwriters:
- (a) MCI; and
- (b) GF Securities.

MCI is a substantial Shareholder and wholly-owned by Mr. Zheng, an executive Director, chairman and the chief executive officer of the Company. As at the date of this announcement, MCI and parties acting in concert with it are beneficially interested in 232,673,180 Shares, representing approximately 22.80% of the issued share capital of the Company. Of these Shares, 208,493,045 Shares are held in the name of MCI, and 24,180,135 Shares are held in the name of Mr. Zheng. The ordinary course of business of MCI is investment holding and does not include underwriting.

GF Securities is a company incorporated in Hong Kong with limited liability and a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO. As at the date of this announcement, amongst other parties, MCI entered into a facility agreement with GF Securities, pursuant to which GF Securities agreed to grant to MCI a term loan of up to a principal amount of HK\$40 million for financing the settlement of consideration payable by MCI and Mr. Zheng under the Open Offer. Pursuant to the provisions of the facility agreement, among other things, MCI will charge 208,493,045 Shares and the Offer Shares to be allotted and issued to MCI pursuant to the Open Offer in favour of GF Securities to secure its repayment obligations. Other than the foregoing, each of GF Securities and its ultimate beneficial owners is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, an Independent Third Party.

Commitment of MCI under the Underwriting Agreement : 108,709,148 Offer Shares.

Commitment of GF Securities under the Underwriting Agreement : 92,290,504 Offer Shares.

Number of Underwritten Shares : The Offer Shares other than the Committed Shares, being 200,999,652 Offer Shares, assuming that no further Shares will be allotted and issued from the date of this announcement up to the Record Date.

The aggregate nominal value of the Underwritten Shares will be HK\$20,099,965.2.

Commission and expenses : The Company shall pay to GF Securities a commission in respect of its underwriting of the Open Offer at 2.5% of the aggregate Subscription Price in respect of the Underwritten Shares underwritten by it.

Under the Underwriting Agreement, MCI shall not be entitled to any underwriting commission in respect of its underwriting of the Open Offer and MCI shall pay and bear all costs and expenses incurred by it in connection with the Open Offer.

The commission payable to GF Securities were determined after arm's length negotiations between the Company and GF Securities. The Directors consider that such amount is on normal commercial terms and is comparable with market rate.

Under the Underwriting Agreement, if the conditions of the Open Offer are fulfilled on or before the Latest Time for Termination (or such later time and/or date as the Company and the Underwriters may determine in writing) and the Underwriting Agreement becomes unconditional and is not terminated in accordance with the terms thereof, and in the event that by the Latest Time for Acceptance any of the Underwritten Shares have not been taken up ("**Untaken Shares**"), the Company shall as soon as practicable thereafter and in any event before 4:00 p.m. on the first Business Day after the Latest Time for Acceptance, notify or procure the branch share registrar and transfer office of the Company in Hong Kong on behalf of the Company to notify the Underwriters in writing of the number of Underwritten Shares not taken up for the Underwriters to subscribe for or procure subscription for the Untaken Shares.

Pursuant to the Underwriting Agreement, the Underwriters shall subscribe or procure subscription on the terms of the Prospectus Documents (so far as the same are applicable) for the Untaken Shares in the following order of priority:

- (1) firstly, MCI shall subscribe on the terms of the Prospectus Documents (so far as the same are applicable) for such Untaken Shares (to the extent of 108,709,148 Offer Shares, being the commitment of MCI under the Underwriting Agreement), provided that if MCI and/or Mr. Zheng had applied for and have been successfully allocated any excess Offer Shares under the Open Offer, the maximum number of Untaken Shares to be subscribed by MCI (as an Underwriter) shall be the difference between (aa) 108,709,148 Offer Shares, being the commitment of MCI under the Underwriting Agreement and (bb) the sum of such number of excess Offer Shares which has been successfully allocated to MCI and Mr. Zheng; and
- (2) secondly, GF Securities shall subscribe or procure subscription on the terms of the Prospectus Documents (so far as the same are applicable) for such Untaken Shares (to the extent of 92,290,504 Offer Share, being the commitment of GF Securities under the Underwriting Agreement).

Pursuant to the Underwriting Agreement, when any of the Underwriters is being called upon to subscribe for or procure subscription for the Untaken Shares:

- (1) such Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 30% of the then issued share capital of the Company;
- (2) GF Securities shall ensure that none of the subscribers of the Untaken Shares will become a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of such subscription and such subscriber, together with parties acting in concert with it, shall not be holding 30% or more of the issued share capital of the Company upon the allotment and issue of the Offer Shares;
- (3) GF Securities shall use all reasonable endeavours to procure that each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters), shall be third party independent of, not acting in concert with and not connected with the Directors, chief executive or substantial shareholders of the Company (within the meaning of the GEM Listing Rules) or any of its subsidiaries and their respective close associates; and
- (4) in the event that there is insufficient public float of the Company within the meaning of the GEM Listing Rules immediately upon completion of the Open Offer solely because of such Underwriter's performance of its obligations pursuant to the Underwriting Agreement, such Underwriter agrees to take such appropriate steps as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 11.23(7) of the GEM Listing Rules.

Each of the Committing Shareholders, being MCI, Mr. Zheng, SARH, Upsoar, PB and Mr. Hu, has agreed to take up all of their respective assured entitlements under the Open Offer. Their respective undertakings are set out below.

MCI & Zheng Undertakings

As one of the conditions precedent to the obligations of the Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained the MCI & Zheng Undertakings pursuant to which MCI and Mr. Zheng have, on joint and several basis, irrevocably and unconditionally undertaken and warranted to the Company and the Underwriters that:

- (1) MCI shall accept and pay for the MCI Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such MCI Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance;

- (2) the aggregate of 208,493,045 Shares currently beneficially owned by MCI will remain beneficially owned by MCI at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that it will not change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong);
- (3) Mr. Zheng shall accept and pay for the Zheng Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such Zheng Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance; and
- (4) the aggregate of 24,180,135 Shares currently beneficially owned by Mr. Zheng will remain beneficially owned by Mr. Zheng at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that he will not change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong).

SARH Undertakings

As one of the conditions precedent to the obligations of the Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained the SARH Undertakings pursuant to which SARH has irrevocably and unconditionally undertaken and warranted to the Company and the Underwriters that:

- (1) SARH shall accept and pay for the SARH Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such SARH Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance; and
- (2) the aggregate of 170,450,695 Shares currently beneficially owned by SARH will remain beneficially owned by SARH at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that it will not change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong).

Upsoar Undertakings

As one of the conditions precedent to the obligations of the Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained the Upsoar Undertakings pursuant to which Upsoar has irrevocably and unconditionally undertaken and warranted to the Company and the Underwriters that:

- (1) Upsoar shall accept and pay for the Upsoar Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such Upsoar Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance; and

- (2) the aggregate of 103,679,100 Shares currently beneficially owned by Upsoar will remain beneficially owned by Upsoar at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that it will not change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong).

PB & Hu Undertakings

As one of the conditions precedent to the obligations of the Underwriters to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained the PB & Hu Undertakings pursuant to which PB and Mr. Hu have, on joint and several basis, irrevocably and unconditionally undertaken and warranted to the Company and the Underwriters that:

- (1) PB shall accept and pay for the PB Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such PB Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance;
- (2) the aggregate of 96,952,725 Shares currently beneficially owned by PB will remain beneficially owned by PB at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that it will not change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong);
- (3) Mr. Hu shall accept and pay for the Hu Committed Shares and undertake to lodge or procure to be lodged with the Company, acceptance in respect of such Hu Committed Shares, with payment in full therefor in cash by no later than the Latest Time for Acceptance; and
- (4) the aggregate of 14,800,000 Shares currently beneficially owned by Mr. Hu will remain beneficially owned by Mr. Hu at the close of business on the Record Date as they are as at the date thereof free from encumbrances and that he will not change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong).

Conditions of the Open Offer

The Open Offer is conditional upon the following conditions being fulfilled:

- (1) the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of and permission to deal in all the Offer Shares on or before the Latest Time for Termination;
- (2) the filing and registration of all relevant documents with the Registrar of Companies in Hong Kong in accordance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) by no later than the Prospectus Posting Date;
- (3) the posting of the Prospectus Documents to Qualifying Shareholders by the Prospectus Posting Date;
- (4) delivery to the Underwriters on the date of the Underwriting Agreement (i) the MCI & Zheng Undertakings duly executed by MCI and Mr. Zheng; (ii) the SARH Undertakings duly executed by SARH; (iii) the Upsoar Undertakings duly executed by Upsoar; and (iv) the PB & Hu Undertakings duly executed by PB and Mr. Hu;
- (5) compliance with and performance by each of MCI, Mr. Zheng, SARH, Upsoar, PB and Mr. Hu of the MCI & Zheng Undertakings, the SARH Undertakings, the Upsoar Undertakings and the PB & Hu Undertakings on or before the Latest Time for Acceptance;
- (6) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement on or before the Latest Time for Termination; and
- (7) the Underwriting Agreement not being terminated by the Underwriters pursuant to the terms thereof on or before the Latest Time for Termination.

None of the conditions precedent as set out above are capable of being waived by any party to the Underwriting Agreement.

If the conditions precedent as set out above are not satisfied by the respective dates as set out above (or such later time and/or date as the Underwriters may agree with the Company in writing), the Underwriting Agreement shall terminate (save for any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for costs, damages, compensation or otherwise.

Termination of the Underwriting Agreement

The Underwriting Agreement contains provisions granting GF Securities (for itself and on behalf of the Underwriters), by notice in writing, the right to terminate the Underwriters' obligations thereunder on the occurrence of certain events. GF Securities (for itself and on behalf of the Underwriters) may terminate the Underwriting Agreement on or before the Latest Time for Termination if prior to the Latest Time for Termination:

- (1) in the sole and absolute opinion of GF Securities (for itself and on behalf of the Underwriters), the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the sole and absolute opinion of GF Securities (for itself and on behalf of the Underwriters) materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement), of a political, military, financial, economic or other nature (whether or not ejusdem generic with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of GF Securities (for itself and on behalf of the Underwriters) materially and adversely affect the business or the financial or trading position of the Group as a whole; or
 - (c) any material adverse change in the business or in the financial or trading position of the Group as a whole; or
 - (d) any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of GF Securities (for itself and on behalf of the Underwriters) will adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or
 - (e) the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or

- (2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, and a change in currency conditions including a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of GF Securities (for itself and on behalf of the Underwriters) makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the sole and absolute opinion of GF Securities (for itself and on behalf of the Underwriters) materially and adversely affect the business or the financial or trading position of the Group as a whole; or
- (4) the Prospectus in connection with the Open Offer when published contain information (either as to the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of GF Securities (for itself and on behalf of the Underwriters) is material to the Group as a whole and is likely to affect materially and adversely the success of the Open Offer or might cause a prudent investor not to apply for its assured entitlements of Offer Shares under the Open Offer.

If the Underwriting Agreement is terminated by GF Securities (for itself and on behalf of the Underwriters) on or before the Latest Time for Termination or does not become unconditional, the Underwriting Agreement shall terminate (save in respect of any rights and obligations which may accrue under the Underwriting Agreement prior to such termination) and neither the Company nor the Underwriters shall have any claim against the other party for costs, damages, compensation or otherwise and the Open Offer will not proceed.

Pursuant to the Underwriting Agreement, GF Securities (for itself and on behalf of the Underwriters) is entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any breach of any of the warranties or undertakings of the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriters; or
- (2) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties and undertakings of The Company contained in the Underwriting Agreement untrue or incorrect in any respect representations, comes to the knowledge of the Underwriters.

CHANGES IN SHAREHOLDING STRUCTURE

For illustrative purposes:

If the Open Offer is to proceed, set out below is the shareholding structure of the Company assuming that (i) there is no change in the shareholding structure of the Company from the date of this announcement up to the Record Date; and (ii) there is no Excluded Shareholder on the Record Date:

Shareholder	(1) As at the date of this announcement and up to the Record Date		(2) Immediately upon completion of the Open Offer (assuming all Shareholders have taken up the Offer Shares)		(3) Immediately upon completion of the Open Offer (assuming no Shareholder (other than the Committing Shareholders who have taken up the Committed Shares) has taken up the Offer Shares)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
MCI (Note 2)	208,493,045	20.43	312,739,567	20.43	421,448,715	27.53
Mr. Zheng	24,180,135	2.37	36,270,202	2.37	36,270,202	2.37
SARH (Note 3)	170,450,695	16.70	255,676,042	16.70	255,676,042	16.70
Upsoar (Note 4)	103,679,100	10.16	155,518,650	10.16	155,518,650	10.16
PB (Note 5)	96,952,725	9.50	145,429,087	9.50	145,429,087	9.50
Mr. Hu	14,800,000	1.45	22,200,000	1.45	22,200,000	1.45
Public Shareholders:						
GF Securities or subscribers procured by it (Note 1)	–	–	–	–	92,290,504	6.03
Other public Shareholders	401,999,300	39.39	602,998,952	39.39	401,999,300	26.26
Total:	1,020,555,000	100.00	1,530,832,500	100.00	1,530,832,500	100.00

Notes:

- Pursuant to the Underwriting Agreement, each of the Underwriters has undertaken to the Company that when such Underwriter is being called upon to subscribe for or procure subscription for the Untaken Shares: (1) such Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 30% of the then issued share capital of the Company; (2) GF Securities shall ensure that none of the subscribers of the Untaken Shares will become a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of such subscription and such subscriber, together with parties acting in concert with it, shall not be holding 30% or more of the issued share capital of the Company upon the allotment and issue of the Offer Shares; and (3) GF Securities shall use all reasonable endeavours to procure that each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters), shall be third party independent of, not acting in concert with and not connected with the Directors, chief executive or substantial shareholders of the Company (within the meaning of the GEM Listing Rules) or any of its subsidiaries and their respective close associates.

2. MCI is wholly-owned by Mr. Zheng, an executive Director, the chairman and the chief executive officer of the Company.
3. SARH is wholly-owned by Mr. Huang Xiguang.
4. Upsoar is wholly-owned by Ms. Fu Shanping.
5. PB is wholly-owned by Mr. Hu.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors, including the results of acceptance of the Offer Shares. Further announcements will be made by the Company in accordance with the GEM Listing Rules following the completion of the Open Offer upon which the Offer Shares are allotted and issued.

REASONS FOR THE OPEN OFFER

The Group is principally engaged in provision of pawn loans, entrusted loans and financial consultation services.

The Directors are of the view that the Open Offer will enable the Company to raise funds for further investment in the financial services business of the Group and for general operation. In addition, the Open Offer would allow the Company to strengthen its capital base and provide an opportunity to all Qualifying Shareholders to participate in the future development of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the Underwriting Agreement are fair and reasonable and that the Underwriting Agreement and the Open Offer are in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS FROM THE OPEN OFFER

The Company will raise approximately HK\$204.1 million before expenses from the Open Offer. The Company intends to use the net proceeds from the Open Offer, being approximately HK\$201.1 million as to (i) approximately HK\$160 million for development and operation of the finance lease business of Zhongxi Rongzi Zulin (Shanghai) Limited, an indirectly wholly-owned subsidiary of the Company; and (ii) approximately HK\$41.1 million for general working capital of the Group.

The estimated expenses in relation to the Open Offer, including underwriting commission, financial, legal and other professional expenses, of approximately HK\$3 million, will be borne by the Company.

EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is indicative only. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	Time and Date
Last day of dealing in Shares on a cum-entitlement basis	Thursday, 24 September 2015
First day of dealing in Shares on ex-entitlement basis	Friday, 25 September 2015
Latest time for lodging transfer of Shares in order to be qualified for the Open Offer	4:30 p.m. on Tuesday, 29 September 2015
Register of members of the Company closed (both dates inclusive).	Wednesday, 30 September 2015 to Wednesday, 7 October 2015
Record Date to determine entitlements under the Open Offer	Wednesday, 7 October 2015
Register of members of the Company re-opens	Thursday, 8 October 2015
Despatch of the Prospectus Documents	Thursday, 8 October 2015
Latest Time for Acceptance of and payment for Offer Shares and application for and payment for excess Offer Shares.	4:00 p.m. on Friday, 23 October 2015
Expected time for the Open Offer to become unconditional.	Wednesday, 28 October 2015
Announcement of results of the Open Offer to be published on the GEM website	Monday, 2 November 2015
Despatch of certificates for the Offer Shares	Tuesday, 3 November 2015
Despatch of refund cheques in respect of wholly or partly unsuccessful excess applications or if the Open Offer is terminated	Tuesday, 3 November 2015
Dealings in the Offer Shares expected to commence	9:00 a.m. on Wednesday, 4 November 2015

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

All times in this announcement refer to Hong Kong time. If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Friday, 23 October 2015, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same Business Day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in the expected timetable above (including, without limitation, the Latest Time for Termination) may be affected.

Dates or deadlines stated in this announcement for events in the timetable are indicative only and may be extended or varied between the Company and the Underwriters. Any changes to the anticipated timetable for the Open Offer will be announced as and when appropriate.

FUND RAISING ACTIVITIES OF THE COMPANY WITHIN 12 MONTHS PRIOR TO THE DATE OF THIS ANNOUNCEMENT

The Company has not carried out any fund raising activities during the 12 months immediately preceding the date of this announcement.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% and arrangements to apply for the Offer Shares by the Qualifying Shareholders in excess of their assured entitlements under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules has been made, pursuant to Rules 10.39 and 10.42(2) of the GEM Listing Rules, the Open Offer is not subject to Shareholders’ approval under the GEM Listing Rules.

As MCI is wholly-owned by Mr. Zheng, an executive Director, the chairman and the chief executive of the Company, MCI is a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. There is no payment of underwriting commission to MCI (as one of the Underwriters) under the Underwriting Agreement.

Pursuant to Rule 20.90(2)(b) of the GEM Listing Rules, provided that Rule 10.42(2) of the GEM Listing Rules has been complied with, the allotment and issue of the Underwritten Shares to MCI (as one of the Underwriters) pursuant to the Underwriting Agreement will be exempt from the reporting, announcement and independent shareholders' approval requirements of Chapter 20 of the GEM Listing Rules. As the Company has made arrangement for application of the Offer Shares by the Qualifying Shareholders in excess of their assured entitlements under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules, Rule 10.42(2) of the GEM Listing Rules has been complied with and the allotment and issue of the Underwritten Shares to MCI (as one of the Underwriters) pursuant to the Underwriting Agreement will be exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

As Mr. Zheng has material interest in the Underwriting Agreement and the transactions contemplated thereunder, Mr. Zheng had abstained from voting on the resolutions of the Board to approve the Underwriting Agreement and the transactions contemplated thereunder.

GENERAL

The Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders (and the Prospectus (without the Application Form and the EAF) for their information only, to the Excluded Shareholders) on Thursday, 8 October 2015.

WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is conditional, among other things, upon the obligations of the Underwriters under the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares. Any Shareholders or other persons contemplating dealing in the Shares are recommended to consult their own professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Friday, 25 September 2015 and that dealing in the Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on 4:00 p.m. on Wednesday, 28 October 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating selling or purchasing the Shares, who is in any doubt about their position, is recommended to consult their own professional advisers.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed to it by the Takeovers Code
“Application Form(s)”	the form(s) of application in respect of the Open Offer
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and public holiday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Committed Shares”	the MCI Committed Shares, the Zheng Committed Shares, the SARH Committed Shares, the Upsoar Committed Shares, the PB Committed Shares and the Hu Committed Shares
“Committing Shareholders”	MCI, Mr. Zheng, SARH, Upsoar, PB and Mr. Hu
“Company”	Flying Financial Service Holdings Limited (匯聯金融服務控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EAF(s)”	the form(s) of application in respect of the Offer Shares in excess of the respective assured entitlements of the Qualifying Shareholder(s)

“Excluded Shareholders”	the Overseas Shareholders whom the Board, based on legal opinions provided by legal advisers if the Board considers it necessary or expedient not to offer the Offer Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GF Securities”	GF Securities (Hong Kong) Brokerage Limited 廣發證券(香港)經紀有限公司, a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Group”	the Company and its subsidiaries from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hu Committed Shares”	being 7,400,000 Offer Shares which Mr. Hu has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the PB & Hu Undertakings
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company
“Last Trading Day”	7 September 2015, being the date of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Friday, 23 October 2015 or such later time as may be agreed between the Company and the Underwriters, being the latest time for acceptance of the offer of the Offer Shares and application and payment for excess Offer Shares
“Latest Time for Termination”	4:00 p.m. on Wednesday, 28 October 2015 or such later time to be agreed between the Company and the Underwriters, being the latest time for the Underwriters to terminate the Underwriting Agreement
“MCI”	Ming Cheng Investments Limited, a substantial Shareholder and a company wholly-owned by Mr. Zheng

“MCI Committed Shares”	being 104,246,522 Offer Shares which MCI has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the MCI & Zheng Undertakings
“MCI & Zheng Undertakings”	the irrevocable undertakings in relation to the acceptance of the MCI Committed Shares and the Zheng Committed Shares executed by MCI and Mr. Zheng and delivered to the Company and the Underwriters as one of the conditions to the obligations of the Underwriters to underwrite the Underwritten Shares pursuant to the Underwriting Agreement
“Mr. Hu”	Mr. Hu Jinxi, a substantial Shareholder
“Mr. Zheng”	Mr. Zheng Weijing, an executive Director, the chairman and the chief executive officer of the Company
“Offer Share(s)”	510,277,500 new Shares to be issued by the Company pursuant to the Open Offer
“Open Offer”	the proposed issue of the Offer Shares by way of open offer on the basis of one Offer Share for every two Shares held on the Record Date to the Qualifying Shareholders on the terms to be set out in the Prospectus Documents
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company at the close of business on the Record Date) which is/are outside Hong Kong
“PB”	Peace Bloom Limited, a company wholly-owned by Mr. Hu
“PB Committed Shares”	being 48,476,362 Offer Shares which PB has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the PB & Hu Undertaking
“PB & Hu Undertakings”	the irrevocable undertakings in relation to the acceptance of the PB Committed Shares and the Hu Committed Shares executed by PB and Mr. Hu and delivered to the Company and the Underwriters as one of the conditions to the obligations of the Underwriters to underwrite the Underwritten Shares pursuant to the Underwriting Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Special Administrative Region of Macau of the PRC and Taiwan
“Prospectus”	the prospectus to be issued by the Company in relation to the Open Offer

“Prospectus Documents”	the Prospectus, the Application Form and the EAF
“Prospectus Posting Date”	Thursday, 8 October 2015 or such later date as may be agreed between the Company and the Underwriters, being the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date
“Record Date”	Wednesday, 7 October 2015 (or such other date as may be agreed between the Company and the Underwriters to determine entitlements to the Open Offer)
“SARH”	Sino-Africa Resources Holdings Limited, a substantial Shareholder
“SARH Committed Shares”	being 85,225,347 Offer Shares which SARH has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the SARH Undertakings
“SARH Undertakings”	the irrevocable undertakings in relation to the acceptance of the SARH Committed Shares executed by SARH and delivered to the Company and the Underwriters as one of the conditions to the obligations of the Underwriters to underwrite the Underwritten Shares pursuant to the Underwriting Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.4 per Offer Share
“Substantial Shareholder”	has the meaning ascribed to it under The GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriters”	collectively, MCI and GF Securities and “Underwriter” shall mean either of them

“Underwriting Agreement”	the underwriting agreement dated 7 September 2015 entered into between the Company and the Underwriters in relation to the Open Offer
“Underwritten Shares”	the Offer Shares (other than the Committed Shares), being 200,999,652 Offer Shares, to be underwritten by the Underwriters pursuant to the Underwriting Agreement
“Upsoar”	Upsoar Limited, a substantial Shareholder and a company wholly owned by Ms. Fu Shanping
“Upsoar Committed Shares”	being 51,839,550 Offer Shares which Upsoar has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the Upsoar Undertakings
“Upsoar Undertakings”	the irrevocable undertakings in relation to the acceptance of the Upsoar Committed Shares executed by Upsoar and delivered to the Company and the Underwriters as one of the conditions to the obligations of the Underwriters to underwrite the Underwritten Shares pursuant to the Underwriting Agreement
“Zheng Committed Shares”	being 12,090,067 Offer Shares which Mr. Zheng has irrevocably undertaken to accept as assured entitlement under the Open Offer pursuant to the MCI & Zheng Undertakings
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB0.82491 to HK\$1.00. Such exchange rate has been used, where applicable, for purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By the order of the Board
Flying Financial Service Holdings Limited
Zheng Weijing
Chairman

Hong Kong, 7 September 2015

As at the date of this announcement, the executive Directors are Mr. Zheng Weijing (Chairman and Chief Executive Officer), Mr. Zhang Gongjun, and Ms. Guo Chanjiao; and the independent non-executive Directors are Mr. Vincent Cheng, Mr. Leung Po Hon and Dr. Miao Bo.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with 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.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of seven days from the date of its publication and on the Company’s website at www.flyingfinancial.hk.