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Wealthy Way Group Limited

富道集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3848)

**DISCLOSEABLE TRANSACTIONS
IN RELATION TO THE LOAN AGREEMENTS,
THE FINANCIAL LEASING AGREEMENTS
AND TECHNOLOGY SERVICE AGREEMENTS**

References are made to the announcements of the Company dated 20 and 26 November 2019 in relation to the discloseable transactions in relation to the Previous Loan Agreement, the Financial Leasing Agreements and the Service Agreements (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated herein.

LOAN AGREEMENT

On 20 September 2019, Haosen Credit and Borrower A entered into the Loan Agreement I (the “**Previous Loan Agreement**”). According to the Previous Loan Agreement, Haosen Credit has granted loan of RMB10,000,000 (equivalent to approximately HK\$11,210,000) to Borrower A for a term of 6 months, which was fully settled as at the date of this announcement.

On 12 March 2020, Haosen Credit and Borrower A entered into the Loan Agreement II (the “**Loan Agreement**”). According to the Loan Agreement, Haosen Credit has granted loan of RMB10,000,000 (equivalent to approximately HK\$11,210,000) to Borrower A for a term of 6 months in order to receive return on the loan. The loan payment under the Loan Agreement includes principal of approximately RMB10,000,000 (equivalent to approximately HK\$11,210,000) and interest income from loan (exclusive of VAT) of approximately RMB708,000 (equivalent to approximately HK\$791,000), totaling approximately RMB10,750,000 (equivalent to approximately HK\$11,967,000).

FINANCIAL LEASING AGREEMENT

On 20 November 2019, CWW Leasing and Lessee B & Lessee C entered into the Financial Leasing Agreement I & the Financial Leasing Agreement II respectively (collectively, the “**Financial Leasing Agreements**”), pursuant to which, CWW Leasing purchased Leased Asset I & Leased Asset II from Lessee B and Lessee C and leased such Leased Asset I & Leased Asset II back to Lessee B and Lessee C for a term of 24 months, respectively.

For the Financial Leasing Agreement, please refer to our announcements dated 20 and 26 November 2019.

TECHNOLOGY SERVICE AGREEMENT

Wealth Way Information Technology and Lessee B & Lessee C entered into the Technology Service Agreement I & the Technology Service Agreement II respectively (collectively, the “**Technology Service Agreements**”) on 20 November 2019, pursuant to which, Wealth Way Information Technology agreed to provide technology services to Lessee B & Lessee C, respectively.

For the Service Agreements, please refer to our announcements dated 20 and 26 November 2019.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios for the transactions in aggregate to be contemplated under the Previous Loan Agreement, the Loan Agreement, the Financial Leasing Agreements and the Service Agreements (collectively, the “**Agreements**”) calculated in accordance with the Listing Rules are more than 5% but less than 25%, the transactions contemplated under the Agreements constitute discloseable transactions of the Company under Rule 14.07 under the Listing Rules and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

References are made to the announcements of the Company dated 20 and 26 November 2019 in relation to the discloseable transactions in relation to the Previous Loan Agreement, the Financial Leasing Agreements and the Service Agreements (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated herein.

BACKGROUND

On 20 September 2019, Haosen Credit and Borrower A entered into the Loan Agreement I (the “**Previous Loan Agreement**”). According to the Previous Loan Agreement, Haosen Credit has granted loan of RMB10,000,000 (equivalent to approximately HK\$11,210,000) to Borrower A for a term of 6 months, which was fully settled as at the date of this announcement.

On 20 November 2019, CWW Leasing entered into the Financial Leasing Agreement I and the Financial Leasing Agreement II with Lessee B and Lessee C respectively (collectively, the “**Financial Leasing Agreements**”), pursuant to which, CWW Leasing purchases Leased Asset I and Leased Asset II from Lessee B and Lessee C and leases such Leased Asset I and Leased Asset II back to Lessee B and Lessee C for a term of 24 months and 24 months, respectively.

On 12 March 2020, Haosen Credit and Borrower A entered into the Loan Agreement II (the “**Loan Agreement**”). According to the Loan Agreement, Haosen Credit has granted loan of RMB10,000,000 (equivalent to approximately HK\$11,210,000) to Borrower A for a term of 6 months in order to receive return on the loan.

For the Financial Leasing Agreements, please refer to our announcements dated 20 and 26 November 2019.

Wealth Way Information Technology entered into the Technology Service Agreement I and the Technology Service Agreement II with Lessee B and Lessee C, respectively on 20 November 2019 (collectively, the “**Service Agreements**”), pursuant to which, Wealth Way Information Technology agrees to provide technology services to Lessee B and Lessee C, respectively.

For the Service Agreements, please refer to our announcements dated 20 and 26 November 2019.

To the best knowledge, information and belief of the Directors, Borrower A, Lessee B and Lessee C are Independent Third Parties of the Company.

(A) Loan Agreement

The following table sets forth the respective dates and the consideration of the loan agreements:

Loan agreement	Date of loan agreement	Term of loan agreement	Consideration of loan	
			RMB	(Equivalent amount in HK\$) (Approximately)
I	20 September 2019	6 months	10,000,000	11,210,000
II	12 March 2020	6 months	<u>10,000,000</u>	<u>11,210,000</u>
	Total:		<u><u>20,000,000</u></u>	<u><u>22,420,000</u></u>

The following table sets forth the details of each of the loan agreements:

Loan agreement	Principal <i>RMB</i> <i>(Equivalent amount in HK\$)</i> <i>(Approximately)</i>	Interest income (exclusive of VAT) <i>RMB</i> <i>(Equivalent amount in HK\$)</i> <i>(Approximately)</i>	Outstanding balance of loan as at 12 March 2020 <i>RMB</i> <i>(Equivalent amount in HK\$)</i> <i>(Approximately)</i>
I	RMB10,000,000 (HK\$11,210,000)	RMB849,000 (HK\$951,500)	RMB0 (HK\$0)
II	RMB10,000,000 (HK\$11,210,000)	RMB849,000 (HK\$951,500)	RMB10,849,000 (HK\$12,161,000)
Total:	RMB20,000,000 (HK\$22,420,000)	RMB1,698,000 (HK\$1,903,000)	RMB10,849,000 (HK\$12,161,000)

(B) Financial leasing agreement

The following table sets forth the respective dates, the leased assets and the consideration of the leased assets of such financial leasing agreements and relevant sale and purchase agreements:

Financial leasing agreement	Date of relevant sale and purchase agreement	Date of financial leasing agreement	Leased assets	Consideration for leased assets <i>RMB</i> <i>(Equivalent amount in HK\$)</i> <i>(Approximately)</i>	
I	20 November 2019	20 November 2019	Leased Asset I	23,459,000	26,298,000
II	20 November 2019	20 November 2019	Leased Asset II	2,492,000	2,793,000
Total:				25,951,000	29,091,000

LOAN AGREEMENTS

Each of the loan agreements contains similar principal terms to each other. The principal terms of the Loan Agreement are summarized as follows:

Parties

Haosen Credit (as the lender)

Borrower A (as the borrower under the Loan Agreement I and the Loan Agreement II (collectively, the “Loan Agreements”))

Loan term

The loan is granted from Haosen Credit to Borrower A for a term of 6 months.

Loan Payments

The loan payments under the Loan Agreement shall include principal of approximately RMB10,000,000 (equivalent to approximately HK\$11,210,000) and interest income from loan (exclusive of VAT) of approximately RMB849,000 (equivalent to approximately HK\$951,000), totaling approximately RMB10,849,000 (equivalent to approximately HK\$12,161,000).

Lessee A shall pay the loan payments to Haosen Credit on a monthly basis in accordance with the Loan Agreement during the lease term.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

CWW Leasing's principal activities are to provide financial leasing, commercial factoring and advisory services to customers in the PRC.

The terms of the Agreements are agreed after arm's length negotiations between the parties on normal commercial terms. The Directors consider that the entering into of the Agreements is in the ordinary and usual course of business of CWW Leasing, and will generate revenue and cash flow from the financial leasing interests, the service fee interests received and the loan interest income received. The consideration to acquire the Leased Asset I and the Leased Asset II under the Financial Leasing Agreements had been financed by the Group's internal resources.

Given the Agreements are entered into in the ordinary and usual course of business of the CWW Leasing, Haosen Credit and Wealthy Way Information Technology on normal commercial terms, the Directors are of the view that the terms of the Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios for the transactions in aggregate to be contemplated under the Previous Loan Agreement, the Loan Agreement, the Financial Leasing Agreements and the Service Agreements (collectively, the "**Agreements**") calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Agreements transactions contemplated under the Agreements constitute discloseable transactions of the Company under Rule 14.07 under the Listing Rules and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Borrower A”	WANG Weiming* (王偉明), an Independent Third Party and natural person who is the beneficial owner of Lessee B and Lessee C
“Company”	Wealthy Way Group Limited, a limited liability company incorporated in the Cayman Islands with its issued shares listed on the Main Board of the Stock Exchange
“CWW Leasing”	富道(中國)融資租賃有限公司 (Wealthy Way (China) Leasing Company Limited*), a company incorporated in the PRC as a wholly foreign-owned enterprise on 5 April 2012 and an indirect wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Financial Leasing Agreement I”	the agreement entered into between CWW Leasing and Lessee B on 20 November 2019, pursuant to which, CWW Leasing acquires the assets from Lessee B and leases back to Lessee B
“Financial Leasing Agreement II”	the agreement entered into between CWW Leasing and Lessee C on 20 November 2019, pursuant to which, CWW Leasing acquires the assets from Lessee C and leases back to Lessee C
“Haosen Credit”	深圳市浩森小額貸款股份有限公司 (Shenzhen Haosen Credit Joint Stock (Limited) Company*), a company incorporated in the PRC on 26 May 2009 with limited liability, whose 47% equity interests was acquired by the Company on 24 December 2018
“HK\$”	the Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company who is not a connected persons (as defined under the Listing Rules) of the Company, and is independent from and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Leased Asset I”	a batch of production equipment, including molding machines and manipulators

“Leased Asset II”	a batch of production equipment, including molding machines and manipulators
“Lessee B”	Heyuan Zhongqi Communications Technology Company Limited* (河源中啟通信科技有限公司), a limited liability company established in the PRC, which is principally engaged in research and development, manufacture and sale of network communication equipment and accessory products, and a wholly-owned subsidiary of Lessee C
“Lessee C”	Shenzhen Xinhaoyuan Precision Technology Stock Company Limited* (深圳市鑫灝源精密技術股份有限公司), a limited liability company established in the PRC, which is principally engaged in manufacture and sale of sophisticated molds, electronic and communication devices, which wholly-owns Lessee B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement I”	the loan agreement entered into between Haosen Credit and Borrower A on 20 September 2019, pursuant to which, Haosen Credit has granted loan to Borrower A for a term of 6 months
“Loan Agreement II”	the loan agreement entered into between Haosen Credit and Borrower A on 12 March 2020, pursuant to which, Haosen Credit has granted loan to Borrower A for a term of 6 months
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	the ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Technology Service Agreement I”	the agreement entered into between CWW Leasing and Lessee B on 20 November 2019, pursuant to which, CWW Leasing agrees to provide technical advisory services to Lessee B
“Technology Service Agreement II”	the agreement entered into between CWW Leasing and Lessee C on 20 November 2019, pursuant to which, CWW Leasing agrees to provide technical advisory services to Lessee C

“VAT”	value added tax
“Wealthy Way Information Technology”	深圳市富道信息科技有限公司 (Wealthy Way Information Technology Limited*), a company incorporated in the PRC as a wholly owned enterprise on 12 July 2018 and an indirect wholly-owned subsidiary of the Company

In this announcement, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.1210. Such exchange rate has been used, where applicable, for the purpose 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.

On behalf of the Board
Wealthy Way Group Limited
LO Wai Ho
Chairman and Executive Director

Hong Kong, 12 March 2020

As at the date of this announcement, the Board comprises Mr. LO Wai Ho, Ms. CHAN Shuk Kwan, Winnie and Mr. XIE Wei-quan as the executive Directors; and Mr. HA Tak Kong, Mr. IP Chi Wai and Mr. KAM Wai Man as the independent non-executive Directors.

* *For identification purposes only*