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**華邦金融控股有限公司**

**Huabang Financial Holdings Limited**

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

**(Stock code: 3638)**

**LETTER OF INTENT IN RELATION TO  
PROPOSED EQUITY PARTICIPATION INTO THE JOINT VENTURE  
COMPANY**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 29 July 2019 in relation to the formation of a joint venture company. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement. The Board is pleased to announce that two possible new joint venture partners, namely Ayalon Insurance Company Limited (“**Ayalon Insurance**”), one of the largest insurance groups in Israel, and FinTLV Ventures L. P (“**FinTLV**”), an insurance technology company based in Israel, have an intention for equity participation into the Company’s JV Company, YingYing Insurtech Company Limited (the “**JV Company**”).

As such, on 28 October 2019 (after trading hours), the Company, Ayalon Insurance and FinTLV entered into the Letter of Intent in relation to the proposed equity participation by Ayalon Insurance and FinTLV into the JV Company, pursuant to which the Company, Ayalon Insurance and FinTLV have agreed to use their best endeavours to negotiate the terms and conditions of the proposed equity participation by Ayalon Insurance and FinTLV into the JV Company and enter into the joint venture agreement between Huabang FinTech, Ayalon Insurance, FinTLV and MeiYe (collectively referred to as the “**JV Parties**”).

The JV Company was established for the purpose of applying for the authorisation of the JV company to carry on insurance business using solely digital distribution channels in Hong Kong and jointly developing of all its subsequent possible relevant insurance business with the JV Partners, and procuring investment opportunities for possible mergers and acquisitions with other insurance companies. The JV Parties have an intention that the target of total cumulative investment amount of the JV Company will reach approximately HK\$12,000,000,000, which includes the fund needed for the developing insurance business and possible mergers and acquisitions.

## **INFORMATION ABOUT AYALON INSURANCE**

Ayalon Insurance is a wholly-owned subsidiary of Ayalon Holdings Limited. The group is one of the six largest insurance finance groups, in terms of scope of sales, in Israel, which is mainly engaged in the insurance business of life insurance, long-term savings, health insurance and general non-life insurance. Ayalon Insurance was founded in 1976 and the group was listed on the Tel-Aviv Stock Exchange in Israel (stock code: AYAL) since 1987.

## **INFORMATION ABOUT FINTLV**

FinTLV is an insurance technology company based in Israel. The company mainly engages in developing innovation, new-age insurance and financial technologies, solutions and developing new insurance products for its global partners including leading insurance companies, re-insurer companies and financial corporations. The company also provides industry expertise and financial investment to trailblazing startups developing innovative, new-age Insurance and financial technology.

## **INFORMATION ABOUT MEIYE**

MeiYe Technology Group Inc. is a company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of YingYing Group Inc.. YingYing Group Inc. is a company incorporated in the Cayman Islands with limited liability, who focuses on the use of big data, cloud computing and artificial intelligence and is a social e-commerce platform and financial technology group company in China with an emphasis on financial technology with diversified development. Currently, the group mainly operates in China with a number of well-known platform products and brands in the field of financial technology. It also has a number of patent development techniques and financial business licenses. Its business principally includes “Win-Win FinTech” which is mainly engaged in internet finance; “Yinghuo Technology”, a financial technology company which apply big-data and artificial intelligence technologies for data mining based on specific scenarios of consumption and provides data intelligence services; as well as “Kunsheng Capital” which is engaged in special asset investment and financing services.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the JV Partners and their respective ultimate beneficial owner(s) are Independent Third Parties.

## **REASONS FOR AND ADVANTAGES OF PROPOSED EQUITY PARTICIPATION BY AYALON INSURANCE AND FINTLV INTO THE JV COMPANY**

The Board considers that, through the proposed equity participation by Ayalon Insurance and FinTLV into the JV Company, the JV Parties will be able to form a sustainable strategic partnership beneficial to each other and enable the Group to tap into the insurance market and explore business development, collaboration and investment opportunities in the areas of insurance technology. The

Board considers that the business objective and business scope of the JV Company is in line with the Company's long-term business strategy and it is in the interest of the Company and the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATIONS**

As none of the applicable percentage ratios in respect of the transactions contemplated under the Shareholders Agreement exceeds 5%, the entering into of the Shareholders Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. The Company will make further announcement(s) as and when appropriate in compliance with the Listing Rules.

## **GENERAL**

This announcement is made by the Board of the Company to inform its shareholders and potential investor of the latest development of the Group.

As at the date of this announcement, the target of total cumulative investment amount of approximately HK\$12,000,000,000 mentioned above is an intention of the JV Parties only and does not constitute any legally binding commitment on the Company and the JV Partners. The contribution of total cumulative investment amount of approximately HK\$12,000,000,000 is subject to the execution of formal agreements to be entered into by the JV Parties in the future.

The LOI is non-legally binding. The Company and the JV Parties have no legal obligations or liabilities unless and until a formal agreement has been entered into by the JV Parties. The Board wishes to emphasise that no legally binding agreement in relation to the proposed equity participation of Ayalon Insurance and FinTLV into the JV Company has been entered into by the JV Parties. As such, the equity participation by Ayalon Insurance and FinTLV into the JV Company may or may not materialise.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

## **DEFINITIONS**

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“Ayalon Insurance”	Ayalon Insurance Company Limited, a company incorporated in Israel and a wholly-owned subsidiary of Ayalon Holdings Limited, the shares of which are listed on Tel Aviv Stock Exchange Limited in Israel
“Board”	board of the Directors of the Company

“Company”	Huabang Financial Holdings Company, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“FinTLV”	FinTLV Ventures L. P, an insurance technology Company based in Israel which incorporated in the Cayman Islands
“Group”	the Company and its subsidiaries. The Group is principally engaged in financial services business and computer and peripheral products business
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Huabang FinTech”	Huabang FinTech Limited, a wholly-owned subsidiary of the Company, which incorporated in the British Virgin Islands with limited liabilities and is an investment holding company
“Independent Third Party(ies)”	a third party independent of the Company and the connected persons (having the meaning ascribed to it under the Listing Rules) of the Company
“Israel”	State of Israel
“JV Agreement”	a formal joint venture agreement to be entered into amongst Huabang FinTech and JV Partners
“JV Company”	YingYing Insurtech Company Limited, a company incorporated in Hong Kong with limited liability
“JV Parties”	Huabang FinTech and the JV Partners
“JV Partners”	MeiYe, Ayalon Insurance and FinTLV
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LOI”	the Letter of Intent dated 28 October 2019 and entered into among Huabang FinTech, Ayalon Insurance and FinTLV in relation to the proposed participation by Ayalon Insurance and FinTLV into the JV Company

“MeiYe”	MeiYe Technology Group Inc., a company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of YingYing Group Inc.
“PRC”	the People’s Republic of China
“Shareholders”	Holders of the issued shares of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

By Order of the Board  
**Huabang Financial Holdings Limited**  
**George Lu**  
*Chairman & Chief Executive Officer*

Hong Kong, 28 October 2019

*As at the date of this announcement, the executive Directors of the Company is Mr. George Lu; the non-executive Director of the Company is Mr. Pang Chung Fai Benny; and the independent non-executive Directors of the Company are Mr. Loo Hong Shing, Vincent, Mr. Zhu Shouzhong and Mr. Li Huaqiang.*