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FUGUINIAO CO., LTD.

富貴鳥股份有限公司

(A joint stock company established in the People's Republic of China with limited liability)
(Stock Code: 1819)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Fuguiniao Co., Ltd. (the “**Company**”) noticed that on 31 October 2018 國泰君安證券股份有限公司 Guotai Junan Securities Co., Ltd. (“**Guotai Junan**”), the trustee of the domestic corporate bonds in the total principal amount of not more than RMB800 million issued by the Company in the People’s Republic of China (the “**Bonds**”) published the “Report of Guotai Junan Securities Co., Ltd. about the Management of the 2014 Corporate Bonds of Fuguiniao Co., Ltd.” (the “**Report**”) on the website of the Shanghai Stock Exchange.

Guotai Junan reported in the Report on the progress of work relating to the default of the Bonds, including:

1. The representative of Guotai Junan has authorized the bondholders to successfully declare and receive the acceptance receipt. At the end of September 2018, the representative of Guotai Junan has provided the written authorization of the bondholders to declare the claims to the administrator and contact the bondholders to supplement the materials according to the administrator’s request. On 26 October 2018, the administrator has accepted all the claims of the bondholders who have authorized Guotai Junan, with a total face value of RMB799.936 million and a total claimed principal amount of RMB867,744,093.88.
2. Progress in litigation related to the Bonds and related legal measures.
 - (1) Guotai Junan reported the banks’ non-compliance with the regulatory authorities;
 - (i) Regarding the “Illegal grant of credit in the amount of RMB1.112 billion by Xiamen International Bank, Quanzhou two private shell companies designated Mr. Lam Wo Ping, the controller of the Company”, the Quanzhou Banking Supervision Bureau found that the said branch got the problem in verifying the production and operation of the above two credit granting enterprises.

- (ii) Regarding “Xiamen International Bank Quanzhou Branch illegally accepted RMB902 million deposit receipt pledge guarantee provided by the Company”, Quanzhou Banking Supervision branch has verified that the Company has provided a deposit certificate pledge guarantee in a total of 31 transactions with a total amount of RMB902 million.
 - (iii) Regarding “Xiamen International Bank issued a false bank confirmation letter to Guotai Junan and the audit firm, concealing the fact that the deposit slip has been pledged”, Xiamen International Bank Quanzhou Branch did not raise any objection to the relevant situation, and failed to point out relevant information and the actual situation does not match.
- (2) The Shanghai Financial Court issued a “Writ” on 23 October 2018 on the progress of the lawsuit requesting the controller of the Company to assume the guarantee responsibility. The case will be heard at 14:00 on 13 November 2018 in Shanghai Financial Court. Guotai Junan will prepare for lawsuit.
- (3) Regarding the progress of the lawsuit requesting the revocation of the Company's mortgage on machineries and equipment. Guotai Junan will closely follow the progress of the case and prepare for lawsuit.

For details of the Report, please refer to the report published by Guotai Junan on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn/home/search/?webswd=14> 富贵鸟) on 31 October 2018.

This announcement is only for the compliance in the Listing Rules on disclosure of information the Company. Guotai Junan’s report on the temporary trustee’s affairs has not been verified by the Company.

By order of the Board
Fuginiao Co., Ltd.
Lam Wo Ping
Chairman

Hong Kong, 2 November 2018

As at the date of this announcement, the executive Directors are Mr. Lam Wo Ping, Mr. Lam Wing Ho and Mr. Xu Yukun; and the independent non-executive Directors are Mr. Wang Zhiqiang and Mr. Cheung Ming Hung.