

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Hong Kong Finance Group Limited**

**香港信貸集團有限公司**

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

**(Stock Code: 1273)**

### **DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE**

#### **PROVISION OF FINANCIAL ASSISTANCE**

The Board is pleased to announce that on 20 March 2023, the Loan Agreement was entered into between HK Finance (PL) as the lender and Customer K and Customer L, collectively as the Borrowers. Pursuant to the Loan Agreement, HK Finance (PL) has agreed to grant the Loan to the Borrowers for the principal amount of HK\$28,000,000.

#### **LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrowers exceed 5% but are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

#### **PROVISION OF FINANCIAL ASSISTANCE**

The Board is pleased to announce that on 20 March 2023, the Loan Agreement was entered into between HK Finance (PL) as the lender and Customer K and Customer L, collectively as the Borrowers. Pursuant to the Loan Agreement, HK Finance (PL) has agreed to grant the Loan to the Borrowers for the principal amount of HK\$28,000,000.

Summarised below are the principal terms of the Loan Agreement.

## **THE LOAN AGREEMENT**

Date of the Loan Agreement	:	20 March 2023
Lender	:	HK Finance (PL)
Borrowers	:	Customer K and Customer L
Principal	:	HK\$28,000,000
Interest rate	:	1.4% per month (equivalent to 16.8% per annum)
Term	:	12 months commencing from the drawdown date
Security	:	A legal charge in respect of two commercial properties located at Gloucester Road, Hong Kong
Repayment	:	the Borrowers will repay the interest on a monthly basis with a principal sum to be repaid at the maturity

## **INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN**

The making of the Loan is collateralised. The collaterals provided by the Borrowers for the Loan are sufficient based on the value of the mortgaged properties for the Loan determined by an independent valuer.

The advance in respect of the Loan is also made on the basis of the Group's credit assessments with reference to the facts that (i) the collaterals provided by the Borrowers are at the prime site in Hong Kong; (ii) the Borrowers' net worth is strong and solid to prove their repayment ability; and (iii) the term of the advance is relatively short. After taking into account the factors as disclosed above in assessing the risks of the relevant advance, the Group considers that the risks involved in the advance to the Borrowers are manageable.

## **FUNDING OF THE LOAN**

The Group will finance the Loan with the Group's general working capital.

## **INFORMATION ON THE BORROWERS AND ULTIMATE BENEFICIAL OWNER**

Customer L is a company incorporated in Hong Kong engaging in the business of property investment holdings, and is indirectly and ultimately owned by Customer K who is an individual. The Borrowers were approached by the Group through its network. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrowers are Independent Third Parties and not connected with the Group.

## **INFORMATION ON THE GROUP AND THE LENDER**

The Company is an investment holding company. The Group is principally engaged in money lending business in Hong Kong under the Money Lenders Ordinance. HK Finance (PL), as the lender, is an indirect wholly-owned subsidiary of the Company.

## **REASONS FOR ENTERING INTO THE LOAN AGREEMENT**

Taking into account the principal business activities of the Group, the grant of the Loan to the Borrowers is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement were negotiated on an arm's length basis between HK Finance (PL) and the Borrowers. The Directors consider that the grant of the Loan is a financial assistance provided by the Group within the meaning of the Listing Rules. The Directors are of the view that the terms of the Loan Agreement were entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Borrowers and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrowers exceed 5% but are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrowers”	Customer K and Customer L collectively
“Company”	Hong Kong Finance Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Customer K”	Ms. Tin Yat Yu Carol (田一好), an individual who is an Independent Third Party
“Customer L”	Delta Wealth Credit Limited (融富信貸有限公司), a company incorporated in Hong Kong with limited liability and is an Independent Third Party
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HK Finance (PL)”	Hong Kong Finance (Personal Loan) Limited, a company incorporated in Hong Kong with limited liability and with money lenders licence registered under Money Lenders Ordinance, and is an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s) (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the mortgage loan in the amount of HK\$28,000,000 granted to the Borrowers under the Loan Agreement
“Loan Agreement”	the loan agreement dated 20 March 2023 entered into between HK Finance (PL) and the Borrowers

“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) 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

On behalf of the Board  
**Hong Kong Finance Group Limited**  
**Chan Kwong Yin William**  
*Chairman*

Hong Kong, 20 March 2023

As at the date of this announcement, the Board comprises the following members:

**Executive Directors:**

Mr. Chan Kwong Yin William (*Chairman*)  
Mr. Chan Koung Nam  
Mr. Tse Pui To (*Chief Executive Officer*)  
Ms. Chan Siu Ching

**Independent Non-executive Directors:**

Mr. Chu Yat Pang Terry  
Mr. Cheung Kok Cheong  
Mr. Wong Kai Man