

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 22 September 2023, the New Loan Agreement was entered into between HK Finance (PL) as the lender and Customer L as the Borrower. Pursuant to the New Loan Agreement, HK Finance (PL) has agreed to grant the New Loan to the Borrower for a principal amount of HK\$2,110,000.

Prior to the entering into the New Loan Agreement, HK Finance (PL), as the lender, has entered into the Previous Loan Agreements to grant the Previous Loans to the Borrower for an aggregate principal amount of HK\$23,645,000.

LISTING RULES IMPLICATIONS

Since the Previous Loans were granted by the HK Finance (PL) to the Borrower within a 12-month period prior to the date HK Finance (PL) grants the New Loan to the Borrower, the grant of the New Loan requires aggregation under Rule 14.22 of the Listing Rules. As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the New Loan and the Previous Loans granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of the New Loan and the Previous Loans 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 22 September 2023, the New Loan Agreement was entered into between HK Finance (PL) as the lender and Customer L as the Borrower. Pursuant to the New Loan Agreement, HK Finance (PL) has agreed to grant the New Loan to the Borrower for a principal amount of HK\$2,110,000.

Prior to the entering into the New Loan Agreement, HK Finance (PL), as the lender, has entered into the Previous Loan Agreements to grant the Previous Loans to the Borrower for an aggregate principal amount of HK\$23,645,000.

Further details of the Previous Loan Agreements for the Borrower has been set out in the Company's announcement dated 1 June 2023. Summarised below are the principal terms of the New Loan Agreement.

THE NEW LOAN AGREEMENT

Date of the loan agreement	:	22 September 2023
Lender	:	HK Finance (PL)
Borrower	:	Customer L
Principal amount	:	HK\$2,110,000
Interest rate	:	0.96% per month (equivalent to 11.52% per annum)
Term	:	6 months commencing from the drawdown date
Security	:	A first legal charge/mortgage in respect of 32 car parking spaces located at Wong Chuk Hang Road, Hong Kong, with market valuation obtained by the Group from the independent online source with the amount of approximately HK\$37,100,000 as at 10 August 2023
Repayment	:	the Borrower will repay the monthly interest of HK\$20,256 with a principal amount to be repaid at the maturity

INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOAN AND THE PREVIOUS LOANS

The proceeds of the New Loan is utilised for the full settlement of the outstanding balance of one of the Previous Loans. The total outstanding principal of the Previous Loans and the New Loan after the grant of the New Loan would be HK\$21,135,000. The making of the New Loan and the Previous Loans are collateralised. The collaterals provided by the Borrower for the New Loan and the Previous Loans are sufficient based on the market valuation of the mortgaged properties for the New Loan and the Previous Loans obtained from the independent online source.

The advance in respect of the New Loan and the Previous Loans are also made on the basis of the Group's credit assessments with reference to the facts that (i) the collaterals provided by the Borrower are at the prime site in Hong Kong; (ii) the financial background and personal net worth of Ms. Law are solid to prove her repayment ability; (iii) Customer L is a repeated customer with no default record in the Previous Loans; and (iv) the term of the advance is 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 Borrower are manageable.

FUNDING OF THE NEW LOAN AND THE PREVIOUS LOANS

The Group will finance the New Loan and the Previous Loans with the Group's general working capital.

INFORMATION ON THE BORROWER

Customer L is a company incorporated in Hong Kong engaging in the business of property investment holdings, and is indirectly and ultimately wholly-owned by Ms. Law, being an individual who is a merchant. The Borrower is a repeated customer and was approached by the Group through the Group's network. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Customer L and Ms. Law 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 of the New Loan and of the Previous Loans, is an indirect wholly-owned subsidiary of the Company.

REASONS FOR ENTERING INTO THE NEW LOAN AGREEMENT AND PREVIOUS LOAN AGREEMENTS

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

The terms of the New Loan Agreement and the Previous Loan Agreements were negotiated on an arm's length basis between HK Finance (PL) and the Borrower. The Directors consider that the grant of the New Loan and the Previous Loans 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 New Loan Agreement and the Previous Loan Agreements were entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Borrower and of Ms. Law and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the New Loan Agreement and the Previous Loan Agreements are fair and reasonable and the entering into of the New Loan Agreement and the Previous Loan Agreements is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

Since the Previous Loans were granted by the HK Finance (PL) to the Borrower within a 12-month period prior to the date HK Finance (PL) grants the New Loan to the Borrower, the grant of the New Loan requires aggregation under Rule 14.22 of the Listing Rules. As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the New Loan and the Previous Loans granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of the New Loan and the Previous Loans 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
“Borrower” or “Customer L”	Yield Sail Limited (越海有限公司), a company incorporated in Hong Kong with limit liability and, pursuant to the Loan Agreements, is an Independent Third Party
“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
“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
“Ms. Law”	Ms. Law Shuk Yi (羅淑意), an individual who is an Independent Third Party
“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
“New Loan”	the mortgage loan in the amount of HK\$2,110,000 granted to the Borrower under the New Loan Agreement
“New Loan Agreement”	the loan agreement made between HK Finance (PL) and the Borrower for the New Loan on 22 September 2023
“Previous Loans”	two mortgage loans in the aggregate principal amount of HK\$23,645,000 granted to the Borrower under the Previous Loan Agreements
“Previous Loan Agreements”	two loan agreements made between HK Finance (PL) and the Borrower for the Previous Loans and further details of which have been set out in the Company’s announcement dated 1 June 2023
“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, 22 September 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