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MERDEKA FINANCIAL GROUP LIMITED

領智金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN

PROVISION OF LOAN

The Board announces that on 5 February 2021, the Lender, an indirectly wholly-owned subsidiary of the Company, and the Borrower, an Independent Third Party, entered into the Loan Agreement in relation to the provision of the Loan in the principal amount of HK\$5,000,000 bearing interest at a rate of 12.0% per annum and for a term of 1 month.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Loan under Rule 19.07 of the GEM Listing Rules exceed 5% but are less than 25%, the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

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THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised as follows:

Date	:	5 February 2021
Lender	:	Merdeka Credit Limited, a company incorporated in Hong Kong with limited liability, (i) principally engages in money lending business in Hong Kong and is a licensed money lender in Hong Kong under the Money Lenders Ordinance; and (ii) is an indirectly wholly-owned subsidiary of the Company
Borrower	:	The Borrower To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower is an individual and an Independent Third Party
Principal amount	:	HK\$5,000,000
Maturity date	:	one month commencing from 5 February 2021
Interest rate per annum	:	12.0%, calculated on a monthly basis
Default interest rate	:	18.0%, calculated on the actual number of days elapsed (inclusive of the date of default and the date of repayment) and on a basis of a 365-day year

The Loan was funded by internal resources of the Group.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) financial services business including the securities brokerage services, provision of corporate finance advisory services, asset management business, money lending services and financial leasing business; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; (iii) trading business; and (iv) information technology business.

INFORMATION ON THE BORROWER

The Borrower is a merchant. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Borrower is an Independent Third Party.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Group.

The grant of the Loan to the Borrower is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement were negotiated on arm's length basis between the Lender and the Borrower and were on normal commercial terms based on the Group's credit policy. Taking into account the results of the due diligence on the financial background and repayment ability of the Borrower, the short duration of the Loan and the interest income expected to be generated from the Loan, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the same is in the interests of the Company and its Shareholders as a whole.

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DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Yu, Winfred Ka Wing, an individual and an Independent Third Party
“Company”	Merdeka Financial Group Limited (領智金融集團有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar, the currency of Hong Kong
“Independent Third Party”	third party independent of the Company and its connected persons (as defined in the GEM Listing Rules) of the Company and their respective associates (as defined in the GEM Listing Rules)
“Lender”	Merdeka Credit Limited, a company incorporated in Hong Kong with limited liability, (i) principally engages in money lending business in Hong Kong and is a licensed money lender in Hong Kong under the Money Lenders Ordinance; and (ii) is an indirectly wholly-owned subsidiary of the Company
“Loan”	a term loan in the principal amount of HK\$5,000,000 for a term of 1 month from 5 February 2021 maturing on 4 March 2021 pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 5 February 2021 entered into between (a) the Lender, as the lender; and (b) the Borrower, as the borrower, in relation to the provision of the Loan
“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)”	existing ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%” or “per cent.”	percentage or per centum

By order of the Board
MERDEKA FINANCIAL GROUP LIMITED
Wong Hin Shek
Chairman and Chief Executive Officer

Hong Kong, 5 February 2021

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek (Chairman and Chief Executive Officer), Mr. Cheung Wai Yin, Wilson and Ms. Tsang Kwai Ping, the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.