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國農金融投資有限公司
China Demeter Financial Investments Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8120)

DISCLOSEABLE TRANSACTION – LEASE OF SCHOOL PREMISES

The Board announces that on 30 March 2023, the Tenant, an indirect non-wholly owned subsidiary of the Company, entered into the Tenancy Agreement with the Landlord in respect of the Lease of the Premises for a term of three years commencing on 1 August 2023 and ending on 31 July 2026 (both days inclusive) for operation of the Group's schools offering kindergarten and pre-school education.

Given the highest applicable percentage ratio (as defined under the GEM Listing Rules) in respect of the Lease is more than 5% but less than 25%, the Lease constitutes a discloseable transaction of the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements of Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The Board announces that on 30 March 2023, the Tenant, an indirect non-wholly owned subsidiary of the Company, entered into the Tenancy Agreement with the Landlord in respect of the Lease of the Premises for a term of three years commencing on 1 August 2023 and ending on 31 July 2026 (both days inclusive) for operation of the Group's schools offering kindergarten and pre-school education.

THE LEASE

Details of the principal terms of the Lease are set out below:

Date of Tenancy Agreement	:	30 March 2023
Parties	:	(1) The Landlord (2) The Tenant
Premises	:	Shop B on Ground Floor, 1st Floor and 2nd Floor of Nin Fung Building, Nos.65, 65A, 65B, 65C, 65D Waterloo Road, Kowloon.
Use	:	For operation of the Schools.
Term	:	Three years commencing on 1 August 2023 and ending on 31 July 2026 (both days inclusive).
Total aggregated value of consideration payment	:	HK\$6,660,000 in aggregate (exclusive of government rates, air conditioning charges, management fees and maintenance expenses for the lift) during the term. The Tenant is responsible for government rates, air conditioning charges, management fees and maintenance expenses for the lift during the term. The rent was determined after arm's length negotiations between the Landlord and the Tenant, taking into consideration of the prevailing market price of comparable premises in the vicinity of the Premises.
Rental deposit	:	A rental deposit of HK\$555,000, equivalent to three months' rent.

The payment of the rent will be funded by the internal resources of the Group.

RIGHT-OF-USE ASSETS

The value of the right-of-use assets recognised by the Company under the Lease is amounted to approximately HK\$5.84 million, calculated with reference to the present value of the aggregated lease payments to be made under the Lease in accordance with HKFRS 16 *Leases*.

INFORMATION OF THE PARTIES

The Company and the Tenant

The Company is an investment holding company. The Group principally engages in (i) money lending business; (ii) financial services business; (iii) securities investment business; (iv) food and beverage business; (v) alcoholic beverage distribution and miscellaneous business; and (vi) provision of children education services.

The Tenant is a company incorporated in Hong Kong with limited liability and is an indirect 51% owned subsidiary of the Company principally engaged in provision of children education services. The spouse of Mr. Ng is (i) a 12.25% shareholder of the Tenant; and (ii) a controlling shareholder of a 7.35% shareholder of the Tenant. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the remaining shareholders of the Tenant and their respective ultimate beneficial owner(s) is an Independent Third Party.

The Landlord and the Landlord Agent

To the best of the Directors' knowledge, information and belief having made all reasonable enquires and public available information, (a) the Landlord is principally engaged in property leasing; (b) the ultimate beneficial owners of the Landlord are Tseng Pui Kei and Tseng Chou Yueh O, two individuals; and (c) each of the Landlord and its ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE LEASE

Provision of children education services is one of the Group's principal business segment. The provision of children education services is carried on through the Tenant and the Tenant has been operating the Schools at the Premises and the existing tenancy of the Premises is to expire in end of July 2023. The management of the Group believes that the operation of the Schools at the area where the Premises is located in is in line with the business strategy of the Group's provision of children education services business segment. The terms of the Lease were determined after arm's length negotiations between the parties and with reference to the prevailing market price of comparable premises in the vicinity of the Premises.

In light of the above, the Board considers that the terms of the Lease are on normal commercial terms and fair and reasonable and the Lease is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

Given the highest applicable percentage ratio (as defined under the GEM Listing Rules) in respect of the Lease is more than 5% but less than 25%, the Lease constitutes a discloseable transaction of the Company under the GEM Listing Rules and is subject to reporting and announcement requirements of Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company
“Company”	China Demeter Financial Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on GEM
“connected person”	has the meaning ascribed to it in the GEM Listing Rules
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company
“Landlord”	Over & Above Limited, a company incorporated in Hong Kong with limited liability
“Lease”	the lease of the Premises by the Tenant under the Tenancy Agreement
“Mr. Ng”	Mr. Ng Ting Kit, a controlling shareholder of the Company holding approximately 33.15% of the issued shares of the Company as at the date of this announcement. Mr. Ng Man Chun Paul, an executive Director and chairman of the Board, is a cousin of Mr. Ng, and Mr. Ng Ting Ho, an executive Director and chief executive officer of the Company, is the younger brother of Mr. Ng
“Premises”	Shop B on Ground Floor, 1st Floor and 2nd Floor of Nin Fung Building, Nos.65, 65A, 65B, 65C, 65D Waterloo Road, Kowloon
“Schools”	the schools of the Group operated under the names of Hong Kong Nobel Preschool and Hong Kong Nobel Playschool
“Shareholder(s)”	the shareholder(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement signed by the Landlord and the Tenant dated 30 March 2023 in relation to the Lease
“Tenant”	Nobel Education Organisation Limited, a company incorporated in Hong Kong with limited liability and an indirect non-wholly owned subsidiary of the Company

On behalf of the Board
China Demeter Financial Investments Limited
Ng Man Chun Paul
Chairman

Hong Kong, 30 March 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ng Man Chun Paul, Mr. Ng Ting Ho and Mr. Chan Chi Fung, and three independent non-executive Directors, namely Mr. Chan Hin Hang, Mr. Yum Edward Liang Hsien and Mr. Hung Kenneth.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 “Latest Listed Company Information” page of the Stock Exchange’s website (www.hkexnews.hk) for a minimum period of seven days from the date of publication and on the Company’s website (www.chinademeter.com).