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TFG INTERNATIONAL GROUP LIMITED

富元國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 542)

MAJOR AND CONNECTED TRANSACTION

Financial Adviser to the Company



THE ACQUISITION

The Board is pleased to announce that on 29 June 2020 (after trading hours of the Stock Exchange), the Company entered into the Sale and Purchase Agreement with the Vendor (a company wholly-owned by the Guarantor) and the Guarantor (being the controlling Shareholder, an executive Director and chairman of the Company) in relation to the Acquisition. Pursuant to the Sale and Purchase Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to procure sale of the Sale Shares (representing the entire issued share capital of the Target Company) at the Consideration of HK\$108,600,000. The Consideration shall be satisfied by issue of the Promissory Note by the Company.

Completion is subject to fulfilment of the conditions precedent as set out below.

The Target Group is principally engaged in development of the Property located in Doumen District, Zhuhai City, Guangdong Province, the PRC.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Acquisition is above 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules, subject to the reporting, announcement and the Shareholders' approval requirements.

As at the date of this announcement, the Guarantor (in both his personal capacity and through All Great, a company indirectly wholly-owned by him) is interested in an aggregate of 2,967,547,152 Shares, representing approximately 42.72% of the issued share capital of the Company. The Vendor is a company wholly-owned by the Guarantor. Accordingly, the Vendor is a connected person of the Company and the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules, subject to the reporting, announcement and the Independent Shareholders' approval requirements.

An Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders on the Sale and Purchase Agreement and the transactions contemplated thereunder. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Company will seek the Independent Shareholders' approval of the Sale and Purchase Agreement and the transactions contemplated thereunder (including the issue of the Promissory Note) at the EGM by way of poll whereby the Guarantor, the Vendor and their respective associates shall abstain from voting.

GENERAL

A circular containing, among other things, (i) further details of the Acquisition; (ii) financial information of the Target Group; (iii) the valuation report on the Property; (iv) the letter of recommendation from the Independent Board Committee; (v) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (vi) a notice of the EGM, will be despatched to the Shareholders on or before 21 July 2020 in accordance with the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 29 June 2020 (after trading hours of the Stock Exchange), the Company entered into the Sale and Purchase Agreement with the Vendor (a company wholly-owned by the Guarantor) and the Guarantor (being the controlling Shareholder, an executive Director and chairman of the Company) in relation to the Acquisition. Pursuant to the Sale and Purchase Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to procure sale of the Sale Shares (representing the entire issued share capital of the Target Company) at the Consideration of HK\$108,600,000.

Material terms of the Sale and Purchase Agreement are described in the following sections of this announcement.

THE SALE AND PURCHASE AGREEMENT

Date

29 June 2020 (after trading hours of the Stock Exchange)

Parties

Vendor: the Vendor, being Yang's Development Limited, a company wholly-owned by the Guarantor. The Vendor is principally engaged in property investment and development in the PRC

Purchaser: the Company

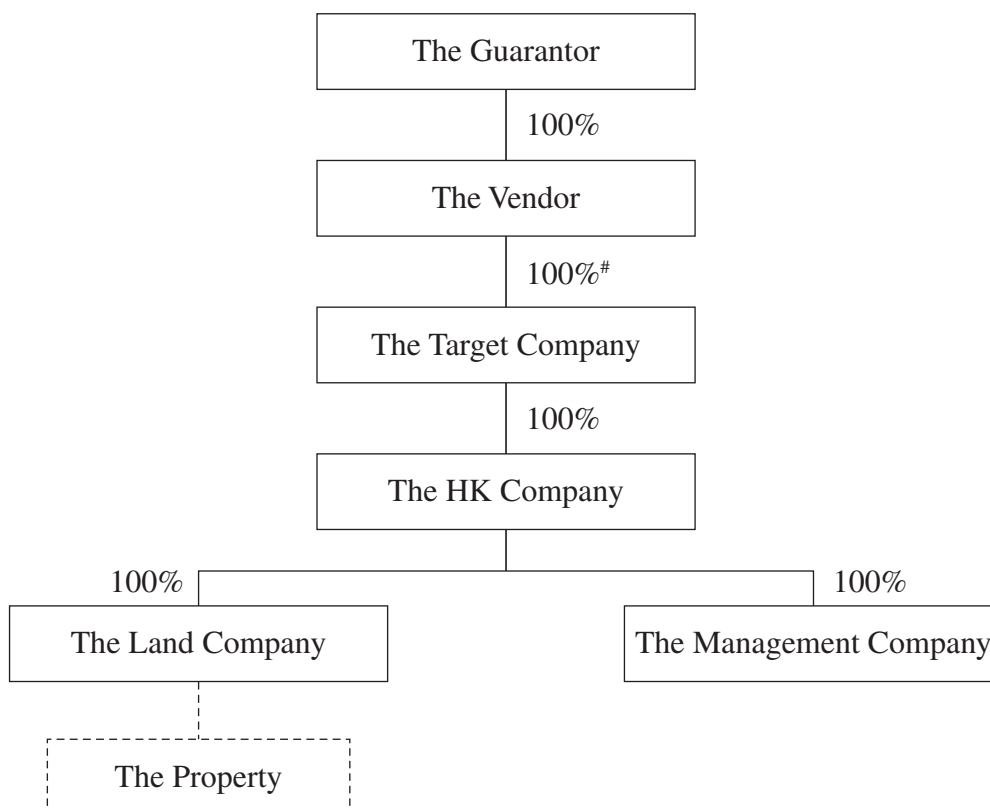
Guarantor: the Guarantor, being Mr. Yang Lijun, the controlling Shareholder, an executive Director and the chairman of the Company.

As at the date of this announcement, the Guarantor (in both his personal capacity and through All Great, a company indirectly wholly-owned by him) is interested in an aggregate of 2,967,547,152 Shares, representing approximately 42.72% of the issued share capital of the Company. The Vendor is a company wholly-owned by the Guarantor. Accordingly, the Vendor is a connected person of the Company.

Assets to be acquired

The Sale Shares, representing the entire issued share capital of the Target Company. The Target Company in turn is interested in the entire issued share capital of the HK Company, which is interested in the entire registered capital of the Land Company and the Management Company. The Land Company is beneficial owner of the Property, being a land parcel of site area of approximately 48,653.2 sq.m. located in Doumen District, Zhuhai City, Guangdong Province, the PRC, together with any buildings erected thereon.

Set out below is the Shareholding Structure of the Target Group as at the date of this announcement:



held via various wholly-owned intermediate holding companies

The Guarantor Loan and the Zhongshan Loan

As at the date of the Sale and Purchase Agreement,

- (a) the Target Group was indebted to the Guarantor in the principal amount of HK\$27,096,655, with interest calculated at the rate of 13% per annum; and
- (b) the Target Group was indebted to Zhongshan Company (a company which is owned as to 90% by the Guarantor's brother and as to 10% by a person whom to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is third party independent of the Group and connected persons of the Group) in the principal amount of RMB416,600,000 (equivalent to approximately HK\$452,428,000), with interest calculated at the rate of 13% per annum.

Pursuant to the Sale and Purchase Agreement, at Completion, the Target Group shall enter into (i) the Guarantor Loan Agreement with the Guarantor in relation to all amount due and owing (including both principal and interest) by the Target Group to the Guarantor immediately prior to Completion; and (ii) the Zhongshan Loan Agreement with Zhongshan Company in relation to all amount due and owing (including both principal and interest) by the Target Group to Zhongshan Company immediately prior to Completion, the material terms of which are as follows:

- 1. interest shall be calculated at 9% per annum;
- 2. the final repayment date of the outstanding principal amount of the loan shall be the third anniversary of the date of the relevant loan agreement;
- 3. subject to prepayment and/or early repayment by the Group, (a) the first interest payment date shall fall on the expiry of 18 months from the date of the relevant loan agreement, and (b) thereafter, the Group shall pay interest on a monthly basis;
- 4. the Group undertakes that if
 - (i) the Group can obtain better terms of lending in respect of any amount equivalent to the prepayment or early repayment amount, or
 - (ii) the Board considers that the Group has sufficient cashflow to satisfy any prepayment or early repayment amount, taking into account its then working capital sufficiency for the following 12 months,

the Group shall (1) firstly make early repayment of any accrued interest prior to the first interest payment date mentioned in paragraph 3 above, and (2) secondly prepay in whole or in part the outstanding principal amount together with accrued interest prior to the final repayment date.

No security from the Group will be taken by the Guarantor and/or Zhongshan Company to secure the Target Group's obligations under the Guarantor Loan Agreement and/or the Zhongshan Loan Agreement.

In arriving at the terms of the Guarantor Loan Agreement and the Zhongshan Loan Agreement, the Group has taken into account the current borrowings made by the Group, and consider that the terms of the Guarantor Loan Agreement and the Zhongshan Loan Agreement are of normal commercial terms.

The Consideration

The Consideration of HK\$108,600,000 shall be satisfied by the issue of the Promissory Note by the Company at Completion.

The principal amount of the Promissory Note shall be HK\$108,600,000, the principal terms of which are as follows:

1. interest shall be calculated at 9% per annum;
2. the maturity date of the Promissory Note shall fall on the third anniversary of the date of issue of the Promissory Note, whereupon the Company shall repay all outstanding principal amount (together with accrued interest);
3. subject to prepayment and/or early repayment by the Company, (a) the first interest payment date shall fall on the expiry of 18 months from the date of issue of the Promissory Note, and (b) thereafter, the Company shall pay interest on a monthly basis;
4. the Company undertakes that if
 - (i) the Group can obtain better terms of lending in respect of any amount equivalent to the prepayment or early repayment amount, or
 - (ii) the Board considers that the Group has sufficient cashflow to satisfy any prepayment or early repayment amount, taking into account its then working capital sufficiency for the following 12 months,

the Company shall (1) firstly make early repayment of any accrued interest prior to the first interest payment date mentioned in paragraph 3 above, and (2) secondly prepay in whole or in part the outstanding principal amount of the Promissory Note together with accrued interest prior to the maturity date.

The repayment of Promissory Note shall be financed by internal resources of the Group and/or external financing.

As at the date of this announcement, the Company has obtained a draft valuation report on the Property as at 31 May 2020 prepared by B.I. Appraisals Limited (a firm of professional valuers who are independent of the Group) adopting the direct comparison approach. The value as set out in the aforesaid draft valuation amounted to RMB840,000,000 (equivalent to approximately HK\$912,240,000) (the “**Estimated Value**”). As set out in the paragraph headed “Conditions precedent” below, it is a condition precedent to Completion that the value as shown in the valuation report (in form and substance satisfactory to the Company, and prepared by a firm of independent professional valuers appointed by the Company) shall be not less than the Estimated Value.

The Consideration was determined between the Company and the Vendor after arm's length negotiations with reference to (a) the adjusted unaudited consolidated net assets value of the Target Group as at 31 May 2020 of approximately HK\$162,895,000 after taking into account the Estimated Value of RMB840,000,000 (equivalent to approximately HK\$912,240,000) as assessed by a firm of independent valuers using direct comparison approach; and (b) the Group's view on the development potential as elaborated in the paragraphs under the section below headed "Reasons for and benefits of the Acquisition".

The Board (other than the independent non-executive Directors whose view will be included in the circular of the Company to be published in relation to the Acquisition after being advised by the Independent Financial Adviser) is of the view that the Consideration are fair and reasonable, and are in the interest of the Company and its Shareholders as a whole.

Conditions precedent

Completion shall be conditional upon and subject to:

- (a) the passing of the necessary resolution(s) by the Shareholders (other than those who are required to abstain from voting under the Listing Rules) at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder (including the issue of the Promissory Note);
- (b) the Company having obtained a PRC legal opinion (in form and substance satisfactory to the Company) issued by a firm of PRC legal advisers appointed by the Company in relation to (i) the Land Company and the Management Company's due and proper establishment and valid existence under the laws of PRC; (ii) the Land Company and the Management Company having obtained all necessary approvals and licences to carry out its business; (iii) the validity of the Land Company's legal title in the Property; and (iv) any other matters as may be required by the Company;
- (c) the Company being satisfied with the results of the due diligence review to be conducted on the Target Group;
- (d) the representations, warranties and undertakings given by the Vendor and the Guarantor in the Sale and Purchase Agreement are not false, untrue or misleading, nor have they been breached in any material respect;
- (e) the value of the Property as shown in the valuation report (in form and substance satisfactory to the Company and prepared by a firm of independent professional valuers appointed by the Company) being not less than the Estimated Value; and
- (f) all other necessary approvals, consents and waivers required to be obtained in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained.

None of the conditions precedent above can be waived. If any of the above conditions precedent has not been satisfied on or before 31 December 2020 or such other date as the Company may agree, or if the Company has served a written notice to the Vendor stating it is not satisfied with the results of the due diligence review conducted, the Sale and Purchase

Agreement shall cease and determine. Neither party shall have any obligations and liabilities towards each other under the Sale and Purchase Agreement, save for any antecedent breaches of the terms thereof.

Completion

Completion shall take place on the third business day after the fulfilment of the conditions precedent set out in sub-paragraphs (a), (b), (c), (e) and (f) in the paragraph headed “Conditions precedent” above or such other date as the Company may agree. The condition precedent set out in sub-paragraph (d) shall remain fulfilled at Completion.

Upon Completion, the Target Company, the HK Company, the Land Company and the Management Company will become wholly-owned subsidiaries of the Company, and results of the Target Group will be consolidated into the financial statements of the Company after Completion.

INFORMATION OF THE TARGET GROUP

The Target Company was incorporated in the BVI and the HK Company was incorporated in Hong Kong, both in December 2017, and have been indirectly wholly-owned by the Vendor since their inception.

The Land Company was established by Zhongshan Company (a company which is owned as to 90% by the Guarantor’s brother and as to 10% by a person whom to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is third party independent of the Group and connected persons of the Group) in January 2018. In June 2018, the HK Company became the sole shareholder of the Land Company. Pursuant to its business licence, the Land Company is licensed to be engaged in, among other matters, property development (other than construction of golf course and stand-alone villas), project investment, leasing of self-owned properties and property management. As at the date of this announcement, the registered capital of the Land Company is RMB250,000,000 (equivalent to approximately HK\$271,500,000), of which RMB150,000,000 (equivalent to approximately HK\$162,900,000) has been paid up. The deadline for payment of such outstanding registered capital falls on 31 December 2023.

The Management Company was established by the HK Company in June 2019 for the purpose of managing the hotel to be constructed as part of the Project. Since the hotel has yet been constructed, the Management Company has not been engaged in any operation. As at the date of this announcement, the registered capital of the Management Company is RMB10,000,000 (equivalent to approximately HK\$10,860,000), none of which has been paid up. The deadline for payment of such outstanding registered capital falls on 31 December 2029. Pursuant to its business licence, the Management Company is licensed to be engaged in, among the matters, hotel management and consultancy.

The original acquisition cost for the equity of the Target Group by the Vendor amounted to approximately RMB50,000,001 (equivalent to approximately HK\$54,300,001).

As at the date of this announcement, the Land Company is the beneficial owner of the Property, being a land parcel of site area of approximately 48,653.2 sq.m. located in Doumen District, Zhuhai City, Guangdong Province, the PRC, together with any buildings

erected thereon. The land parcel is designated for business and finance, wholesale and retail, as well as hotel and catering uses. In particular, the planning permission specified the land parcel is for the mixed use of hotel, business and commerce, of which not less than 60% shall be for hotel development and not more than 40% for commercial and office development.

The Project is divided into three phases and it is intended the Property will be developed into a commercial complex comprising office towers, a hotel of 5-star standard and a shopping centre with a basement car park of 1,357 car parking spaces and other ancillary public facilities. The proposed total gross floor area is approximately 197,101.55 sq.m..

Currently, Phase I of the Project is under construction, comprising two blocks of commercial buildings. The total planned gross floor area of Phase I is approximately 51,721.53 sq.m., including approximately 9,050.74 sq.m. of basement area and 107.85 sq.m. of ancillary facilities area.

In May 2020, the Land Company has obtained the pre-sale permit for Block 4, one of the two commercial buildings of Phase I, of approximately 14,592 sq.m. It is expected that the pre-sale permit of Block 3, another one of the two commercial buildings of Phase I, will be obtained by mid-July 2020 and the pre-sale activities of Blocks 3 and 4 of Phase I will start in mid-July 2020. The construction of Phase I shall complete before the end of June 2022. Phases II and III of the Project are proposed to be developed into a hotel, a shopping centre and more commercial area. Both phases are currently at the planning stage and in the process of obtaining relevant permits. The proposed construction completion of Phases II and III is intended to be by the end of 2022. A hotel management agreement has been signed between the Land Company (as property owner) and a prestigious hotel management company in anticipation of the hotel construction.

Set out below is a summary of the unaudited consolidated financial information of the Target Group from the Target Company's incorporation on 8 December 2017 to 31 December 2018, for the year ended 31 December 2019, and for the 5 months ended 31 May 2020, which was prepared in accordance with the Hong Kong Financial Reporting Standards:

	From 8 December 2017 to 31 December 2018	For the year ended 31 December 2019	For the 5 months ended 31 May 2020
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit (loss) before taxation	(23,572)	(37,003)	(18,075)
Profit (loss) after taxation	(23,572)	(37,003)	(18,075)

The unaudited consolidated net liabilities of the Target Group as at 31 December 2018, 31 December 2019 and 31 May 2020 amounted to approximately HK\$23,182,000, HK\$59,682,000 and HK\$76,227,000 respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in property development and hotel business in the PRC. As at the date of this announcement, the Group is undertaking two property development projects in Chengdu and Zhuhai, the PRC, respectively. The Chengdu project is located in Pidu District, with total gross floor area of approximately 120,500 sq.m. This project is for residential use and the pre-sale had started in early December 2019. The Zhuhai project is located in Hengqin, with total gross floor area of approximately 145,100 sq.m. This project is for research, development and commercial uses and the pre-sale had started in the middle of November 2019. The Group also operates a hotel in Maoming, the PRC.

Government's development plan in 珠海西部生態新區 that brings potential synergy effects on the Project

The Property is located in Doumen District, Zhuhai City, Great Bay Area, being one of the core districts of the 珠海西部生態新區. According to the 《珠海市西部生態新城起步區五年建設計劃 (2017–2021年)》 issued by the municipal government of Zhuhai City, the western area of Zhuhai City will be developed into a new urban area by the end of 2021 with excellent environment, convenient amenities, comprehensive industrial facilities and prominent urban features, which involves the development and construction of a number of new schools, hospitals, hotels, eco-parks, highways, bridges crossing cities, etc. and will be integrated with the overall development of the Greater Bay Area. The Property will be developed into a modern commercial centre and will form an important part of the 珠海西部生態新區. The Land Company plans to develop the land parcel into commercial properties and retail shops for sale, a shopping mall with gross floor area of approximately 60,000 sq.m for leasing and a five-star hotel. With favourable government policy and unique location and positive economic prospect of the land parcel, the Acquisition will broaden the Group's income stream, strengthen the Group's profitability and enhance its competitiveness.

Foreseeable positive contribution from pre-sale and sale activities to revenue

As mentioned in the section headed "Information of the Target Group", the Land Company has obtained the pre-sale permit for Block 4 of Phase I of approximately 14,592 sq.m and it is expected to obtain the pre-sale permit of Block 3 of Phase I by mid-July 2020. Construction of Phases II and III is expected to be completed by the end of 2022. The Acquisition will therefore provide the Group with new growth drivers for its revenue with foreseeable positive contribution from pre-sale and sale activities of the Land Company in the coming years.

Accordingly, the Directors (excluding the independent non-executive Directors whose view will be included in the circular of the Company to be published in relation to the Acquisition after being advised by the Independent Financial Adviser) consider that the terms of the Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Acquisition is above 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules, subject to reporting, announcement and the Shareholders' approval requirements.

As at the date of this announcement, the Guarantor (in both his personal capacity and through All Great, a company indirectly wholly-owned by him) is interested in an aggregate of 2,967,547,152 Shares, representing approximately 42.72% of the issued share capital of the Company. The Vendor is a company wholly-owned by the Guarantor. Accordingly, the Vendor is a connected person of the Company and the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules, subject to the reporting, announcement and the Independent Shareholders' approval requirements. The Guarantor did not attend the Board meeting approving the Sale and Purchase Agreement and the transactions contemplated thereunder, and accordingly he had not been counted as quorum nor had he voted at the relevant Board resolutions.

The transactions contemplated under the Guarantor Loan Agreement and the Zhongshan Loan Agreement are fully exempt continuing connected transactions pursuant to Rule 14A.90 of the Listing Rules.

An Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders on the Sale and Purchase Agreement and the transactions contemplated thereunder. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Company will seek the Independent Shareholders' approval of the Sale and Purchase Agreement and the transactions contemplated thereunder (including the issue of the Promissory Note) at the EGM by way of poll whereby the Guarantor, the Vendor and their respective associates shall abstain from voting.

GENERAL

A circular containing, among other things, (i) further details of the Acquisition; (ii) financial information of the Target Group; (iii) the valuation report on the Property; (iv) the letter of recommendation from the Independent Board Committee; (v) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (vi) a notice of the EGM, will be despatched to the Shareholders on or before 21 July 2020 in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meaning:

“Acquisition”	the proposed acquisition of the Sale Shares by the Company from the Vendor pursuant to the Sale and Purchase Agreement
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“All Great”	All Great International Holdings Limited (富偉國際控股有限公司)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of the Directors
“BVI”	the British Virgin Islands
“Company”	TFG International Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$108,600,000 for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to be held and if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated thereunder (including the issue of the Promissory Note)
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Yang Lijun, the controlling Shareholder, an executive Director and the chairman of the Company
“Guarantor Loan”	the amount due and owing (including both principal and interest) by the Target Group to the Guarantor immediately prior to Completion
“Guarantor Loan Agreement”	the loan agreement to be entered into between the HK Company and the Guarantor upon Completion in relation to the Guarantor Loan
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK Company”	More Earn HK Development Limited (萬盈香港發展有限公司)
“Independent Board Committee”	the independent committee of the Board formed to consider the Sale and Purchase Agreement and the transactions contemplated thereunder

“Independent Financial Adviser”	the independent financial adviser appointed to advise the Independent Shareholders and the Independent Board Committee in relation to the Acquisition
“Independent Shareholders”	Shareholders other than the Guarantor, the Vendor and their respective associates
“Land Company”	珠海市富元商業發展有限公司 (Zhuhai Fuyuan Business Development Company Limited*)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Company”	珠海市橫琴新區萬盈酒店管理有限公司 (Zhuhai Hengqin Wanxiang Hotel Management Company Limited*)
“PRC”	the People’s Republic of China (excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Promissory Note”	the promissory note to be issued by the Company upon Completion in the principal amount of HK\$108,600,000 at the interest rate of 9% per annum for a term of 3 years
“Project”	the project undertaken by the Land Company to be developed into a commercial complex comprising office towers, a hotel of 5-star standard and a shopping centre with basement car park on the Property
“Property”	the land located at Southeastern side of Zhufeng Avenue, Doumen District, Zhuhai City, Guangdong Province, the PRC of site area of approximately 48,653.2 sq.m., together with any buildings erected thereon
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 June 2020 entered into among the Company, the Vendor and the Guarantor in relation to the Acquisition
“Sale Shares”	50,000 issued shares of the Target Company
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Eway International Investment Limited (億偉國際投資有限公司)

“Target Group”	the Target Company, the HK Company, the Land Company and the Management Company
“Vendor”	Yang’s Development Limited
“Zhongshan Company”	中山富元控股集團有限公司 (Zhongshan Fuyuan Group Holdings Company Limited*)
“Zhongshan Loan”	the amount due and owing (including both principal and interest) by the Target Group to Zhongshan Company immediately prior to Completion
“Zhongshan Loan Agreement”	the loan agreement to be entered into between the Land Company and Zhongshan Company upon Completion in relation to the Zhongshan Loan
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metre
“%”	per cent.

By order of the Board
TFG International Group Limited
Yang Lijun
Chairman

Hong Kong, 29 June 2020

* *for identification purpose only*

For the purpose of this announcement, all amounts denominated in RMB has been translated (for information only) into HK\$ using the exchange rate of RMB1: HK\$1.086. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

As at the date of this announcement, the Board comprises Mr. YANG Lijun (Chairman) being the executive Director, Mr. YU Shunhui and Mr. WONG Kui Shing, Danny, being the non-executive Directors and Ms. CHAN Hoi Ling, Ms. SO Wai Lam and Mr. SUNG Yat Chun, being the independent non-executive Directors.