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PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1259)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This announcement is made by Prosperous Future Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on a voluntary basis, to inform the shareholders and potential investors of the Company of the latest business developments of the Group.

LICENSE AGREEMENT WITH CARD PAYMENT ORGANISATION

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, PFH Finance Limited (“**PFH Finance**”), an indirect wholly-owned subsidiary of the Company which is a money lender licensed in Hong Kong under the Money Lenders Ordinance, has entered into a client services and trademark license agreement (the “**License Agreement**”) with one of the world’s largest card payment organisation (the “**Card Payment Organisation**”). The Card Payment Organisation is a world leader in digital payments, facilitating transactions between consumers, merchants, financial institutions and government entities across more than 200 countries and territories.

Pursuant to the License Agreement, PFH Finance is one of the very few non-bank organisations within Hong Kong authorised as a principal (“**Principal Member**”) to issue credit cards under the Card Payment Organisation’s branding (the “**Branded Credit Cards**”).

As a Principal Member, PFH Finance can (i) issue credits cards and accounts; (ii) acquire merchants directly (when needed, the Group can apply for this add-on service); (iii) process transactions; (iv) provide processing services; and (v) support Banking Identification Number (BIN) sponsorships/cobranded partnerships (“**Associate Memberships**”), for the Branded Credit Cards. As a Principal Member, PFH Finance will also have support from the Card Payment Organisation through, among others, their (i) marketing and branding; (ii) extensive partner network; and (iii) technology infrastructure.

PFH Finance intends to pursue two main revenue streams as a Principal Member by (i) being a pioneer issuer of asset-backed credit cards (“**Asset-Backed Credit Cards**”) in Hong Kong in a business-to-consumer model; and (ii) sponsoring Associate Memberships and providing advisory services and financial technology infrastructure for small and medium-sized enterprises in a business-to-business model.

Asset-Backed Credit Cards

As a Principal Member, PFH Finance plans to launch and issue the Branded Credit Cards in Hong Kong that allow consumers to apply for lines of credit with fewer typical qualifications, such as income proof, credit scoring, etc. Customers may provide their assets (the “**Underlying Assets**”), in return for equivalent credit allowing customers to utilise their Underlying Assets as immediate spending power. The Underlying Assets will be put in escrow in PFH FinTech Limited (“**PFH FinTech**”), being an indirect wholly-owned subsidiary of the Company licensed as a Trust and Company Service Provider in Hong Kong by the Companies Registry.

PFH Finance will also launch a self-developed mobile application (the “**PFH App**”) allowing customers to efficiently and practically apply and receive approval for PFH Finance Branded Credit Cards. Customers will also be able to use the PFH App to track and manage their issued PFH Finance Branded Credit Cards.

Associate Memberships

In addition, as a Principal Member, PFH Finance can sponsor other companies to apply for an Associate Membership allowing such companies to issue their own Branded Credit Cards whilst also providing advisory services on the application and subsequent implementation and expansion process. As part of the sponsorship process, PFH Finance can also supply the underlying financial technology infrastructure of the PFH App, including but not limited to payment processing, customer relationship management and data analytics, to its sponsorship customers through a software-as-a-service business model.

Management Team

Mr. Chow Yiu Kwong, Mosby (“**Mr. Chow**”) was appointed as a director and chief executive officer of PFH Finance and PFH FinTech to support the Group’s expansion of its financial services business segment. Mr. Chow has over 26 years of experience in the financial information technology industry, having worked with several major financial institutions, including international banks, securities and foreign exchange trading firms and cryptocurrency firms. Mr. Chow also has extensive experience with successfully applying for the stored-value-facility license and card issuing memberships in Hong Kong. Mr. Chow holds a Bachelor’s of mathematics in computer science from the University of Waterloo and a Master of business administration from City University of Hong Kong.

Apart from Mr. Chow’s appointment, PFH Finance and PFH FinTech are also expanding their respective technology, credit, compliance, finance and marketing teams to support the implementation and expansion of the abovementioned business lines.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board

Prosperous Future Holdings Limited

Lau Ka Ho

Chief Executive Officer and Executive Director

Hong Kong, 2 June 2023

As at the date of this announcement, the Board comprises (i) two executive directors, namely Mr. Lau Ka Ho and Mr. Chan Hoi Tik; (ii) one non-executive director, namely Mr. Sze Wine Him Jaime; and (iii) three independent non-executive directors, namely Ms. Chan Sze Man, Mr. Ma Kwun Yung Stephen and Ms. Bu Yanan.