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中金投集团

China Financial Services Holdings Ltd

China Financial Services Holdings Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 605)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 15 August 2023, the New Loan Agreement was entered into between CDVC as the lender and Customer X as the Borrower. Pursuant to the New Loan Agreement, CDVC has agreed to grant the New Loan to the Borrower for a principal amount of RMB4,000,000 for one year term to settle the outstanding principal amount of the Previous Loan.

Prior to the entering into of the New Loan Agreement, CDVC, as lender, has entered into the Previous Loan Agreement for the grant of a secured loan to the Borrower for a principal amount of RMB4,000,000 for one year term on 11 August 2022 and the outstanding principal amount of the Previous Loan as at the date of this announcement is approximately RMB4,000,000.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the New Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the New Loan constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF THE NEW LOAN

The Board is pleased to announce that on 15 August 2023, the New Loan Agreement was entered into between CDVC as the lender and Customer X as the Borrower. Pursuant to the New Loan Agreement, CDVC has agreed to grant the New Loan to the Borrower for a principal amount of RMB4,000,000 for one year term to settle the outstanding principal amount of the Previous Loan.

Summarised below are the principal terms of the New Loan Agreement.

THE NEW LOAN AGREEMENT

Date of Agreement	:	15 August 2023
Lender	:	CDVC
Borrower	:	Customer X
Principal	:	RMB4,000,000
Interest rate	:	19.2% per annum
Term	:	12 months commencing from the drawdown date
Security	:	(i) A first legal charge mortgage in respect of a commercial property located at Wenjiang District, Chengdu, with valuation conducted by an independent property valuer in Chengdu with the amount of approximately RMB8,242,000 as at 8 August 2023 (ii) Personal guarantees executed by the Guarantors in favour of CDVC, pursuant to which the Guarantors shall guarantee the repayment obligations of the Borrower under the New Loan Agreement
Repayment	:	the Borrower will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

PROVISION OF THE PREVIOUS LOAN

Prior to the entering into of the New Loan Agreement, CDVC, as lender, has entered into the Previous Loan Agreement for the grant of a secured loan to the Borrower for a principal amount of RMB4,000,000 for one year term on 11 August 2022.

Summarised below are the principal terms of the Previous Loan Agreement.

THE PREVIOUS LOAN AGREEMENT

Date of Agreement	:	11 August 2022
Lender	:	CDVC
Borrower	:	Customer X
Principal	:	RMB4,000,000
Interest rate	:	19.2% per annum
Term	:	12 months commencing from the drawdown date
Security	:	(i) A first legal charge mortgage in respect of a commercial property located at Wenjiang District, Chengdu, with valuation conducted by an independent property valuer in Chengdu with the amount of approximately RMB8,249,000 as at 4 August 2022 (ii) Personal guarantees executed by the Guarantors in favour of CDVC, pursuant to which the Guarantors shall guarantee the repayment obligations of the Borrower under the Previous Loan Agreement
Repayment	:	the Borrower will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

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

The making of the New Loan and Previous Loan are collateralised against a commercial property. The collateral provided by the Borrower for the New Loan and the Previous Loan is sufficient based on the value of the mortgaged property for both loans as determined by an independent valuer.

The advances in respect of the New Loan are also made on the basis of the Company's credit assessments with reference to the facts that (i) the collateral provided by the Borrower is at the prime site in Chengdu; (ii) the Borrower is a repeated customer and its net worth is strong and solid to prove its repayment ability; and (iii) repayment records of the Previous Loan are satisfactory. After taking into account the factors as disclosed above in assessing the risks of the relevant advances, the Company considers that the risks involved in the advances to the Borrower are manageable.

FUNDING OF THE NEW LOAN

The Group will finance the New Loan with the Company's general working capital.

INFORMATION ON THE BORROWER

Customer X is a limited liability company established in the PRC whose principal business is property investment and is a repeated customer of CDVC with an outstanding amount of the Previous Loan, prior to the grant of the New Loan, of RMB4,000,000 and there is no record of default as at the date of this announcement. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower and its beneficial owners 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 provision of financial services in HK and the PRC. CDVC, as the lender of the New Loan and the Previous Loan, is a non wholly-owned subsidiary controlled by the Company.

REASONS FOR ENTERING INTO THE NEW LOAN AGREEMENT

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

The terms of the New Loan Agreement, including the interest rate applicable, were negotiated on an arm's length basis between CDVC and the Borrower, having taken into account the prevailing market terms and practice of transactions of similar nature. The Directors consider that the grant of the New Loan 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 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 that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the New Loan Agreement are fair and reasonable and the entering into of the New Loan Agreement is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the New Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the New Loan constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	Customer X
“CDVC”	Chengdu Vision Credit Limited (成都市武侯惠信小額貸款有限責任公司), is a sino-foreign enterprise established in the PRC whose principal business is the provision of loans to individuals and SME in Chengdu
“Company”	China Financial Services Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Customer X”	成都融信恆業投資有限公司, the borrower under the New Loan Agreement and the Previous Loan Agreement, being a limited liability company established in the PRC whose principal business is property investment and is owned as to 95% and 5% by Ms. Zhu Liqin (朱麗沁) and Ms. Jiang Qiuzhen (江秋珍) respectively, who are merchants and Independent Third Parties
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantors”	Ms. Zhu Liqin and Mr. Ye Qing (葉青). Mr. Ye Qing is the spouse of Ms. Zhu Liqin
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“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
“PRC”	People’s Republic of China, for the purpose of this announcement, does not include Hong Kong and the Macao Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the New Loan”	the first legal charge mortgage loan in the amount of RMB4,000,000 granted to the Borrower under the New Loan Agreement
“the New Loan Agreement”	the loan agreement made between CDVC and the Borrower for the New Loan on 15 August 2023, particulars of which are stated in the section headed “the New Loan Agreement” in this announcement

“the Previous Loan”	the first legal charge mortgage loan in the amount of RMB4,000,000 granted to the Borrower under the Previous Loan Agreement
“the Previous Loan Agreement”	the loan agreement made between CDVC and the Borrower on 11 August 2022, particulars of which are stated in the section headed “the Previous Loan Agreement” in this announcement

By Order of the Board
China Financial Services Holdings Limited
Chung Chin Keung
Company Secretary

Hong Kong, 15 August 2023

As at the date of this announcement, the directors of the Company are:

Executive Director:

Mr. Zhang Min (*Chief Executive Officer*)

Non-executive Director:

Mr. Tao Chun

Independent Non-executive Directors:

Mr. John Paul Ribeiro

Mr. Zhang Kun

Mr. Chan Chun Keung

Mr. Lee Ka Wai

Madam Zhan Lili