

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 5 February 2024, the Loan Agreement B was entered into between CDVC as the lender and Customer BY as the Borrower, pursuant to which CDVC has agreed to grant the Loan B to the Borrower for a principal amount of RMB2,000,000 for two months term.

Prior to the entering into of the Loan Agreement B, CDVC, as lender, has entered into the Loan Agreement A for the grant of a secured loan in the amount of RMB6,500,000 to the Borrower for one year term on 9 August 2023 and the outstanding principal amount of the Loan A as at the date of this announcement is RMB6,500,000.

Upon the drawdown of the Loan B, CDVC has granted two secured loans in an aggregate amount of RMB8,500,000 to the Borrower.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of both Loan A and Loan B granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of both Loan A and Loan B 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 LOAN B

The Board is pleased to announce that on 5 February 2024, the Loan Agreement B was entered into between CDVC as the lender and Customer BY as the Borrower, pursuant to which CDVC has agreed to grant the Loan B to the Borrower for a principal amount of RMB2,000,000 for two months term.

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

THE LOAN AGREEMENT B

Date of Agreement	:	5 February 2024
Lender	:	CDVC
Borrower	:	Customer BY
Principal	:	RMB2,000,000
Interest rate	:	19.2% per annum
Term	:	2 months commencing from the drawdown date
Security	:	(i) A second legal charge mortgage in respect of two commercial properties and one residential property located at Gaoxin District, Chenghua District and Wuhou District, Chengdu, respectively, with valuation conducted by an independent property valuer in Chengdu with an aggregated amount of approximately RMB14,570,000 as at 29 January 2024 (ii) Personal guarantee executed by the Guarantor in favour of CDVC, pursuant to which the Guarantor shall guarantee the repayment obligation of the Borrower under the Loan Agreement B
Repayment	:	the Borrower will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

PROVISION OF THE LOAN A

Prior to the entering into of the Loan Agreement B, CDVC, as lender, has entered into the Loan Agreement A for the grant of a secured loan to the Borrower for a principal amount of RMB6,500,000 for one year term on 9 August 2023.

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

THE LOAN AGREEMENT A

Date of Agreement	:	9 August 2023
Lender	:	CDVC
Borrower	:	Customer BY
Principal	:	RMB6,500,000
Interest rate	:	19.2% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A first legal charge mortgage in respect of two commercial properties and one residential property located at Gaoxin District, Chenghua District and Wuhou District, Chengdu, respectively, with valuation conducted by an independent property valuer in Chengdu with an aggregated amount of approximately RMB14,570,000 as at 4 August 2022
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 LOAN A AND LOAN B

The making of both Loan A and Loan B is collateralised against three commercial and residential properties. The collaterals provided by the Borrower for both Loan A and Loan B are sufficient based on the value of the mortgaged properties for both Loan A and Loan B as determined by an independent valuer.

The advances in respect of both Loan A and Loan B are also made on the basis of the Company's credit assessments with reference to the facts that (i) the collaterals provided by the Borrower are 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) the relatively short term nature of both Loan A and Loan B. 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.

INFORMATION ON THE BORROWER AND GUARANTOR

Customer BY is a limited liability company established in the PRC whose principal business is power engineering construction and is a repeated customer of CDVC, and there is no record of default as at the date of this announcement. Guarantor is an PRC individual and the Borrower's ultimate beneficial owner. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower, its ultimate beneficial owner and the Guarantor 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 both Loan A and Loan B, is a non wholly-owned subsidiary controlled by the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT B

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

The terms of the Loan Agreement B, 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 Loan B 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 Loan Agreement B 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 Loan Agreement B are fair and reasonable and the entering into of the Loan Agreement B 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 both Loan A and Loan B granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of both Loan A and Loan B 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 BY
“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 BY”	Sichuan Huayu Electric Power Co., Ltd (四川華宇電力有限公司), a limited liability company established in the PRC whose principal business is power engineering construction and is ultimately beneficially wholly owned by Ms. Li Yuanxia (李媛霞) who is a merchant and an Independent Third Party

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	Ms. Li Yuanxia (李媛霞), an individual who is an Independent Third Party and the Borrower’s ultimate beneficial owner
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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 Macau Special Administrative Region of the PRC and Taiwan
“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 Loan A”	the first legal charge mortgage loan in the amount of RMB6,500,000 granted to the Borrower under the Loan Agreement A
“the Loan Agreement A”	the loan agreement made between CDVC and the Borrower for the Loan on 9 August 2023
“the Loan B”	the second legal charge mortgage loan in the amount of RMB2,000,000 granted to the Borrower under the Loan Agreement B
“the Loan Agreement B”	the loan agreement made between CDVC and the Borrower on 5 February 2024

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

Hong Kong, 5 February 2024

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