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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 9 February 2024, the Loan Agreement A was entered into between QLCG as the lender and Customer CB as the Borrower, pursuant to which QLCG has agreed to grant the Loan to the Borrower for a principal amount of HK\$4,500,000 for one year term.

Prior to the entering into of the Loan Agreement A, the Loan Agreement B was entered into between QLCG and Customer CA, pursuant to which QLCG has agreed to grant the Loan B to Customer CA for a principal amount of HK\$6,500,000 for one year term. Details of the Loan Agreement B has been previously disclosed in the announcement of the Company dated 7 February 2024.

Upon the drawdown of the Loan A, QLCG has granted two secured loans in an aggregate amount of HK\$11,000,000 to Customer CA and CB.

LISTING RULES IMPLICATIONS

As Customer CA and CB is associated with each other (details of their relationship are set out in the section headed “Information on the Borrower” in this announcement), the grant of both Loan A and Loan B requires aggregation under Rule 14.22 of the Listing Rules.

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

The Board is pleased to announce that on 9 February 2024, the Loan Agreement A was entered into between QLCG as the lender and Customer CB as the Borrower, pursuant to which QLCG has agreed to grant the Loan A to the Borrower for a principal amount of HK\$4,500,000 for one year term.

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

THE LOAN AGREEMENT A

Date of Agreement : 9 February 2024

Lender : QLCG

Borrower : Customer CB

Principal : HK\$4,500,000

Interest rate : 18% per annum

Term : 12 months commencing from the drawdown date

Security : A second legal charge mortgage in respect of a residential property and two car parking spaces located at Happy Valley, Hong Kong, with valuation conducted by an independent property valuer in Hong Kong with the aggregate amount of approximately HK\$60,400,000 as at 6 February 2024

Repayment : the Borrower will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

THE LOAN AGREEMENT B

Details of the Loan Agreement B has been previously disclosed in the announcement of the Company dated 7 February 2024.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN A

The making of the Loan A is collateralised against a residential property and two car parking spaces. The collaterals provided by the Borrower for the Loan A are sufficient based on the value of the mortgaged properties for the Loan A as determined by an independent valuer.

The advances in respect of the Loan A 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 Hong Kong; (ii) the Borrower's net worth is strong and solid to prove her repayment ability; and (iii) the relatively short term nature of the Loan A. 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 LOAN A

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

INFORMATION ON THE BORROWER

Customer CA and CB are merchants and engage in the property development industry. Customer CB is the mother of Customer CA. Hence, Customer CA and CB is associated with each other. Customer CB is a new customer and has no previous relationship with the Group, and was approached by the Group through its network. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Customer CA and CB 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. QLCG, as the lender of Loan, is an indirect wholly-owned subsidiary of the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT A

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

The terms of the Loan Agreement A, including the interest rate applicable, were negotiated on an arm's length basis between QLCG 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 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 A 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 A are fair and reasonable and the entering into of the Loan Agreement A is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As Customer CA and CB is associated with each other (details of their relationship are set out in the section headed “Information on the Borrowers” in this announcement), the grant of both Loan A and Loan B requires aggregation under Rule 14.22 of the Listing Rules.

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the both Loan A and Loan B granted to Customer CA and CB in aggregate exceeds 5% but is less than 25%, the grant of both Loan A and Loan B in aggregate 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 CB
“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 CA”	Ms. Ng Yu Ching (吳茹清), an individual who is an Independent Third Party and daughter of Customer CB
“Customer CB”	Ms. Lo Yuet Ling (盧月玲), an individual who is an Independent Third Party and mother of Customer CA
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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

“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“PRC”	People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“QLCG”	QL Credit Gain Finance Company Limited, a company incorporated in Hong Kong with limited liability and with money lenders licence registered under Money Lenders Ordinance, and an indirect wholly-owned subsidiary of the Company
“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 second legal charge mortgage loan in the amount of HK\$4,500,000 granted to Customer CB under the Loan Agreement A
“the Loan B”	the second legal charge mortgage loan in the amount of HK\$6,500,000 granted to Customer CA under the Loan Agreement B
“the Loan Agreement A”	the loan agreement made between QLCG and Customer CB for the Loan on 9 February 2024
“the Loan Agreement B”	the loan agreement made between QLCG and Customer CA for the Loan B on 7 February 2024

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

Hong Kong, 9 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