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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 28 February 2024, the Loan Agreement C was entered into between QLCG as the lender and Customer CA and CB as the Borrowers, pursuant to which QLCG has agreed to grant the Loan C to the Borrowers for a principal amount of HK\$14,500,000 for one year term.

Prior to the entering into of the Loan Agreement C, the Loan Agreement A and B were entered among QLCG, Customer CB and Customer CA respectively, for the grant of two secured loans for one year term. Details of the Loan Agreement A and B has been previously disclosed in the announcement of the Company dated 9 and 7 February 2024 respectively. The outstanding amount of the Loan B has been fully settled before the Loan Agreement C was entered, and part of the loan proceeds of the Loan C will be used to fully settle the outstanding principal of the Loan A.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Loan C granted to the Borrowers exceeds 5% but is less than 25%, the grant of the Loan C 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 C

The Board is pleased to announce that on 28 February 2024, the Loan Agreement C was entered into between QLCG as the lender, Customer CA and Customer CB as the Borrowers, pursuant to which QLCG has agreed to grant the Loan C to the Borrowers for a principal amount of HK\$14,500,000 for one year term.

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

THE LOAN AGREEMENT C

Date of Agreement	:	28 February 2024
Lender	:	QLCG
Borrowers	:	Customer CA and CB
Principal	:	HK\$14,500,000
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 Borrowers will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

THE LOAN AGREEMENT A

Part of the loan proceeds of the Loan C will be used to fully settle the outstanding principal of the Loan A in the amount of HK\$6,000,000, particulars of which have been previously disclosed in the announcement of the Company dated 9 February 2024.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN C

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

The advances in respect of the Loan C are also made on the basis of the Company's credit assessments with reference to the facts that (i) the collaterals provided by the Borrowers are at the prime site in Hong Kong; (ii) the Borrowers' net worth is strong and solid to prove their repayment ability; and (iii) the relatively short term nature of the Loan C. 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 Borrowers are manageable.

FUNDING OF THE LOAN C

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

INFORMATION ON THE BORROWERS

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 CA and CB are repeated customers of QLCG 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, 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 the Loan C, is an indirect wholly-owned subsidiary of the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT C

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

The terms of the Loan Agreement C, including the interest rate applicable, were negotiated on an arm's length basis between QLCG and the Borrowers, having taken into account the prevailing market terms and practice of transactions of similar nature. The Directors consider that the grant of the Loan C 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 C were entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Borrowers and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the Loan Agreement C are fair and reasonable and the entering into of the Loan Agreement C 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 Loan C granted to the Borrowers exceeds 5% but is less than 25%, the grant of the Loan C 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
“Borrowers”	Customer CA and 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 with outstanding amount of HK\$6,000,000 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, which has been fully settled
“the Loan C”	the second legal charge mortgage loan in the amount of HK\$14,500,000 granted to the Borrowers under the Loan Agreement C
“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
“the Loan Agreement C”	the loan agreement made between QLCG and the Borrowers for the Loan C on 28 February 2024

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

Hong Kong, 28 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