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**東方企控集團有限公司**

**ORIENTAL ENTERPRISE HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 18)**

## **DISCLOSEABLE TRANSACTION**

### **THE SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LOAN**

Reference is made to the Loan Agreement dated 17 May 2018 (as supplemented from time to time) entered into between OFA, a wholly-owned subsidiary of the Company as lender, and the Customer as borrower, whereby OFA agreed to grant a secured loan in the principal amount of HK\$70 million to the Customer which shall be repayable on 18 May 2024.

The Board wishes to announce that on 17 May 2024 (after trading hours), OFA entered into the Supplemental Agreement with the Customer to further extend the repayment date of the Loan to 18 May 2025 subject to the terms and conditions set out therein.

As some of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan (as extended by the Supplemental Agreement) exceed 5% but all are less than 25%, the Extension constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

## **INTRODUCTION**

Reference is made to the Loan Agreement dated 17 May 2018 (as supplemented by the first supplemental agreement dated 17 May 2019, the second supplemental agreement dated 18 May 2020, the third supplemental agreement dated 18 May 2021, the fourth supplemental agreement dated 17 May 2022 and the fifth supplemental agreement dated 17 May 2023) entered into between OFA, a wholly-owned subsidiary of the Company as lender, and the Customer as borrower, whereby OFA agreed to grant a secured loan in the principal amount of HK\$70 million to the Customer which shall be repayable on 18 May 2024.

At the request of the Customer, OFA agreed to further extend the repayment date of the Loan to 18 May 2025 subject to the terms and conditions set out in the Supplemental Agreement.

## **TERMS OF THE LOAN**

The principal terms of the Loan Agreement as amended and supplemented by the Supplemental Agreement are set out below:

Date of the Loan Agreement: 17 May 2018

Date of the Supplemental Agreement:	17 May 2024
Lender:	OFA
Borrower:	Customer
Guarantors:	Guarantor A and Guarantor B
Principal:	Reduced from HK\$70 million to HK\$64 million
Interest rate:	0.75% per month (i.e. 9% per annum)
Maturity date of the Loan:	18 May 2025
Repayment:	Customer shall repay the outstanding principal amount of the Loan on the maturity date of the Loan
Early repayment:	Customer shall have an option to make early repayment of the Loan
Security:	An all-money first legal charge in favour of OFA in respect of the commercial units located in Prince Edward Road West, Kowloon, Hong Kong owned by the Customer

As at the date of the Supplemental Agreement, the principal amount of the Loan in the sum of HK\$64 million remains outstanding.

## **FUNDING OF THE LOAN**

The Loan was financed by the Group's internal resources.

## **INFORMATION OF THE CUSTOMER AND OTHER SECURITY PARTIES**

### **Customer**

The Customer is a limited company incorporated in Hong Kong, principally engaged in the property investment. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Customer is Independent Third Party.

### **Guarantor A**

Guarantor A is an individual, a merchant, a brother of Guarantor B and one of the directors and shareholders of the Customer. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guarantor A is Independent Third Party.

### **Guarantor B**

Guarantor B is an individual, a merchant, a brother of Guarantor A, one of the directors and shareholders of the Customer. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guarantor B is Independent Third Party.

## **INFORMATION OF THE GROUP AND THE LENDER**

The Company is an investment holding company and is the holding company of the Group. The Group is principally engaged in publication of newspapers and money lending business. OFA is a wholly-owned subsidiary of the Company and is a licensed money lender, principally engaged in the business of money lending in Hong Kong.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL AGREEMENT**

OFA is a licensed money lender. The grant of the Loan to the Customer is in the ordinary course of business of OFA and can generate a stable revenue and cash flow stream to the Group from interest income. The terms of the Supplemental Agreement were negotiated on an arm's length basis between OFA and the Customer with reference to OFA's credit policy and the prevailing market rate, and taken into account the repayment track record of the Customer.

OFA had conducted credit risks assessment in assessing the granting of the Extension, in particular, OFA had carried out the following measures:

1. taking into consideration of the value of the properties located in Prince Edward Road West, Kowloon (being the securities pledged under the Loan) of HK\$91.5 million assessed by an independent third party valuer in May 2024;
2. visiting the properties pledged;
3. reviewing the statutory records of the Customer;
4. considering the background of the Customer, Guarantor A and Guarantor B, including but not limited to the business activities undertaken by them, the financial strength (including reviewing the financial information (such as audited financial statements and bank statements)) and the repayment ability of the Customer (including the payment records for the past five years whereby there is no incident of any significant delay in payment); and
5. conducting litigation, winding-up and regular news searches against the Customer and litigation, bankruptcy and regular news searches against Guarantor A and Guarantor B.

After assessing the credit risks involved in granting the Extension to the Customer, the Board considered that such credit risks were manageable to the Company and OFA and the Directors are of the view that the Extension and the entering into the Supplemental Agreement are fair and reasonable and in the interest of the Company and its shareholders taken as a whole.

## **LISTING RULES IMPLICATIONS**

As some of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan (as further extended by the Supplemental Agreement) exceed 5% but all are less than 25%, the Extension constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

**“Board”** the board of Directors

<b>“Company”</b>	Oriental Enterprise Holdings Limited, a company incorporated in Hong Kong with limited liability which shares are listed on the main board of the Stock Exchange
<b>“connected person”</b>	has the meaning ascribed thereto under the Listing Rules
<b>“Customer”</b>	China East Development Limited, a company incorporated in Hong Kong, being the borrower under the Loan Agreement and an Independent Third Party
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Extension”</b>	the extension of the maturity date of the Loan from 18 May 2024 to 18 May 2025
<b>“Group”</b>	the Company and its subsidiaries
<b>“Guarantor A”</b>	Mr. Chung Tsi Kuen, a brother of Guarantor B, one of the shareholders and directors of the Customer. Mr. Chung is a merchant, being one of the guarantors under the Loan Agreement and the Supplemental Agreement, and an Independent Third Party
<b>“Guarantor B”</b>	Mr. Chung Chi Wai, Frankie, a brother of Guarantor A, one of the shareholders and directors of the Customer. Mr. Chung is a merchant, being one of the guarantors under the Loan Agreement and the Supplemental Agreement, and an Independent Third Party
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Independent Third Party”</b>	third party that is independent of the Company and connected persons of the Company
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Loan”</b>	the secured loan with a principal amount of HK\$64 million granted by OFA to the Customer pursuant to the Loan Agreement
<b>“Loan Agreement”</b>	the loan agreement dated 17 May 2018 entered into between OFA and the Customer in respect of the Loan (as supplemented by the first supplemental agreement dated 17 May 2019, the second supplemental agreement dated 18 May 2020, the third supplemental agreement dated 18 May 2021, the fourth supplemental agreement dated 17 May 2022 and the fifth supplemental agreement dated 17 May 2023)

<b>“OFA”</b>	Oriental FA Limited, a company incorporated in Hong Kong with limited liability with money lenders licence registered under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), which is a wholly-owned subsidiary of the Company
<b>“Supplemental Agreement”</b>	the supplemental loan agreement dated 17 May 2024 entered into between OFA and the Customer in respect of the Extension
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Oriental Enterprise Holdings Limited**  
**Ching-fat MA**  
*Chairman*

Hong Kong, 17 May 2024

*As at the date hereof, the Board comprises seven Directors, of which three are executive Directors, namely Mr. Ching-fat MA (Chairman), Mr. King-ho MA (Vice Chairman) and Mr. Shun-chuen LAM (Chief Executive Officer), one non-executive Director, namely Mr. Dominic LAI and three independent non-executive Directors, namely Mr. Yau-nam CHAM, Mr. Yat-fai LAM and Ms. Ching-wah YIP.*