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Oi Wah Pawnshop Credit Holdings Limited

靚華押業信貸控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1319)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 13 June 2024, the Loan Agreement was entered into between Oi Wah PL as lender and Customer A as borrower, pursuant to which Oi Wah PL has agreed to advance the Loan to Customer A in the aggregate amount of HK\$30,000,000.00.

Prior to the entering into of the Loan Agreement, the Group has entered into the Existing Loan Agreement for the grant of the Existing Loan on 13 July 2023 to Customer B.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the Customers are associated with each other and the Loan Agreement the Existing Loan Agreement were entered into within a 12-month period, the transactions contemplated under the Loan Agreement and the Existing Loan Agreement are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loans exceeds 5% but all are less than 25%, the grant of the Loans in aggregate constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF THE LOAN

The Board is pleased to announce that on 13 June 2024, the Loan Agreement was entered into between Oi Wah PL as lender and Customer A as borrower, pursuant to which Oi Wah PL has agreed to advance the Loan to Customer A in the aggregate amount of HK\$30,000,000.00.

The principal terms of the Loan Agreement are set out as follows:

LOAN AGREEMENT

Date:	13 June 2024
Lender:	Oi Wah PL
Borrower:	Customer A
Loan amount:	HK\$30,000,000.00
Interest rate:	14.4% per annum
Term:	12 months from drawdown date
Security:	A first legal charge/mortgage in respect of a residential property with a carpark located in Mid-levels with valuation conducted by an independent property valuer on 11 June 2024 with an amount of approximately HK\$81,000,000.00 as at 11 June 2024
Repayment:	Customer A shall repay the interests on a monthly basis with the principal amount to be repaid at loan maturity

Other terms of the Loan Agreement

All mortgaged properties under the Loan Agreement are insured against fire risks with an insurance company approved by Oi Wah PL.

PROVISION OF THE EXISTING LOAN

Prior to entering into of the Loan Agreement, the Group has entered into the Existing Loan Agreement for the granting of the Existing Loan to Customer B. The principal terms of the Existing Loan Agreement are set out as follows:

EXISTING LOAN AGREEMENT

Date:	13 July 2023
Lender:	Oi Wah CL
Borrower:	Customer B
Loan amount:	HK\$20,000,000.00
Interest rate:	11.0% per annum
Term:	12 months commencing from the drawdown date
Security:	A first legal charge/mortgage in respect of a residential property with a carpark located in Mid-level with valuation conducted by an independent property valuer on 16 June 2023 with an amount of approximately HK\$95,000,000.00 as at 16 June 2023
Repayment:	Customer B shall repay the interests on a monthly basis with the principal amount to be repaid at loan maturity

Other terms of the Existing Loan Agreement

All mortgaged properties under the Existing Loan Agreement is insured against fire risks with an insurance company approved by Oi Wah CL.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOANS

The making of the Loans is collateralised.

The collateral provided by Customer A for the Loan is sufficient as the loan-to-value ratio of the mortgaged properties for the Loan is approximately 37.0% based on the value of the mortgaged properties for the Loan as determined by an independent valuer.

The collaterals provided by Customer B for the Existing Loan is sufficient as the loan-to-value ratio of the mortgaged properties for the Existing Loan is approximately 41.1% (loan-to-value ratio as a first legal charge to other independent mortgagees: approximately 20.0%, loan-to-value ratio as a first legal charge to the Group: approximately 21.1%) based on the value of the mortgaged properties for the Existing Loan as determined by an independent valuer. The ranking between the Group and the other independent mortgagees are the same.

The advances in respect of the Loans were also made on the basis of the Company's credit assessments made on (i) the collaterals provided by the Customers, which are at prime sites in Hong Kong and (ii) the relatively short term nature of the advances. After having taken 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 Customers are relatively low.

FUNDING OF THE LOANS

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

INFORMATION ON THE CUSTOMERS

Customer A is an individual, the son of Customer B, and a merchant who is principally engaged in the business of fund investment.

Customer B is an individual, the mother of Customer A, and a housewife.

Customer B is our existing customer with no default record.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the Customers is an Independent Third Party and not connected with the Group.

INFORMATION ON THE GROUP AND THE LENDER

The Group is a financing service provider in Hong Kong mainly providing secured financing, including pawn loans and mortgage loans under the provisions of the Pawnbrokers Ordinance and the Money Lenders Ordinance. Oi Wah PL and Oi Wah CL, as the lender of the Loan and the Existing Loan, respectively, are indirect wholly-owned subsidiaries of the Company.

REASONS FOR THE ENTERING INTO OF THE LOAN AGREEMENT AND EXISTING LOAN AGREEMENT

Having taken into account the principal business activities of the Group, the advance of the Loans to the Customers is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement and Existing Loan Agreement were negotiated on an arm's length basis between the Group and the Customers. The Directors consider that the advance of the Loans is financial assistance provided by the Company within the meaning of the Listing Rules. The Directors are of the view that the terms of the Loan Agreement and Existing Loan Agreement were entered into on normal commercial terms based on the Group's credit policy. After having taken into account the satisfactory financial background of the Customers and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the Loan Agreement and Existing Loan Agreement are fair and reasonable and the entering into of the Loan Agreement and Existing Loan Agreement is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the Customers are associated with each other and the Loan Agreement the Existing Loan Agreement were entered into within a 12-month period, the transactions contemplated under the Loan Agreement and the Existing Loan Agreement are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the aggregate amount of the Loans exceeds 5% but all are less than 25%, the grant of the Loans in aggregate constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of 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
“Company”	Oi Wah Pawnshop Credit Holdings Limited (靄華押業信貸控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1319)
“Customer A”	Mr. Sun Chit Nam
“Customer B”	Ms. Lin Xi Wen
“Customers”	Customer A and Customer B
“Directors”	the director(s) of the Company
“Existing Loan”	a mortgage loan in the amount of HK\$20,000,000.00 granted to Customer B
“Existing Loan Agreement”	the loan agreement dated 13 July 2023 entered into between Oi Wah CL and Customer B for granting of the Existing Loan
“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 People’s Republic of China

“Independent Third Party(ies)”	a third party(ies) independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a mortgage loan in the amount of HK\$30,000,000.00 granted to Customer A
“Loan Agreement”	the loan agreement dated 13 June 2024 entered into between Oi Wah PL and Customer A in respect of the Loan
“Loans”	the Loan and the Existing Loan
“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
“Oi Wah CL”	Oi Wah Credit Limited (靄華信貸有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Oi Wah PL”	Oi Wah Property Credit Limited (靄華物業信貸有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Pawnbrokers Ordinance”	the Pawnbrokers Ordinance (Chapter 166 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“percentage ratio(s)”	has the meaning ascribed to it in the Listing Rules
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	holder(s) of the Share(s)

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By order of the Board of
Oi Wah Pawnshop Credit Holdings Limited
Chan Kai Ho Edward

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 13 June 2024

As at the date of this announcement, the Board comprises Mr. Chan Kai Ho Edward (Chairman and Chief Executive Officer), Mr. Chan Chart Man, Ms. Chan Mei Fong and Ms. Chan Ying Yu as executive Directors; Mr. Chan Kai Kow Macksion and Mr. Ng Siu Hong as non-executive Directors; and Mr. Lam On Tai, Dr. Leung Shiu Ki Albert and Dr. Yip Ngai as independent non-executive Directors.