

*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*



## **Oi Wah Pawnshop Credit Holdings Limited**

**靄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 6 August 2021, the Loan Agreement was entered into between Oi Wah PL as lender and the Customer as borrower. Pursuant to the Loan Agreement, Oi Wah PL has agreed to grant the Loan to the Customer for a term of 12 months.

#### **LISTING RULES IMPLICATIONS**

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

As (i) the Customer is the borrower of the Loan and the Existing Loan; and (ii) the Loan Agreement and 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 Loan and the Existing Loan exceeds 5% but is less than 25%, the grant of the Loan and the Existing Loan in aggregate still constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **PROVISION OF THE LOAN**

The Board is pleased to announce that on 6 August 2021, the Loan Agreement was entered into between Oi Wah PL as lender and the Customer as borrower. Pursuant to the Loan Agreement, Oi Wah PL has agreed to grant the Loan to the Customer for a term of 12 months.

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

### **LOAN AGREEMENT**

Date of the agreement:	6 August 2021
Lender:	Oi Wah PL
Borrower:	The Customer
Principal:	HK\$35,400,000.00
Interest rate:	10.15% per annum
Term:	12 months commencing from the drawdown date
Security:	A first, further and second further legal charge/mortgage in respect of a residential property located in Ho Man Tin with valuation conducted by an independent property valuer on 12 July 2021 with an amount of approximately HK\$48,000,000.00 as at 12 July 2021
Repayment:	The Customer shall repay the interests on a monthly basis with the principal amount to be repaid at loan maturity

### **Other terms of the Loan Agreement**

Pursuant to the Loan Agreement, the mortgaged property under the Loan Agreement is insured against fire risks with an insurance company approved by Oi Wah PL.

## **PROVISION OF THE EXISTING LOAN**

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

## **EXISTING LOAN AGREEMENT**

Date of the agreement:	20 July 2021
Lender:	Oi Wah Pawnshop
Borrower:	The Customer
Principal:	HK\$4,000,000.00
Interest rate:	12% per annum
Term:	1 month commencing from the drawdown date
Security:	A pledge of a piece of jewellery with valuation conducted by a professional valuer on 20 July 2021 with an amount of approximately HK\$5,700,000.00 as at 20 July 2021
Repayment:	The Customer shall repay the interests and the principal amount at loan maturity

## **INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN AND THE EXISTING LOAN**

The making of the Existing Loan and the Loan are collateralised.

The collateral provided by the Customer for the Loan is sufficient as the loan-to-value ratio of the mortgaged property for the Loan is approximately 73.8% based on the value of the mortgaged property for the Loan as determined by an independent valuer.

The collateral provided by the Customer for the Existing Loan is sufficient as the loan-to-value ratio of the piece of jewellery for the Existing Loan is approximately 70.2% based on the value of the piece of jewellery for the Existing Loan as determined by a professional valuer.

The advances in respect of the Loan and the Existing Loan were also made on the basis of the Company's credit assessments made on (i) the collaterals provided by the Customer, which include jewellery with GIA certification and mortgaged property located at the prime sites in Hong Kong; (ii) the fact that the Customer is our repeated customer with no default record; and (iii) the relatively short term nature of the advances. 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 Customer are relatively low.

## **FUNDING OF THE LOAN**

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

## **INFORMATION OF THE CUSTOMER**

The Customer is an individual and a merchant who is principally engaged in property investment in Hong Kong.

The Customer is our repeated customer with no default record.

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

## **INFORMATION OF 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, as the lender of the Loan, is an indirect wholly-owned subsidiary of the Company. Oi Wah Pawnshop, as the lender of the Existing Loan, is an indirect wholly-owned subsidiary of the Company.

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

Having taken into account the principal business activities of the Group, the grant of the Loan and the Existing Loan to the Customer are in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement was negotiated on an arm's length basis between Oi Wah PL and the Customer. The terms of the Existing Loan Agreement was negotiated on an arm's length basis between Oi Wah Pawnshop and the Customer. The Directors consider that the grant of the Loan and the Existing Loan are 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 the Existing Loan Agreement were entered into on normal commercial terms based on the Company's credit policy. After having taken into account the satisfactory financial background of the Customer 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 the Existing Loan Agreement are fair and reasonable and the entering into of the Loan Agreement and the Existing Loan Agreement are 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 amount of the Loan exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

As (i) the Customer is the borrower of the Loan and the Existing Loan; and (ii) the Loan Agreement and 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 Loan and the Existing Loan exceeds 5% but is less than 25%, the grant of the Loan and the Existing Loan in aggregate still constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.58(2) of the Listing Rules, the identity of the Customer is required to be disclosed. Since (i) the granting of the Loan (which has been aggregated with the Existing Loan) is not regarded as a material transaction of the Company as compared to the Company's overall financial position; (ii) the Company has practical difficulties in complying with the aforesaid disclosure requirement as the Customer has confirmed to the Group that she will not consent to the disclosure of her identity in this announcement; (iii) the disclosure of the identity of the Customer does not reflect her financial standing or repayment abilities and thus will serve little purpose in assisting the Shareholders to evaluate the creditworthiness of the Customer and the risks and exposure of the Loan and the Existing Loan; and (iv) the Company has made alternative disclosures in respect of the Loan and the Existing Loan in this announcement, including but not limited to the details of the collateral and the loan-to-value ratio of the collateral in respect of the Loan and the Existing Loan, which would be much more meaningful for the Shareholders in assessing the risk and exposure of the Loan and the Existing Loan as well as the repayment ability of the Customer, the Company has applied to the Stock Exchange, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.58(2) 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 (靚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”	the borrower being an individual and an Independent Third Party
“Directors”	the director(s) of the Company
“Existing Loan”	a pawn loan in the amount of HK\$4,000,000 provided by Oi Wah Pawnshop to the Customer
“Existing Loan Agreement”	the loan agreement dated 20 July 2021 entered into between Oi Wah Pawnshop and the Customer in respect 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\$35,400,000 provided by Oi Wah PL to the Customer
“Loan Agreement”	the loan agreement dated 6 August 2021 entered into between Oi Wah PL and the Customer in respect of the 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 Pawnshop”	Oi Wah Pawnshop Credit Limited (靄華押業信貸有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“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, 6 August 2021

*As at the date of this announcement, the Board comprises Mr. Chan Kai Ho Edward (Chief Executive Officer and Chairman), Mr. Chan Chart Man, Ms. Chan Mei Fong and Ms. Chan Ying Yu as executive Directors; Mr. Chan Kai Kow Mackston 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 nonexecutive Directors.*