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金粵控股有限公司

Rich Goldman Holdings Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00070)

DISCLOSEABLE TRANSACTION REGARDING PURCHASE OF LOANS

On 24 April 2020 (after trading hours), Top Vast (a wholly-owned subsidiary of the Company), as purchaser and assignee, and JLD, as seller and assignor, entered into the Transaction Documents whereby the full benefit and advantages of the Debts have been sold and assigned by JLD to Top Vast at a cash consideration of HK\$11,228,000.

Loan A was granted by JLD to Borrower A in the principal amount of HK\$10,500,000 at an interest rate of 12% per annum for a period of 18 months from 4 January 2019 and maturing on 4 July 2020. As at the date of the Transaction Documents, the outstanding principal amount of Loan A is HK\$10,500,000. The liabilities of Borrower A under the Loan Agreement A are secured by (i) the Loan A Property Mortgage; and (ii) the Loan A Rental Assignment.

Loan B was granted by JLD to Borrower B in the principal amount of HK\$1,500,000 at an interest rate of 16% per annum for a period of 120 months from 10 June 2019 and maturing on 10 June 2029. As at the date of the Transaction Documents, the outstanding principal amount of Loan B is approximately HK\$1,445,542. The liabilities of Borrower B under the Loan Agreement B are secured by the Loan B Property Mortgage.

The Purchase of Loans, in substance, has resulted in Top Vast advancing to the Borrowers the Loans in the aggregate principal amount of approximately HK\$11,945,542, each bearing the interest rate and with the maturity period as specified in the respective Loan Agreements, and secured by the collaterals provided in the respective Security Documents.

LISTING RULES IMPLICATIONS

As Top Vast purchased and took assignment of the Loans from the same party, JLD, the Purchase of Loans were required to be aggregated under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Purchase of Loans are equal to or more than 5% but less than 25%, the Purchase of Loans constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

On 24 April 2020 (after trading hours), Top Vast (a wholly-owned subsidiary of the Company), as purchaser and assignee, and JLD, as seller and assignor, entered into the Transaction Documents whereby the full benefit and advantages of the Debts have been sold and assigned by JLD to Top Vast at a cash consideration of HK\$11,228,000.

A summary of the principal terms of the Transaction Documents and the Loans are set out below.

THE TRANSACTION DOCUMENTS

Date	24 April 2020
Purchaser/Assignee (where appropriate)	Top Vast, a wholly-owned subsidiary of the Company.
Seller/Assignor (where appropriate)	<p>JLD, a company incorporated in Hong Kong, which (i) to the best of the Directors' knowledge, is principally engaged in money lending business in Hong Kong and is a licensed money lender in Hong Kong under the Money Lenders Ordinance; and (ii) is ultimately owned by Ms. Pauline Lam.</p> <p>To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, JLD and its ultimate beneficial owner are Independent Third Parties.</p>
Subject matter	Pursuant to the terms of the Transaction Documents, the full benefit and advantages of the Debts have been sold and assigned by JLD to Top Vast free from Encumbrances with effect from the date of the Transaction Documents.
Consideration	HK\$11,228,000 in cash which is payable upon the Purchase of Loans, such amount represented a discount of approximately 6.01% to the aggregate principal amount of the Loans outstanding as at the date of the Transaction Documents of approximately HK\$11,945,542.

THE LOANS

The Purchase of Loans, in substance, has resulted in Top Vast advancing to the Borrowers the Loans in the aggregate principal amount of approximately HK\$11,945,542, each bearing the interest rate and with the maturity period as specified in the respective Loan Agreements, and secured by the collaterals provided in the respective Security Documents. A summary of the principal terms of the Loans granted to the Borrowers is set out below.

	Loan A	Loan B
Borrowers	YAN Kwok Hung Michael, an individual	YAN Yat Chiu, an individual
	To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of Borrower A and Borrower B is an Independent Third Party.	
Principal amount	HK\$10,500,000	HK\$1,500,000
Outstanding principal amount	HK\$10,500,000	approximately HK\$1,445,542
Interest rate	12% per annum	16% per annum
Repayment	Borrower A shall pay interest on a monthly basis and repay the principal amount of the loan in full on the maturity date.	Borrower B shall repay the principal amount and interest by 120 monthly instalments.
Maturity date	4 July 2020	10 June 2029
Security	(i) the Loan A Property Mortgage; and (ii) the Loan A Rental Assignment	the Loan B Property Mortgage
	To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the mortgagors and assignor under the Security Documents, i.e. Borrower A and Borrower B, are Independent Third Parties.	

INFORMATION ON THE CREDIT RISK RELATING TO THE LOANS

Loan A is collateralised against the Loan A Property Mortgage and the Loan A Rental Assignment with a loan-to-value ratio of approximately 63.64% based on the outstanding principal amount of Loan A as at the date of the Transaction Documents and the value of the mortgaged property for Loan A of HK\$16,500,000 as at 17 April 2020 as determined by an independent property valuer engaged by the Company.

Loan B is collateralised against the Loan B Property Mortgage with a loan-to-value ratio of approximately 24.92% based on outstanding principal amount of Loan B as at the date of the Transaction Documents and the value of the mortgaged property for Loan B of HK\$5,800,000 as at 17 April 2020 as determined by an independent property valuer engaged by the Company.

After taking into account (i) Top Vast's credit assessments on the financial strength and repayment ability of the Borrowers and (ii) the collaterals provided by the Borrowers, Top Vast considers that the risks involved in purchasing and taking assignment of the Loans are acceptable.

FUNDING OF THE LOAN

The Group will finance the Purchase of Loans with its internal resources.

INFORMATION ON THE GROUP AND TOP VAST

The Group is principally engaged in (i) introducing customers to respective casino's VIP rooms in Macau and receiving the profit streams from junket businesses at respective casino's VIP rooms in Macau through independent junket operators in Macau; (ii) the money lending business; (iii) the hotel operation business; and (iv) the property leasing business. As at the date of this announcement, the Group is in progress of identifying new junket operators for its gaming business.

Top Vast is an indirect wholly-owned subsidiary of the Company. It has obtained a money lender licence under the Money Lenders Ordinance on 24 December 2015 and commenced the money lending business thereafter.

INFORMATION ABOUT JLD

JLD is a company incorporated in Hong Kong which, to the best of the Directors' knowledge, is principally engaged in money lending business in Hong Kong and is a licensed money lender in Hong Kong under the Money Lenders Ordinance. The ultimate beneficial owner of JLD is Ms. Pauline Lam, an individual.

REASONS FOR AND BENEFITS OF THE PURCHASE OF LOANS

Taking into account the principal business activities of the Group, the Purchase of Loans is in the ordinary and usual course of business of the Group.

The Directors are of the view that the terms of the Purchase of Loans and the Transaction Documents are fair and reasonable and are entered into on normal commercial terms based on Top Vast's credit policy. Taking into account the discount to the principal amount of the Loans, the financial strength and repayment ability of the Borrowers, the value of collateral securities and a stable interest income to be generated from the Loans, the Directors consider that the Purchase of Loans and the entering into of the Transaction Documents are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As Top Vast purchased and took assignment of the Loans from the same party, JLD, the Purchase of Loans were required to be aggregated under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Purchase of Loans are equal to or more than 5% but less than 25%, the Purchase of Loans constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore 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 have the same meanings set out below:

“Borrower A”	YAN Kwok Hung Michael, an individual who is an Independent Third Party
“Borrower B”	YAN Yat Chiu, an individual who is an Independent Third Party
“Borrowers”	collectively, Borrower A and Borrower B
“Company”	Rich Goldman Holdings Limited, a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 70)
“Debts”	collectively: <ul style="list-style-type: none">(i) all present and future monies, debts and liabilities due, owing or incurred by the Borrowers to JLD under or in connection with the Loan Agreements (including but not limited to the principal amounts, interests, and fees, costs and expenses);(ii) the full right, title, benefit, interest and advantages of JLD under and to the Loan Agreements; and(iii) the full right, title, benefit, interest and advantages of JLD under and to the Security Documents
“Director(s)”	the directors of the Company
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollar(s), 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)”	party(ies) who is/are independent of the Company and its connected person(s) (as defined under the Listing Rules)
“JLD”	Jin Li Da Limited, a company incorporated in Hong Kong, which is (i) principally engaged in money lending business in Hong Kong, (ii) a licensed money lender in Hong Kong under the Money Lenders Ordinance and (iii) an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan A”	a loan granted by JLD to Borrower A in the principal amount of HK\$10,500,000 at an interest rate of 12% per annum for a period of 18 months from 4 January 2019 and maturing on 4 July 2020 subject to and on the terms of the Loan Agreement A
“Loan A Property Mortgage”	a legal charge over a commercial property in Kowloon, Hong Kong given by Borrower A in favour of JLD (or, subsequent to the date of the Transaction Documents, Top Vast) in respect of the liabilities of Borrower A under the Loan Agreement A
“Loan A Rental Assignment”	an assignment of rental in respect of a commercial property in Kowloon, Hong Kong given by Borrower A in favour of JLD (or, subsequent to the date of the Transaction Documents, Top Vast) in respect of the liabilities of Borrower A under the Loan Agreement A
“Loan Agreement A”	collectively, a loan agreement dated 4 January 2019 and an extension letter dated 6 January 2020 entered into between JLD and Borrower A in connection with the grant of Loan A by JLD to Borrower A
“Loan Agreement B”	a loan agreement dated 10 June 2019 entered into between JLD and Borrower B in connection with the grant of Loan B by JLD to Borrower B
“Loan Agreements”	collectively, the Loan Agreement A and the Loan Agreement B

“Loan B”	a loan granted by JLD to Borrower B in the principal amount of HK\$1,500,000 at an interest rate of 16% per annum for a period of 120 months from 10 June 2019 and maturing on 10 June 2029 subject to and on the terms of the Loan Agreement B
“Loan B Property Mortgage”	a second mortgage over a residential property in New Territories, Hong Kong given by Borrower B in favour of JLD (or, subsequent to the date of the Transaction Documents, Top Vast) in respect of the liabilities of Borrower B under the Loan Agreement B
“Loans”	collectively, Loan A and Loan B
“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
“Property Mortgages”	collectively, the Loan A Property Mortgage and the Loan B Property Mortgage
“Purchase of Loans”	the sale and assignment of the full benefit and advantages of the Debts by JLD to Top Vast in the consideration of HK\$11,228,000 pursuant to the terms of the Transaction Documents
“Security Documents”	collectively, the Loan A Property Mortgage, the Loan A Rental Assignment and the Loan B Property Mortgage
“Shareholders”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Top Vast”	Top Vast Finance Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“Transaction Documents” means the following documents, all dated 24 April 2020, entered into between Top Vast and JLD in connection with the Purchase of Loans:

- (i) loan transfer agreement;
- (ii) deeds of assignment in respect of the Loans; and
- (iii) deed of assignment in respect of the Property Mortgages

“%” per cent.

By Order of the board of Directors
Rich Goldman Holdings Limited
Lin Chuen Chow, Andy
Chairman

Hong Kong, 24 April 2020

As at the date of this announcement, the board of Directors comprises Mr. Lin Chuen Chow, Andy and Ms. So Wai Yin as executive Directors; Mr. Nicholas J. Niglio as non-executive Director and Mr. Cheung Yat Hung, Alton, Mr. Yue Fu Wing and Ms Yeung Hoi Ching as independent non-executive Directors.