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## **Lerado Financial Group Company Limited**

### **隆成金融集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

### **UPDATE ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.09 and Rule 13.24A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of Lerado Financial Group Company Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) dated 5 June 2017, 6 June 2017 and 7 June 2017 in relation to, among other matters, the letter dated 5 June 2017 issued by the Securities and Futures Commission of Hong Kong to the Company and the suspension of trading in shares of the Company, as well as the announcements of the Company dated 7 June 2017, 9 August 2017, 20 July 2018, 31 July 2018, 7 November 2018, 31 January 2019, 12 March 2019, 30 April 2019, 17 June 2019, 1 August 2019, 1 November 2019 and 13 February 2020. Capitalised terms used in this announcement shall have the same meaning as those defined in the announcement of the Company dated 12 March 2019, unless the context requires otherwise.

### **BUSINESS OPERATIONS OF THE GROUP**

The Company is an investment holding company. The Group is principally engaged in providing financial services including securities broking, margin financing and money lending etc., as well as manufacturing and distributing children plastic toys and medical care products like mobility aid and other medical equipment.

The Board would like to provide the shareholders and potential investors of the Company with updates on the latest operation and financial status of the Group as at the date of this announcement.

The Group is carrying on its business as usual, and on 29 April 2020, the Company published its audited annual results announcement as at 31 December 2019 (the “**2019 Annual Results**”). As stated in the 2019 Annual Results, the total assets and the net asset value of the Group as at 31 December 2019 were approximately HK\$2,070 million and HK\$1,108 million, respectively. The directors of the Company (the “**Directors**”) consider that there has been no material adverse change to the total assets and net asset value of the Group since 31 December 2019.

## **EXPECTED TIMETABLE**

The Company wishes to update that HLB, who was engaged as the internal control adviser to the Company, is in the process of finalizing the follow-up review on the effectiveness of the newly adopted internal control system based upon the internal control review by HLB. However, additional time is needed to complete the internal control review due to the outbreak of the COVID-19 and it is expected to be finished within one month from the date of this announcement. The Company has also instructed legal advisers to take further actions based on the counsel’s views on possible actions made available for addressing the concerns raised by SFC, in view of HLB’s (in its capacity relating to the Independent Investigation) observations in the Independent Investigation. Such actions include an investigation on the Company’s shareholdings under section 329 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Based on the information made available to the Company as at the date of this announcement, the Company is unaware that there are any other shareholders holding any shares of the Company for and on behalf of the Three Companies and the Ex-Executive Director A. Further, the Company’s liaison with the Securities and Futures Commission for resumption of trading continues and a further announcement would be made as and when there are further developments.

The Company will make further announcement(s) in relation to further material developments of the above, if any. The Company will also inform the market of all material information for the shareholders and potential investors of the Company to appraise the Company’s position as and when appropriate in accordance with the Listing Rules.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 6 June 2017 and will remain suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Lerado Financial Group Company Limited**  
**Ho Kuan Lai**  
*Executive Director*

Hong Kong, 29 April 2020

*As at the date of this announcement, the executive Directors are Mr. CHEN Chun Chieh, Ms. HO Kuan Lai and Mr. LEUNG Kam Por Ken; and the independent non-executive Directors are Mr. YU Tat Chi Michael, Mr. YANG Haihui and Mr. LAM Williamson.*