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東方報業集團有限公司

ORIENTAL PRESS GROUP LTD

(Incorporated in Hong Kong with limited liability)

(Stock Code: 18)

DISCLOSEABLE TRANSACTION

SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LOAN

Reference is made to the announcement of the Company dated 9 October 2019 where it was announced that OFA, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Customer, pursuant to which OFA granted a loan in the principal amount of HK\$80 million to the Customer for a term of 12 months.

The Board wishes to announce that on 9 October 2020 (after trading hours), OFA entered into the Supplemental Agreement with the Customer to extend the repayment date of the Loan to 10 October 2021 with the other terms and conditions of the Loan Agreement remaining unchanged.

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 announcement of the Company dated 9 October 2019 where it was announced that OFA, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Customer, pursuant to which OFA granted a loan in the principal amount of HK\$80 million to the Customer for a term of 12 months.

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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: 9 October 2019

Date of the Supplemental Agreement: 9 October 2020

Lender:	OFA
Borrower:	Customer
Principal:	HK\$80 million
Interest rate:	0.75% per month (i.e. 9% per annum)
Maturity date of the Loan:	10 October 2021
Repayment:	Customer shall repay the 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 subject to the Customer giving OFA not less than 1 month's advance notice in writing
Security:	<ol style="list-style-type: none"> (1) Property mortgage: an all-money first legal charge in favour of OFA in respect of 7 shop units and a small piece of land adjacent thereto located in Prince Edward, Kowloon, which are valued by an independent property valuer at HK\$160 million on 9 September 2020 (2) Personal guarantee by the Guarantor in favour of OFA as supplemented by a deed of confirmation dated 9 October 2020

FUNDING OF THE LOAN

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

INFORMATION OF THE CUSTOMER

The Customer is a property holding company incorporated in Hong Kong with limited liability and was introduced to OFA through its network. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Customer and its ultimate beneficial owner (i.e. the Guarantor) are Independent Third Parties.

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 LOAN AGREEMENT AND THE SUPPLEMENTAL AGREEMENT

OFA is a licensed money lender. The grant of the Loan to the Customer pursuant to the Loan Agreement 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. Given that the terms of the Loan 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

Borrower, 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 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 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
“Company”	Oriental Press Group Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Customer”	Huge Grand Limited, a company incorporated in Hong Kong with limited liability, being the borrower under the Loan Agreement and the Supplemental Agreement, and an Independent Third Party
“Director(s)”	the director(s) of the Company
“Extension”	the extension of the maturity date of the Loan from 10 October 2020 to 10 October 2021
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Lai Chik Chor, the sole shareholder of the Borrower. Mr. Lai is a businessman based in Hong Kong, principally engaged in the pharmaceutical business, being the guarantor under the Loan Agreement and the Supplemental Agreement, and an Independent Third Party
“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”	third party that is independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Loan”	the secured loan with a principal amount of HK\$80 million granted by OFA to the Customer pursuant to the Loan Agreement (as supplemented by the Supplemental Agreement)
“Loan Agreement”	the loan agreement dated 9 October 2019 entered into between OFA and the Customer in respect of the Loan
“OFA”	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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental loan agreement dated 9 October 2020 entered into between OFA and the Customer in respect of the Extension

By order of the Board
Oriental Press Group Limited
Ching-fat MA
Chairman

Hong Kong, 9 October 2020

As at the date hereof, the Board comprises seven Directors, of which three are executive Directors, namely Mr. Ching-fat MA (Chairman), Mr. Ching-choi 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. Ping-wing PAO and Mr. Yat-fai LAM.