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MERDEKA FINANCIAL GROUP LIMITED

領智金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN

PROVISION OF THE LOAN

The Board announces that on 1 April 2022, the Lender, a wholly-owned subsidiary of the Company, and the Borrower, an Independent Third Party, entered into the Loan Agreement in relation to the provision of the Loan in the principal amount of HK\$5,000,000 bearing interest at a rate of 10.0% per annum and for a term of 3 months after the Drawdown Date.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Loan under Rule 19.07 of the GEM Listing Rules exceed 5% but are less than 25%, the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

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THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised as follows:

Date	:	1 April 2022
Lender	:	Merdeka Credit Limited, a company incorporated in Hong Kong with limited liability, (i) 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 a wholly-owned subsidiary of the Company
Borrower	:	The Borrower To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower is an individual and an Independent Third Party
Principal amount	:	HK\$5,000,000
Term	:	three months after the Drawdown Date The Borrower can extend the Maturity Date for another three (3) months subject to one week's prior written notice given by the Borrower to the Lender
Interest rate	:	10.0% per annum
Security	:	A first legal charge/mortgage in respect of a residential property located in Hong Kong with an average indicative valuation of approximately HK\$22,800,000 as at 31 March 2022 as quoted from three commercial banks

The Loan was funded by internal resources of the Group.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) financial services business including securities brokerage services, provision of corporate finance advisory services, asset management business and money lending services; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; and (iii) trading business.

INFORMATION ON THE BORROWER

The Borrower is an individual and a private investor who is principally engaged in property investment.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN

The making of the Loan is collateralised against a residential property provided by the Borrower with a low loan-to-value ratio based on the average indicative value of the mortgaged property for the Loan as at 31 March 2022 as quoted from three commercial banks

The grant of the Loan was also determined on the basis of the Company's credit assessment made on (i) the valuation of the collateral provided by the Borrower, which is a residential property located at prime area in Hong Kong; (ii) the financial strength and repayment ability of the Borrower; and (iii) the relatively short term in nature of the Loan. After taking into account the above factors, the Company considers that the risks involved in granting of the Loan is relatively low.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT

The grant of the Loan to the Borrower is 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 the Lender and the Borrower. The Directors are of the view that the terms of the Loan Agreement were entered into on normal commercial terms based on the Company's credit policy. Taking into account the terms of the Loan, the value of the mortgaged property, the repayment ability of the Borrower and a stable interest income to be generated to the Group, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Loan under Rule 19.07 of the GEM Listing Rules exceed 5% but are less than 25%, the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Borrower”	Ms. YEUNG, Po Ling Pauline, an individual and an Independent Third Party
“Company”	Merdeka Financial Group Limited 領智金融集團有限公司, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM
“Director(s)”	the director(s) of the Company
“Drawdown Date”	the date on which the Loan is drawdown
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar, the currency of Hong Kong
“Independent Third Party”	third party independent of the Company and its connected persons (as defined in the GEM Listing Rules) of the Company and their respective associates (as defined in the GEM Listing Rules)
“Lender”	Merdeka Credit Limited, a company incorporated in Hong Kong with limited liability, (i) 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 a wholly-owned subsidiary of the Company
“Loan”	a term loan in the principal amount of HK\$5,000,000 for a term of 3 months from the Drawdown Date
“Loan Agreement”	the loan agreement dated 1 April 2022 entered into between (a) the Lender, as the lender; and (b) the Borrower, as the borrower, in relation to the provision of the Loan
“Maturity Date”	three months from the Drawdown Date

“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
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%” or “per cent.”	per cent

By order of the Board
MERDEKA FINANCIAL GROUP LIMITED
Wong Hin Shek
Chairman and Chief Executive Officer

Hong Kong, 1 April 2022

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek (Chairman and Chief Executive Officer), Mr. Cheung Wai Yin, Wilson and Ms. Tsang Kwai Ping, the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.