

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

靚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 2 June 2022, the Loan Agreements were entered into between Oi Wah PL as lender and the Customer as borrower. Pursuant to the Loan Agreements, Oi Wah PL has agreed to grant the Loans to the Customer for a term of 24 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 total amount of the Loans exceeds 5% but is less than 25%, the grant of the Loans constitute a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF THE LOANS

The Board is pleased to announce that on 2 June 2022, the Loan Agreements were entered into between Oi Wah PL as lender and the Customer as borrower. Pursuant to the Loan Agreements, Oi Wah PL has agreed to grant the Loans to the Customer for a term of 24 months.

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

	Loan Agreement A	Loan Agreement B	Loan Agreement C
Date of the agreement:	2 June 2022		
Lender:	Oi Wah PL		
Borrower:	The Customer		
Principal:	HK\$21,250,000.00	HK\$3,750,000.00	HK\$1,250,000.00
Interest rate:	12% per annum	13.2% per annum	14.4% per annum
Term:	24 months commencing from the drawdown date		
Security:	A first mortgage and a further legal charge with a rental assignment (if any) in respect of a residential property and a carparking space located in Tai Po, New Territories with valuation conducted by an independent property valuer on 27 May 2022 with the total amount of approximately HK\$150,000,000.00 as at 27 May 2022		
Repayment:	The Customer shall repay monthly instalment in the sum of principal and interest until fully repayment of the principal		

Other terms of the Loan Agreements

The mortgaged properties under the Loan Agreements are insured against fire risks with an insurance company approved by Oi Wah PL.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOANS

The making of the Loans are collateralised.

The collaterals provided by the Customer for the Loans are sufficient as the loan-to-value ratio of the mortgaged properties for the Loans is approximately 70.0% (loan-to-value as a first mortgage to other independent mortgagees: approximately 52.5%, loan-to-value ratio as a first mortgage to the Group: approximately 17.5%) based on the value of the mortgaged properties for the Loans as determined by an independent valuer.

The advance in respect of the Loans was also made on the basis of the Company's credit assessments made on (i) the collaterals provided by the Customer, which are at a prime site in Hong Kong; and (ii) the relatively short term nature of the advance. After having taken into account the factors as disclosed above in assessing the risks of the advance, the Company considers that the risks involved in the advance to the Customer are relatively low.

FUNDING OF THE LOANS

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

INFORMATION OF THE CUSTOMER

The Customer is an individual and a merchant who principally engages in the business of trading of electronic products, mobile phones and hardware equipment.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, 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.

REASONS FOR THE ENTERING INTO OF THE LOAN AGREEMENT

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

The terms of the Loan Agreements were negotiated on an arm's length basis between Oi Wah PL and the Customer. The Directors consider that the grant of the Loans is 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 Agreements 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 Agreements are fair and reasonable and the entering into of the Loan Agreements is 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 total amount of the Loans exceeds 5% but is less than 25%, the grant of the Loans constitutes a discloseable transaction of the Company and is 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 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”	Chiu Ah Kuen (趙亞娟)
“Directors”	the director(s) of the Company
“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
“Loans”	mortgage loans in the total amount of HK\$26,250,000.00 provided by Oi Wah PL to the Customer
“Loan Agreement A”	the loan agreement dated 2 June 2022 entered into between Oi Wah PL and the Customer in respect of a loan in the principal amount of HK\$21,250,000.00

“Loan Agreement B”	the loan agreement dated 2 June 2022 entered into between Oi Wah PL and the Customer in respect of a loan in the principal amount of HK\$3,750,000.00
“Loan Agreement C”	the loan agreement dated 2 June 2022 entered into between Oi Wah PL and the Customer in respect of a loan in the principal amount of HK\$1,250,000.00
“Loan Agreements”	Loan Agreement A, Loan Agreement B and Loan Agreement C
“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 PL”	Oi Wah Property Credit Limited, 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, 2 June 2022

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 Macksion 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 non-executive Directors.