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Oi Wah Pawnshop Credit Holdings Limited

靄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 12 December 2022, the Facility Agreement was entered into between Oi Wah CL as lender and Customer A as borrower. Pursuant to the Facility Agreement, Oi Wah CL has agreed to grant the Loan to Customer A for a term of 18 months.

Prior to entering into of the Facility Agreement, Oi Wah CL entered into the Existing Facility Agreement for the grant of the Existing Loan to Customer B on 21 September 2022.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the Loan is less than 5%, the grant of the Loan does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Customers are associated with each other and the Facility Agreement was entered into on a date within a 12-month period of the date of the Existing Facility Agreement, the transactions contemplated under the Existing Facility Agreement and the Facility Agreement are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the aggregate amount of the Existing Loan and the Loan exceeds 5% but is less than 25%, the grant of the Existing Loan and the Loan constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF THE LOAN

The Board is pleased to announce that on 12 December 2022, the Facility Agreement was entered into between Oi Wah CL as lender and Customer A as borrower. Pursuant to the Facility Agreement, Oi Wah CL has agreed to grant the Loan to Customer A for a term of 18 months.

The principal terms of the Facility Agreement are set out as follows:

FACILITY AGREEMENT

Date of the agreement:	12 December 2022
Lender:	Oi Wah CL
Borrower:	Customer A
Principal:	HK\$10,000,000.00
Interest rate:	P + 7.8% per annum where P represents the prime rate for Hong Kong dollars as may be quoted by China Construction Bank (Asia) Corporation Limited from time to time
Term:	18 months commencing from the date of utilisation of the Loan
Purpose:	The Loan shall be applied by Customer A towards the purchase price for the acquisition of Underlying Loan A which is outstanding under the documents of Underlying Loan A
Date of utilisation of the Loan:	A business day within the period from and including the date of the Facility Agreement to and including the date falling 30 days after the date of the Facility Agreement
Repayment:	Customer A shall repay all outstanding principal, all accrued and unpaid interest and all other amounts due and payable in respect of the Loan in full on Final Maturity Date A
Conditions Precedent:	The utilisation request shall only be made by Customer A upon the facility agent under the Facility Agreement having received the following documents in form and substance to its satisfaction: (a) a certificate from Customer A signed by a director attaching and certifying, among other things, the followings: (i) the latest constitutional documents of Customer A; and

- (ii) a copy of resolution of the board of directors of Customer A approving, among other things, the terms of and the transactions contemplated under the Facility Agreement and resolving that it is in the best interests of Customer A to enter into the transactions contemplated under the Facility Agreement; and
- (b) copies of duly executed Facility Agreement and other ancillary documents.

The Loan shall only be made available to Customer A upon all representations and warranties set out in the Facility Agreement on the date of the utilisation request and on the proposed utilisation date for the Loan having remained true in all material respects.

Security for the Loan

The security for the Loan includes a first ranking fixed charge over all of the right, title and interest in up to 20.2% of the issued shares in Customer A which are owned by PACM Group (Holdings) Limited from time to time in favour of Oi Wah CL.

PROVISION OF THE EXISTING LOAN

Prior to entering into of the Facility Agreement, Oi Wah CL entered into the Existing Facility Agreement for the granting of the Existing Loan with Customer B.

The principal terms of the Existing Facility Agreement are set out as follows:

EXISTING FACILITY AGREEMENT

Date of the agreement:	21 September 2022 (as amended, supplemented and restated by a deed of amendment and restatement dated 12 October 2022)
Lender:	Oi Wah CL
Borrower:	Customer B
Principal:	HK\$22,000,000.00
Interest rate:	11.25% per annum
Term:	24 months commencing from the date of utilisation of the Existing Loan
Purpose:	The Existing Loan shall be applied by Customer B towards the funding of the loan amount under the documents of Underlying Loan B
Date of utilisation of the Existing Loan:	A business day within the period from and including the date of the Existing Facility Agreement to and including the date falling 30 days after the date of the Existing Facility Agreement
Repayment:	Customer B shall repay all outstanding principal, all accrued and unpaid interest and all other amounts due and payable in respect of the Existing Loan in full on Final Maturity Date B
Conditions Precedent:	<p>The utilisation request shall only be made by Customer B upon the facility agent under the Existing Facility Agreement having received, among other things, the following documents in form and substance to its satisfaction:</p> <ul style="list-style-type: none">(a) a certificate from Customer B signed by a director attaching and certifying, among other things, the followings:<ul style="list-style-type: none">(i) the latest constitutional documents of Customer B; and(ii) a copy of resolution of the board of directors of Customer B approving, among other things, the terms of and the transactions contemplated under the Existing Facility Agreement and resolving that it is in the best interests of Customer B to enter into the transactions contemplated under the Existing Facility Agreement; and

- (b) copies of duly executed Existing Facility Agreement and other ancillary documents.

The Existing Loan shall only be made available to Customer B upon all representations and warranties set out in the Existing Facility Agreement on the date of the utilisation request and on the proposed utilisation date for the Existing Loan having remained true in all material respects.

Security for the Existing Loan

The security for the Existing Loan includes a first ranking fixed charge over all of the right, title and interest in up to 20% of the issued shares in Customer B which are owned by PACM Group (Holdings) Limited from time to time in favour of Oi Wah CL.

FUNDING OF THE LOAN AND THE EXISTING LOAN

The Group will finance the Loan and the Existing Loan with the Company's general working capital.

INFORMATION OF THE CUSTOMERS AND ITS ULTIMATE BENEFICIAL OWNER

Customer A is a company incorporated in the British Virgin Islands with limited liability which principally engages in the business of investment holding. Customer A is wholly-owned by PACM Group (Holdings) Limited which in turn is wholly-owned by Francis Chi Yin Ng.

Customer B is a company incorporated in the British Virgin Islands with limited liability which principally engages in the business of investment holding. Customer B is wholly-owned by PACM Group (Holdings) Limited which in turn is wholly-owned by Francis Chi Yin Ng.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the Customers and its ultimate beneficial owner 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 CL, as the lender of the Loan and the Existing Loan, is an indirect wholly-owned subsidiary of the Company.

REASONS FOR THE ENTERING INTO OF THE FACILITY AGREEMENT AND THE EXISTING FACILITY AGREEMENT

Having taken into account the principal business activities of the Group, the grant of the Loan and the Existing Loan Agreement to the Customers is in the ordinary and usual course of business of the Group.

The terms of the Facility Agreement and the Existing Facility Agreement were negotiated on an arm's length basis between Oi Wah CL and the Customers. The Directors consider that the grant of the Loan and the Existing Loan 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 Facility Agreement and the Existing Facility Agreement 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 Customers and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the Facility Agreement and the Existing Facility Agreement are fair and reasonable and the entering into of the Facility Agreement and the Existing Facility Agreement 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 amount of the Loan is less than 5% the grant of the Loan does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Customers are associated with each other and the Facility Agreement was entered into on a date within a 12-month period of the date of the Existing Facility Agreement, the transactions contemplated under the Existing Facility Agreement and the Facility Agreement are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the aggregate amount of the Existing Loan and the Loan exceeds 5% but is less than 25%, the grant of the Existing Loan and the Loan 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 (靄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 A”	Pride Pacific Limited, a BVI business company incorporated under the laws of the British Virgin Islands with limited liability
“Customer B”	Wealth Option Investment Limited, a BVI business company incorporated under the laws of the British Virgin Islands with limited liability
“Customers”	Customer A and Customer B
“Existing Loan”	a secured loan in the amount of HK\$22,000,000.00 provided by Oi Wah CL to Customer B
“Existing Facility Agreement”	the facility agreement dated 21 September 2022 entered into between Oi Wah CL and Customer B in respect of the Existing Loan (as amended, supplemented and restated by a deed of amendment and restatement dated 12 October 2022)
“Facility Agreement”	the facility agreement dated 12 December 2022 entered into between Oi Wah CL and Customer A in respect of the Loan
“Final Maturity Date A”	the earlier of (i) the date falling 18 months from the date of utilisation of the Loan; and (ii) the date falling five business days from Underlying Loan Final Discharge Date A
“Final Maturity Date B”	the earlier of (i) the date falling 24 months from the date of utilisation of the Existing Loan; and (ii) the date falling five business days from Underlying Loan Final Discharge Date B
“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
“Loan”	a secured loan in the amount of HK\$10,000,000.00 provided by Oi Wah CL to Customer A
“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 CL”	Oi Wah 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
“Underlying Loan A”	a secured loan which is to be acquired by Customer A from a licensed bank in Hong Kong which had been offered to an Independent Third Party
“Underlying Loan B”	a secured loan which had been offered by Customer B to an Independent Third Party

“Underlying Loan Final Discharge Date A”	the earlier of the date on which (i) all outstanding amounts under Underlying Loan A have been unconditionally and irrevocably settled in full; and (ii) Customer A has exhausted all commercially reasonable means to realise the full value of Underlying Loan A to the satisfaction of the facility agent under the Facility Agreement
“Underlying Loan Final Discharge Date B”	the earlier of the date on which (i) all outstanding amounts under Underlying Loan B have been unconditionally and irrevocably settled in full; and (ii) Customer B has exhausted all commercially reasonable means to realise the full value of Underlying Loan B to the satisfaction of the facility agent under the Existing Facility Agreement
“%”	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, 12 December 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 Mackston 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 nonexecutive Directors.