

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.



SAU SAN TONG HOLDINGS LIMITED

修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

DISCLOSEABLE TRANSACTION LOAN TRANSACTION

The Board announces that on 3 July 2023 (after trading hours), the Lender, a wholly-owned subsidiary of the Group, entered into the Second Loan Agreement with the Borrowers, pursuant to which the Lender agreed to provide to the Borrowers a loan of HK\$3,000,000 for a term of 12 months.

Pursuant to Rule 19.22 of the GEM Listing Rules, the Second Loan and the First Loan shall be aggregated as if they were one transaction. As one or more of the applicable percentage ratios under Chapter 19 of the GEM Listing Rules in respect of the Second Loan and the First Loan are more than 5% but less than 25%, the Second Loan and the First Loan constitute a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

The Lender entered into the First Loan of HK\$2,000,000 with one of the Borrowers in May 2023 in accordance with the First Loan Agreement. The First Loan is fully settled by part of proceeds of Second Loan as at the date of Second Loan Agreement.

On 3 July 2023 (after trading hours), the Lender, a wholly-owned subsidiary of the Group, entered into the Second Loan Agreement with the Borrowers, pursuant to which the Lender agreed to provide to the Borrowers a loan of HK\$3,000,000 for a term of 12 months.

THE SECOND LOAN AGREEMENT

Principal terms of the Second Loan Agreement are set out as below:

Date: 3 July 2023 (after trading hours)

Parties: (i) Lender
(ii) Borrowers

* For identification purpose only

Principal amount:	HK\$3,000,000, of which HK\$2,000,000 is used to repay the First Loan
Interest rate:	18% per annum with interest payable in monthly intervals
Repayment date:	12 months from the drawdown date, callable on demand by the Lender upon the occurrence of an event of default as provided under the Second Loan Agreement
Drawdown date:	3 July 2023
Early repayment:	Early repayment without penalty shall be permitted by the Borrowers by giving not less than 1 month prior notice in writing
Security:	Secured by the Second Legal Charge over the Property

The Second Loan will be funded by internal resources of the Group.

INFORMATION AND RELATIONSHIP WITH THE BORROWERS

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrowers are third parties independent of the Company and its connected persons as at the date of this announcement.

REASON FOR AND BENEFITS OF THE PROVISION OF THE SECOND LOAN

The Company is an investment holding company. The Group is principally engaged in the provision of beauty and slimming centres, distribution sales of cosmetic and skin care products, sale of other health and beauty products, investments in securities and money lending business.

The Lender is a licensed money lender holding, a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business of the Group.

The terms of the Second Loan Agreement (including the interest rate) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice, and the amount of the Second Loan Agreement. The Directors consider that the terms of the Second Loan Agreement are fair and reasonable and the provision of the Second Loan is in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 19.22 of the GEM Listing Rules, the Second Loan and the First Loan shall be aggregated as if they were one transaction. As one or more of the applicable percentage ratios under Chapter 19 of the GEM Listing Rules in respect of the Second Loan and the First Loan are more than 5% but less than 25%, the Second Loan and the First Loan constitute a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings as set out below unless the context otherwise requires:

“Board”	the board of Directors
“Borrowers”	Mr. Chung Kam Ling and Ms. Chung Ma Lai, who are an individual and businessmen who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are independent third parties not connected with the Company and its connected persons
“Company”	Sau San Tong Holdings Limited, a company incorporated in the Cayman Islands with limited liability and issued shares are listed on GEM (Stock Code: 8200)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“First Loan”	loan in the amount of HK\$2,000,000 granted by the Lender to the Ms. Chung Ma Lai pursuant to the First Loan Agreement
“First Loan Agreement”	loan agreement dated 22 May 2023 entered into between the Lender and Ms. Chung Ma Lai with the principal amount of HK\$2,000,000 and interest rate of 17% per annum.
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange (as amended from time to time)
“GEM”	The GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, 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)”	individual(s) or company(ies) who or which is/are independent of and not connected with (within the meaning of the GEM Listing Rules) the Company and any directors, chief executives or substantial shareholders (within the meaning of the GEM Listing Rules) of the Company, its subsidiaries or any of their respective associates and not otherwise a connected person of the Company
“Lender”	Sun Fung Capital Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Group
“Property”	a land of approximately 30,000 square feet and the properties attached thereto, located in Sha Tin, Hong Kong
“Second Legal Charge”	a second legal charge over the Property executed by the Borrowers in favour of the Lender as a security for all sums advanced by the Lender to the Borrowers and outstanding in respect of the Second Loan and all interested accrued thereon and all other moneys and obligations in respect of moneys which the Borrowers covenanted to pay to the Lender under the Second Loan
“Second Loan”	loan in the amount of HK\$3,000,000 granted by the Lender to the Borrowers pursuant to the Second Loan Agreement
“Second Loan Agreement”	loan agreement dated 3 July 2023 entered into between the Lender and Borrowers
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
SAU SAN TONG HOLDINGS LIMITED
Mui Wai Sum
Executive Director

Hong Kong, 3 July 2023

As at the date of this announcement, the Board comprises executive directors namely Mr. Mui Wai Sum and Mr. Lei Nelson; non-executive director namely Mr. Takashi Togo; independent non-executive directors namely Mr. Lau Wai Leung, Alfred, Mr. Au Siu Lun and Ms. Tsang Tsz Nok Aleen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company’s website at www.sst-holding.com.