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東方企控集團有限公司
ORIENTAL ENTERPRISE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 18)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN

The Board announces that on 9 August 2023 (after trading hours), the Loan Agreement was entered into between OFA, a wholly-owned subsidiary of the Company as lender, and the Customer as borrower, pursuant to which OFA agreed to grant a secured loan in the amount of HK\$150 million to the Customer for a term of 12 months.

As some of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan exceed 5% but are less than 25%, the grant of the Loan 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

The Board announces that on 9 August 2023 (after trading hours), the Loan Agreement was entered into between OFA, a wholly-owned subsidiary of the Company as lender, and the Customer as borrower, pursuant to which OFA agreed to grant a secured loan in the amount of HK\$150 million to the Customer for a term of 12 months.

THE LOAN AGREEMENT

The principal terms of the Loan Agreement are set out below:

Date:	9 August 2023
Lender:	OFA
Borrower:	Customer
Principal:	HK\$150 million
Interest rate:	0.92% per month (i.e. 11.04% per annum)
Term:	12 months commencing from the Drawdown Date
Repayment:	Customer shall pay interest monthly and repay the principal amount of the Loan and interest payable at maturity

Early repayment:	The Customer shall be entitled at any time by notice in writing to OFA to prepay the outstanding Loan and interest
Security:	An all-money first legal charge in favour of OFA in respect of a residential property located in Repulse Bay, Southern District, Hong Kong which are valued by an independent property valuer at HK\$230 million in July 2023

FUNDING OF THE LOAN

OFA will finance the Loan with the Group's internal resources.

INFORMATION OF THE CUSTOMER AND THE MORTGAGOR

The Customer is a merchant. The Mortgagor is wholly-owned by the Customer and is principally engaged in the business of property holding. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Customer and the Mortgagor 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 the 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

OFA had conducted credit risks assessment before granting the Loan in accordance with its customary procedures. In particular, OFA had carried out the following measures:

1. taking into consideration of the value of the properties located in Repulse Bay, Southern District, Hong Kong (being the security pledged under the Loan) of HK\$230 million assessed by an independent property valuer in July 2023;
2. reviewing the statutory records of the Mortgagor (including its articles of association);
3. considering the background of the Customer and the Mortgagor, including but not limited to the business activities undertaken by them and their financial status (including reviewing the financial information (such as the financial statements and bank statements)); and
4. conducting litigation and bankruptcy searches against the Customer and litigation and winding-up searches against the Mortgagor.

Based on the above and after taking into account the principal business of OFA, the grant of the Loan to the Customer pursuant to the Loan Agreement is in the ordinary course of business of OFA.

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 the Loan is expected to generate a stable revenue and cash flow stream of interest income to the Group interest income, the Directors are of the view that the terms of the Loan Agreement and the entering into of the Loan 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 exceed 5% but are less than 25%, the grant of the Loan 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 the Directors
“Company”	Oriental Enterprise Holdings 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”	Mr. Lam Chok Lai, being the borrower under the Loan Agreement and an Independent Third Party
“Director(s)”	the director(s) of the Company
“Drawdown Date”	10 August 2023
“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”	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\$150 million to be granted by OFA to the Customer pursuant to the Loan Agreement
“Loan Agreement”	the agreement dated 9 August 2023 entered into between the Customer and OFA in respect of the Loan
“Mortgagor”	South Bay (Holdings) Limited, a company incorporated in Hong Kong with limited liability, an Independent Third Party and wholly owned by the Customer

“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

By order of the Board
Oriental Enterprise Holdings Limited
Ching-fat MA
Chairman

Hong Kong, 9 August 2023

As at the date hereof, the Board comprises seven Directors, of which three are executive Directors, namely Mr. Ching-fat MA (Chairman), Mr. King-ho 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.