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**Hong Kong Finance Group Limited**  
**香港信貸集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1273)**

**DISCLOSEABLE TRANSACTION**  
**PROVISION OF FINANCIAL ASSISTANCE**

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The Board is pleased to announce that on 27 March 2024, the Loan Agreement was entered into between HK Finance as the lender and Customer AI, Customer AJ, Customer AK, Customer AL and Customer AM, collectively as the Borrowers. Pursuant to the Loan Agreement, HK Finance has agreed to grant the Loan to the Borrowers for a principal amount of HK\$18,000,000.

**LISTING RULES IMPLICATIONS**

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrowers under the Loan Agreement exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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Summarised below are the principal terms of the Loan Agreement.

**THE LOAN AGREEMENT**

Date of the Loan Agreement : 27 March 2024

Lender : HK Finance

Borrowers	: Customer AI, Customer AJ, Customer AK, Customer AL and Customer AM
Principal	: HK\$18,000,000
Interest rate	: 1.8% per month (equivalent to 21.6% per annum)
Term	: 6 months commencing from the drawdown date
Security	: A second mortgage in respect of a residential property located at Cornwall Street, Kowloon with valuation conducted by an independent property valuer with the amount of approximately HK\$100,000,000 as at 19 March 2024
Repayment	: the Borrowers will repay the interest on a monthly basis with a principal sum to be repaid at maturity of the Loan

### **INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN**

The making of the Loan is collateralised. The collateral provided by the Borrowers are sufficient based on the value of the mortgaged property for the Loan determined by an independent valuer.

The advance in respect of the Loan is also made on the basis of the Group's credit assessments with reference to the facts that (i) the collateral provided by the Borrowers is at the prime site in Hong Kong; (ii) the financial backgrounds of both Customer AJ and Customer AK are solid to prove the repayment ability of the Borrowers; and (iii) the term of the advance is relatively short. After taking into account the factors as disclosed above in assessing the risks of the relevant advance, the Group considers that the risks involved in the advance to the Borrowers are manageable.

### **FUNDING OF THE LOAN**

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

### **INFORMATION ON THE BORROWERS**

Customer AI, Customer AJ and Customer AK are individuals and Customer AI and Customer AJ are closely connected to each other. Customer AJ and Customer AK are employees and holding directorships in several companies listed in Hong Kong. Customer AL is a company incorporated in Hong Kong engaging in the business of property investment holdings and is a wholly-owned subsidiary of Customer AM, a company incorporated in British Virgin Islands and is directly and ultimately owned by Customer AI and Customer AJ equally. The Borrowers are new customers and were approached by the Group through its network. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrowers are Independent Third Parties and not connected with the Group.

## **INFORMATION ON THE GROUP AND THE LENDER**

The Company is an investment holding company. The Group is principally engaged in money lending business in Hong Kong under the Money Lenders Ordinance. HK Finance, as the lender, is an indirect wholly-owned subsidiary of the Company.

## **REASONS FOR ENTERING INTO THE LOAN AGREEMENT**

Taking into account the principal business activities of the Group, the grant of the Loan to the Borrowers 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 HK Finance and the Borrowers. The Directors consider that the grant of the Loan is a financial assistance provided by the Group within the meaning of the Listing Rules. The Directors are of the view that the terms of the Loan Agreement was entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Borrowers and that a stable revenue and cashflow stream from the interest income is expected, 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.

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## **DEFINITIONS**

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrowers”	Customer AI, Customer AJ, Customer AK, Customer AL, and Customer AM collectively
“Company”	Hong Kong Finance Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Customer AI”	Ms. Lok Hoi Yan (駱海茵), an individual who is an Independent Third Party
“Customer AJ”	Mr. Lei Hong Wei (李雄偉), an individual who is an Independent Third Party
“Customer AK”	Mr. Cheung Kwok Wai Elton (張國偉), an individual who is an Independent Third Party

“Customer AL”	Mander International Limited (名達國際有限公司), a company incorporated in Hong Kong with limited liability, and is an Independent Third Party
“Customer AM”	Business Power Holdings Limited, a company incorporated in British Virgin Islands with limited liability, and is an Independent Third Party
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HK Finance”	Hong Kong Finance Company Limited, a company incorporated in Hong Kong with limited liability with money lenders licence registered under Money Lenders Ordinance, and is an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s) (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a second mortgage loan in the principal amount of HK\$18,000,000 provided by HK Finance to the Borrowers under the Loan Agreement
“Loan Agreement”	the loan agreement dated 27 March 2024 entered into between HK Finance and the Borrowers
“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\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

On behalf of the Board  
**Hong Kong Finance Group Limited**  
**Chan Kwong Yin William**  
*Chairman*

Hong Kong, 27 March 2024

As at the date of this announcement, the Board comprises the following members:

**Executive Directors:**

Mr. Chan Kwong Yin William (*Chairman*)  
Mr. Chan Koung Nam  
Mr. Tse Pui To (*Chief Executive Officer*)  
Ms. Chan Siu Ching

**Independent Non-executive Directors:**

Mr. Chu Yat Pang Terry  
Mr. Cheung Kok Cheong  
Mr. Wong Kai Man