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中金投集团

China Financial Services Holdings Ltd

China Financial Services Holdings Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 605)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 12 April 2024, the Loan Agreement was entered into between SZCG as the lender and Customer CI as the Borrower, pursuant to which SZCG has agreed to grant the Loan to the Borrower for a principal amount of RMB7,000,000 for five years term.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements 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 Agreement	:	12 April 2024
Lender	:	SZCG
Borrower	:	Customer CI
Principal	:	RMB7,000,000
Interest rate	:	12% per annum
Term	:	5 years commencing from the drawdown date
Security	:	A first legal charge mortgage in respect of a residential property located at Nanshan District, Shenzhen, with valuation conducted by an independent property valuer in Shenzhen with the amount of approximately RMB9,341,000 as at 2 April 2024
Repayment	:	the Borrower will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN

The making of the Loan is collateralised against a residential property. The collateral provided by the Borrower for the Loan is sufficient based on the value of the mortgaged property for the Loan as determined by an independent valuer.

The advances in respect of the Loan are also made on the basis of the Company's credit assessments with reference to the facts that (i) the collateral provided by the Borrower is at the prime site in Shenzhen and the relatively low loan-to-value ratio at approximately 74.9%; and (ii) the Borrower's net worth is strong and solid to prove her repayment ability and the Borrower has an acceptable repayment record on the basis that there has not been any enforcement action taken against the Borrower in the past 5 years and the Borrower did not have any record of prolonged late payment as revealed by the customer credit report issued by the credit reference center of the People's Bank of China on the Borrower. After taking into account the factors as disclosed above in assessing the risks of the relevant advances, the Company considers that the risks involved in the advances to the Borrower are manageable.

FUNDING OF THE LOAN

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

INFORMATION ON THE BORROWER

Customer CI is a PRC individual and merchant who engages in the manufacturing industry. The Borrower is a new customer and has no previous relationship with the Group, and was 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 Borrower is an Independent Third Party 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 provision of financial services in HK and the PRC. SZCG, as the lender of the Loan, is a wholly-owned subsidiary controlled by 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 Borrower is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement, including the interest rate applicable, were negotiated on an arm's length basis between SZCG and the Borrower, having taken into account the prevailing market terms and practice of transactions of similar nature. 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 were entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Borrower 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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Pursuant to Rule 14.58(2) of the Listing Rules, the identity of the Borrower is required to be disclosed. Since (i) the advance of the Loan is not regarded as a material transaction of the Company as compared to the Company’s overall financial position; (ii) the Company has practical difficulties in complying with the aforesaid disclosure requirement as the Borrower has confirmed to the Group that she will not consent to the disclosure of her identity in this announcement; (iii) the disclosure of the identity of the Borrower does not reflect her financial standing or repayment ability and thus will serve little purpose in assisting the Shareholders to evaluate her creditworthiness and the risks and exposure of the Loan; and (iv) the Company has made alternative disclosures in respect of the Loan in this announcement, including but not limited to the details of the charged property and the loan-to-value ratio of the collateral in respect of the Loan, which would be much more meaningful for the Shareholders in assessing the risks and exposure of the Loan as well as the repayment ability of the Borrower, the Company has applied to the Stock Exchange, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.58(2) of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Customer CI
“Company”	China Financial Services Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Customer CI”	an individual who 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
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“PRC”	People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“SZCG”	Shenzhen Credit Gain Finance Company Limited (深圳市領達小額貸款有限公司), is a wholly-foreign-owned enterprise established in the PRC whose principal business is the provision of loans to individuals and SME in Shenzhen
“Share(s)”	share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Loan”	the first legal charge mortgage loan in the amount of RMB7,000,000 granted to the Borrower under the Loan Agreement
“the Loan Agreement”	the loan agreement made between SZCG and the Borrower for the Loan on 12 April 2024

By Order of the Board
China Financial Services Holdings Limited
Chung Chin Keung
Company Secretary

Hong Kong, 12 April 2024

As at the date of this announcement, the directors of the Company are:

Executive Director:

Mr. Zhang Min (*Chief Executive Officer*)

Non-executive Director:

Mr. Tao Chun

Independent Non-executive Directors:

Mr. John Paul Ribeiro

Mr. Zhang Kun

Mr. Chan Chun Keung

Mr. Lee Ka Wai

Madam Zhan Lili