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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 17 May 2024, the Loan Agreement B was entered into between BZPC as the lender and Customer CS and Customer CT as the Borrowers, pursuant to which BZPC has agreed to grant the Loan B to the Borrowers for a principal amount of RMB1,000,000 for one year term.

Prior to the entering into of the Loan Agreement B, BZPC, as lender, has entered into the Loan Agreement A for the grant of a secured loan in the amount of RMB1,800,000 to the Borrowers for one year term on 9 November 2023 and the outstanding principal amount of the Loan A as at the date of this announcement is RMB1,800,000.

Upon the drawdown of the Loan B, BZPC has granted two secured loans in an aggregate amount of RMB2,800,000 to the Borrowers.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of both Loan A and Loan B granted to the Borrowers in aggregate exceeds 5% but is less than 25%, the grant of both Loan A and Loan B in aggregate constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF THE LOAN B

The Board is pleased to announce that on 17 May 2024, the Loan Agreement B was entered into between BZPC as the lender and Customer CS and Customer CT as the Borrowers, pursuant to which BZPC has agreed to grant the Loan B to the Borrowers for a principal amount of RMB1,000,000 for one year term.

Summarised below are the principal terms of the Loan Agreement B.

THE LOAN AGREEMENT B

Date of Agreement	:	17 May 2024
Lender	:	BZPC
Borrowers	:	Customer CS and Customer CT
Principal	:	RMB1,000,000
Interest rate	:	14.4% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A first legal charge mortgage in respect of one residential property located at Fangshan District, with valuation conducted by an independent property valuer in Beijing with an amount of approximately RMB1,790,000 as at 7 May 2024
Repayment	:	the Borrowers will repay the interest on a monthly basis with a principal amount to be repaid at maturity.

PROVISION OF THE LOAN A

Prior to the entering into of the Loan Agreement B, BZPC, as lender, has entered into the Loan Agreement A for the grant of a secured loan to the Borrowers for a principal amount of RMB1,800,000 for one year term on 9 November 2023.

Summarised below are the principal terms of the Loan Agreement A.

THE LOAN AGREEMENT A

Date of Agreement	:	9 November 2023
Lender	:	BZPC
Borrowers	:	Customer CS and Customer CT
Principal	:	RMB1,800,000
Interest rate	:	14.4% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A first legal charge mortgage in respect of one residential property located at Fangshan District, Beijing, with valuation conducted by an independent property valuer in Beijing with an amount of approximately RMB2,970,000 as at 20 October 2023
Repayment	:	the Borrowers 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 A AND LOAN B

The making of both Loan A and Loan B is collateralised against two residential properties. The collaterals provided by the Borrowers for both Loan A and Loan B are sufficient based on the value of the mortgaged properties for both Loan A and Loan B as determined by an independent valuer.

The advances in respect of both Loan A and Loan B are also made on the basis of the Company's credit assessments with reference to the facts that (i) the collaterals provided by the Borrowers are at the prime site in Beijing; (ii) the Borrowers are repeated customers and their net worth are strong and solid to prove their repayment abilities; and (iii) the relatively short term nature of both Loan A and Loan B. 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 Borrowers are manageable.

INFORMATION ON THE BORROWERS

Customer CS and Customer CT are PRC individuals who are merchants and engage in the waste management industry. Customer CS is the spouse of Customer CT. 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 provision of financial services in HK and the PRC. BZPC, as the lender of both Loan A and Loan B, is a wholly-owned subsidiary controlled by the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT B

Taking into account the principal business activities of the Group, the grant of the Loan B to the Borrowers is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement B, including the interest rate applicable, were negotiated on an arm's length basis between BZPC and the Borrowers, having taken into account the prevailing market terms and practice of transactions of similar nature. The Directors consider that the grant of the Loan B 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 B were 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 B are fair and reasonable and the entering into of the Loan Agreement B is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of both Loan A and Loan B granted to the Borrowers in aggregate exceeds 5% but is less than 25%, the grant of both Loan A and Loan B in aggregate constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrowers”	Customer CS and Customer CT
“BZPC”	Beijing Zhongjintou Pawnshop Co., Ltd (北京中金投典当行有限公司), is a limited liability company established in the PRC whose principal business is the provision of loans to individuals and SME in Beijing

“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 CS”	Mr. Deng Gui Rong (鄧桂榮), an individual who is an Independent Third Party and the spouse of Customer CT
“Customer CT”	Ms. Dong Yong Hong (董永紅), an individual who is an Independent Third Party and the spouse of Customer CS
“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 and Macau Special Administrative Region of the PRC and Taiwan
“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 A”	the first legal charge mortgage loan in the amount of RMB1,800,000 granted to the Borrowers under the Loan Agreement A
“the Loan Agreement A”	the loan agreement made between BZPC and the Borrowers for the Loan on 9 November 2023
“the Loan B”	the first legal charge mortgage loan in the amount of RMB1,000,000 granted to the Borrowers under the Loan Agreement B
“the Loan Agreement B”	the loan agreement made between BZPC and the Borrowers on 17 May 2024

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

Hong Kong, 17 May 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