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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 June 2024, the Loan Agreement C was entered into between CDVC as the lender and Customer CZ as the Borrower, pursuant to which CDVC has agreed to grant the Loan C to the Borrower for a principal amount of RMB1,200,000 for a term of five years.

Prior to the entering into of the Loan Agreement C, CDVC, as lender, has entered into the Loan Agreement A and Loan Agreement B for the grant of two secured loans in the amounts of RMB2,980,000 and RMB2,200,000 to the Borrower for term of three years on 30 June 2022 and 22 September 2023 respectively and the outstanding principal amount of the Loan A and Loan B in aggregate as at the date of this announcement is approximately RMB3,056,000.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Loan A, Loan B and Loan C granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of the Loan A, Loan B and Loan C 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 C

The Board is pleased to announce that on 17 June 2024, the Loan Agreement C was entered into between CDVC as the lender and Customer CZ as the Borrower, pursuant to which CDVC has agreed to grant the Loan C to the Borrower for a principal amount of RMB1,200,000 for term of five years.

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

THE LOAN AGREEMENT C

Date of Agreement	:	17 June 2024
Lender	:	CDVC
Borrower	:	Customer CZ
Principal	:	RMB1,200,000
Interest rate	:	8.16% per annum
Term	:	5 years commencing from the drawdown date
Security	:	(i) A third legal charge mortgage in respect of the same residential property under Loan Agreement A and B, with valuation conducted by an independent property valuer in Chengdu with the amount of approximately RMB5,359,000 as at 11 June 2024 (ii) Personal guarantees executed by the Guarantors in favour of CDVC, pursuant to which the Guarantors shall guarantee the repayment obligation of the Borrower under the Loan Agreement C
Repayment	:	the Borrower will repay the interest and principal amount on a monthly basis in 60 monthly instalments.

PROVISION OF THE LOAN A AND LOAN B

Prior to the entering into of the Loan Agreement C, CDVC, as lender, has entered into the Loan Agreement A and Loan Agreement B for the grant of two secured loans to the Borrower for principal amounts of RMB2,980,000 and RMB2,200,000 for term of three years on 30 June 2022 and 22 September 2023 respectively.

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

THE LOAN AGREEMENT A

Date of Agreement	:	30 June 2022
Lender	:	CDVC
Borrower	:	Customer CZ
Principal	:	RMB2,980,000
Interest rate	:	16.08% per annum
Term	:	3 years commencing from the drawdown date
Security	:	(i) A first legal charge mortgage in respect of a residential property located at Gaoxin District, Chengdu, with valuation conducted by an independent property valuer in Chengdu with the amount of approximately RMB5,039,000 as at 30 June 2022 (ii) Personal guarantees executed by the Guarantors in favour of CDVC, pursuant to which the Guarantors shall guarantee the repayment obligation of the Borrower under the Loan Agreement A
Repayment	:	the Borrower will repay the interest and principal amount on a monthly basis in 36 monthly instalments.

THE LOAN AGREEMENT B

Date of Agreement	:	22 September 2023
Lender	:	CDVC
Borrower	:	Customer CZ
Principal	:	RMB2,200,000
Interest rate	:	14.88% per annum
Term	:	3 years commencing from the drawdown date
Security	:	(i) A second legal charge mortgage in respect of the same residential property under Loan Agreement A, with valuation conducted by an independent property valuer in Chengdu with the amount of approximately RMB5,305,000 as at 21 September 2023 (ii) Personal guarantees executed by the Guarantors in favour of CDVC, pursuant to which the Guarantors shall guarantee the repayment obligation of the Borrower under the Loan Agreement B
Repayment	:	the Borrower will repay the interest and principal amount on a monthly basis in 36 monthly instalments.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOANS

The making of the Loan A, Loan B and Loan C is collateralised against a residential property. The collateral provided by the Borrower for the Loan A, Loan B and Loan C is sufficient based on the value of the mortgaged property as determined by an independent valuer for the outstanding principal amount of Loan A and Loan B and principal amount of Loan C.

The advances in respect of the Loan A, Loan B and Loan C 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 are at the prime site in Chengdu; (ii) the Borrower's net worth is strong and solid to prove its repayment ability; and (iii) the Borrower is a repeated customer and his repayment records for Loan A and Loan B are satisfactory. 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.

INFORMATION ON THE BORROWER AND GUARANTORS

Customer CZ is a PRC individual who is a merchant and engages in construction industry and is a repeated customer of CDVC with an outstanding principal of the Loan A and Loan B, prior to the grant of the Loan C, of approximately RMB3,056,000 in aggregate and there is no record of default as at the date of this announcement. Guarantors are PRC individuals. Guarantor A is the spouse of the Borrower and the mother of Guarantor B. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower and the Guarantors 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. CDVC, as the lender of the Loan A, Loan B and Loan C, is a non wholly-owned subsidiary controlled by the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENTS

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

The terms of the Loan Agreement A, Loan Agreement B and Loan Agreement C including the interest rate applicable, were negotiated on an arm's length basis between CDVC 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 A, Loan B and Loan C 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 A, Loan Agreement B and Loan Agreement C 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 A, Loan Agreement B and Loan Agreement C are fair and reasonable and the entering into of the Loan Agreement A, Loan Agreement B and Loan Agreement C 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 the Loan A, Loan B and Loan C granted to the Borrower in aggregate exceeds 5% but is less than 25%, the grant of the Loan A, Loan B and Loan C 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
“Borrower”	Customer CZ
“CDVC”	Chengdu Vision Credit Limited (成都市武侯惠信小額貸款有限責任公司), is a sino-foreign enterprise established in the PRC whose principal activities is the provision of loans to individuals and SME in Chengdu

“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 CZ”	Mr. Li Gongzai (李功再), an individual who is an Independent Third Party and is the spouse of Guarantor A and the father of Guarantor B
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantors”	Guarantor A and Guarantor B
“Guarantor A”	Guan Zhengpin (官正萍), an individual who is an Independent Third Party, the spouse of the Borrower and mother of Guarantor B
“Guarantor B”	Ms. Li Yuming (李兩名), an individual who is an Independent Third Party and daughter of the Borrower and Guarantor A
“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 RMB2,980,000 granted to the Borrower under the Loan Agreement A
“the Loan Agreement A”	the loan agreement made between CDVC and the Borrower for the Loan on 30 June 2022
“the Loan B”	the second legal charge mortgage loan in the amount of RMB2,200,000 granted to the Borrower under the Loan Agreement B
“the Loan Agreement B”	the loan agreement made between CDVC and the Borrower on 22 September 2023
“the Loan C”	the third legal charge mortgage loan in the amount of RMB1,200,000 granted to the Borrower under the Loan Agreement C
“the Loan Agreement C”	the loan agreement made between CDVC and the Borrower for the Loan C on 17 June 2024

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

Hong Kong, 17 June 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