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DISCLOSEABLE TRANSACTION IN RELATION TO EXTENSION OF LOAN FACILITY

Reference is made to the announcement of the Company dated 12 January 2021 regarding the Loan Agreement entered into between the Lender, a wholly-owned subsidiary of the Company, and the Borrower pursuant to which the Lender agreed to grant to the Borrower a loan facility in the principal amount not exceeding of HK\$56,000,000 bearing interest at a rate of 10% per annum for a term of 12 months.

On 30 December 2021, the Lender entered into the Supplemental Loan Agreement with the Borrower, pursuant to which the Lender agreed to extend the repayment date of the Loan Facility by 12 months to 11 January 2023. The principal terms of the Supplemental of Loan Agreement are set out in the paragraph headed “The Supplemental Loan Agreement” in this announcement.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the amount of financial assistance granted to the Borrower exceeds 5% but not more than 25%, the extension of the Loan Facility constitutes a discloseable transaction for the Company and is therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that on 30 December 2021, the Supplemental Loan Agreement was entered into between the Lender, an indirect wholly-owned subsidiary of the Company, and the Borrower. Pursuant to the Supplemental Loan Agreement, the Lender has agreed to extend the repayment date of the Loan Facility by 12 months to 11 January 2023.

Principal terms of the Supplemental Loan Agreement are Summarized below:

SUPPLEMENTAL LOAN AGREEMENT

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| Date: | 30 December 2021 |
| Lender: | TF Advances Limited, a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of the Company |
| Borrower: | Ms. Qiao Yanfeng (喬艷峰) |
| Principal amount: | Not more than HK\$56,000,000 |
| Interest rate: | 10% per annum, payable quarterly |
| Repayment Date: | The date falling 12 months from the date of the original repayment date (i.e. 11 January 2023) |
| Early Repayment: | <p>The Borrower may request for early repayment of the whole of the principal amount outstanding under the Loan Facility together with interest accrued and unpaid thereof</p> <p>The amount of any early partial repayment shall be at least HK\$500,000 or any integral multiples thereof</p> |
| Security: | The repayment obligations of the Borrower under the Supplemental Loan Agreement are secured by the Share Charge Deeds, charging of shares of Newgate International, a private company incorporated in Hong Kong with a fair value as at 30 November 2021 of approximately HK\$232 million equivalent to more than four times of the principal amount |

Principal terms of the Share Charge Deeds are summarized below:

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| Chargor | Lucky Cosmos Investments Limited |
| Chargee | TF Advances Limited, a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of the Company |
| Charged Shares | 100 shares of Newgate International, a company incorporated in Hong Kong with limited liability, representing 100% issued share capital of Newgate International |
| Assignment of Shareholder's Loan | The Chargor undertakes to assign to the Lender (or its nominee) all loans due and payable from Newgate International to it, in case of the Share Charge Deeds are enforceable against the Chargor |

INFORMATION OF THE CHARGOR GROUP AND THE BORROWER

The Chargor is a company incorporated in the British Virgin Islands and is an investment holding company. The ultimate beneficial owners of the Chargor are Wei Gaoheng (魏高恒), Gao Guoliang (高國良) and Qiao Yanfeng (喬艷峰) and their indirect beneficial shareholdings in the Chargor are 5%, 5% and 90%, respectively.

Qiao Yanfeng (喬艷峰) is a merchant in the PRC.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Chargor, Newgate International, Wei Gaoheng (魏高恒), Gao Guoliang (高國良) and Qiao Yanfeng (喬艷峰) is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE EXTENSION OF LOAN FACILITY

The Company is incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange.

The principal business of the Group comprises the (i) the provision of finance lease consulting services and financing services in the PRC; (ii) investment properties in the PRC and Hong Kong, investment in securities and money lending business in Hong Kong, (iii) sale of medical, healthcare and hygiene products, and (iv) research and development, manufacturing and sale of food additives, new food ingredients and nutritional enhancers in the PRC.

The Lender is an indirect wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The extension of the Loan Facility is a transaction carried out as part of the ordinary and usual course of business of the Group. The Loan Facility was funded by internal resources of the Group. The terms of the Supplemental Loan Agreement (including the interest rate) were arrived at by Lender and the Borrower after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan Facility. Having considered (i) the fair market value of the security provided by the Chargor, (ii) the financial background of the Borrower, (iii) the repayment record of the Borrower, and (iv) the interest income to be received by the Group, the Directors consider that the terms of the Supplemental Loan Agreement are fair and reasonable and the extension of the Loan Facility is in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the amount of financial assistance granted to the Borrower exceeds 5% but not more than 25%, the extension of the Loan Facility constitutes a discloseable transaction for the Company and is therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement the following expressions shall have the following meanings, unless the context otherwise requires:

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| “Board” | the board of Directors |
| “Borrower” | Ms. Qiao Yanfeng (喬艷峰) |
| “Chargor” | Lucky Cosmos Investments Limited, a company incorporated in the British Virgin Islands with limited liability |
| “Company” | China Ever Grand Financial Leasing Group Co., Ltd., a company incorporated in the Cayman Islands whose shares are listed and traded on the Stock Exchange |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |

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| “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” | a third party which is independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company |
| “Lender” | TF Advances Limited, a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Loan Agreement” | a loan agreement dated 12 January 2021 entered into between the Lender and the Borrower in relation to the provision of the Loan Facility |
| “Loan Facility” | the loan facility in principal amount not exceeding HK\$56,000,000 granted by the Lender to the Borrower pursuant to the Loan Agreement and the Supplemental Loan Agreement |
| “Newgate International” | Newgate International Limited (新遠國際有限公司), a company incorporated in Hong Kong whose share capital is directly and wholly owned by the Chargor |
| “PRC” | the People’s Republic of China |
| “Share Charge Deeds” | a share charge deed dated 12 January 2021 entered into between the Lender and the Chargor in relation to charging all issued share capital of Newgate International, as supplemented and amended by a confirmatory deed dated 30 December 2021 |

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Supplemental Loan Agreement” | the supplemental agreement to the Loan Agreement dated 30 December 2021 entered into between the Borrower and the Lender in relation to the extension of the Loan Facility for a further 12 months |
| “%” | per cent |

By order of the Board
China Ever Grand Financial Leasing Group Co., Ltd.
Lai Ka Fai
Executive Director

Hong Kong, 30 December 2021

As at the date of this announcement, the Board comprises (1) Mr. Wong Lik Ping, Mr. Lai Ka Fai, Mr. Tao Ke, Mr. Qiao Weibing and Mr. Ng Tin Shui as Executive Directors; (2) Ms. Yip Man Yi as Non-Executive Director; and (3) Mr. Goh Choo Hwee, Mr. Ho Hin Yip, Mr. U Keng Tin and Mr. Leung Yiu Ming, David as Independent Non-Executive Directors.