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Lerado Financial Group Company Limited

隆成金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN

The Board announces that on 15 August 2022 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to provide the Loan in the principal amount of HK\$3,300,000 to the Borrower. As the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the entering into of the Loan Agreement exceed 5% but are less than 25%, the entering into of the Loan Agreement constitutes a discloseable transaction of the Company under the Chapter 14 of the Listing Rules.

The Board announces that on 15 August 2022 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to provide the Loan in the principal amount of HK\$3,300,000 to the Borrower.

The principal terms of the Loan Agreement are set out below:

THE LOAN AGREEMENT

Parties

Lender : Lerado Finance Limited

Borrower : Mr. Jin QiBin (“Mr. Jin”)

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower is a third party independent from the Company and its connected person(s) (as defined under the Listing Rules).

Principal terms of the Loan Agreement

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|-----------------------|---|--|
| Date | : | 15 August 2022 |
| Term | : | a period of twelve calendar months from the date of drawdown |
| Principal amount | : | HK\$3,300,000 |
| Repayment | : | a period of twelve calendar months from the date of drawdown |
| Early repayment | : | the Borrower may repay the principal amount of the Loan in full and pay the accrued interest and (if any) all further sum payable by the Borrower under the Loan Agreement by giving prior written notice to the Lender pursuant to the Loan Agreement |
| Interest | : | Interest shall accrue on the Loan at the rate of eight per cent. (8%) per annum (payable by the Borrower to the Lender at the end of each calendar quarter) and at a lump-sum of four per cent. (4%) (payable by the Borrower to the Lender at the drawing of the loan). |
| Security for the Loan | : | no security is provided by the Borrower |

REASONS FOR ENTERING INTO THE LOAN AGREEMENT

The Company is an investment holding company. The Group is principally engaged in providing financial services, including securities broking, margin financing and money lending etc., and manufacturing and distributing children plastic toys and medical care products like mobility aid and other medical equipment.

The Lender is a registered money lender holding a valid money lenders license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), and is principally engaged in the business of money lending services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender and generate a stable revenue and cash flow stream to the Group from interest income. The Loan will be funded by internal resources of the Group.

The Loan Agreement was arrived at after arm's length negotiations between the Lender and the Borrower, having taken into account the interest income to the Lender.

Having reviewed the background and the asset proof of the Borrower, the Group considered that it had performed adequate thorough review based on its loan approval procedures before granting the Loan. The Directors are of the view that the provision of the Loan under the Loan Agreement is on normal commercial terms based on the Group's internal credit policy, which is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Information on the Borrower

Mr. Jin is the general manager of a PRC company engaged in property management and real estate business and an investor having investments in Hong Kong.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, Mr. Jin is a third party independent from the Company and its connected persons (as defined under the Listing Rules).

LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the entering into of the Loan Agreement exceed 5% but are less than 25%, the entering into of the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

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|---------------|---|
| “Board” | the board of Directors |
| “Borrower” | Mr. Jin QiBin |
| “Company” | Lerado Financial Group Company Limited, a company incorporated in Bermuda, the shares of which are listed on the main board of the Stock Exchange |
| “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 |
| “Lender” | Lerado Finance Limited, an indirect wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) |

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| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |
| “Loan” | the loan in the amount of up to HK\$3,300,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement |
| “Loan Agreement” | the loan agreement dated 15 August 2022 entered into between the Lender and the Borrower in relation to the provision of the Loan |
| “PRC” | the People’s Republic of China |
| “Shareholders” | shareholders of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent. |

By order of the Board
Lerado Financial Group Company Limited
Ho Kuan Lai
Executive Director

Hong Kong, 15 August 2022

As at the date of this announcement, the executive Directors are Mr. CHEN Chun Chieh, Ms. HO Kuan Lai and Mr. LEUNG Kam Por Ken; and the independent non-executive Directors are Mr. YU Tat Chi Michael, Mr. YANG Haihui and Mr. LAM Williamson.