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WINFULL GROUP HOLDINGS LIMITED
宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 183)

DISCLOSEABLE TRANSACTION PROVISION OF A LOAN

The Board is pleased to announce that on 23 December 2022 (after trading hours), the Company entered into the Loan Agreement with the Borrower, pursuant to which the Company agreed to provide to the Borrower a term loan facility of up to US\$2,500,000 (equivalent to approximately HK\$19,500,000) which carries interest at the rate of 12% per annum and is secured by the Deed of Assignment and the Guarantee.

LISTING RULES IMPLICATIONS

The provision of the Loan under the Loan Agreement constitutes a financial assistance of the Company within the meaning of the Listing Rules.

As some of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Loan exceed 5% but are less than 25%, the provision of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

INTRODUCTION

The Board announces that on 23 December 2022 (after trading hours), the Loan Agreement was entered into between the Company as lender and the Borrower as borrower, pursuant to which the Company agreed to provide to the Borrower the Loan of up to US\$2,500,000 (equivalent to approximately HK\$19,500,000) on the terms and conditions therein contained.

THE LOAN AGREEMENT

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

Date:	23 December 2022
Parties:	(i) the Company as the Lender (ii) the Borrower as the borrower
Loan:	US\$2,500,000 (equivalent to approximately HK\$19,500,000)
Availability Period:	the period commencing on the date of the Loan Agreement and ending on the earlier of (i) 31 December 2022 (or such later date as agreed by the Lender); or (ii) the date on which the Loan is fully drawn, cancelled or terminated in accordance with the provisions of the Loan Agreement
Interest:	12% per annum
Default interest:	14% per annum
Final Repayment Date:	5 Banking Days after the final repayment date under the Mezzanine Loan Agreement (being (i) the date falling 18 months from the date of Utilisation Date; or (ii) the date falling 27 months from the Utilisation Date upon the exercise of the extension option provided for under the Mezzanine Loan Agreement).
Purpose of the Loan:	The Loan shall be applied towards and used exclusively by the Borrower for financing its funding commitment under the Mezzanine Loan Agreement
Repayment:	The principal together with accrued interest on the Loan shall be paid in full on the Final Repayment Date
Mandatory repayment and prepayment:	Under the following circumstances, the Borrower shall make mandatory repayment or prepayment: (i) the termination or cancellation of the Mezzanine Loan Agreement; (ii) any of the mandatory prepayment events under the Mezzanine Loan Agreement occurred.

In addition, should the borrower of the Mezzanine Loan Agreement exercise its right to voluntary prepay (in whole or part of) the Mezzanine Loan. The Borrower is obliged to mandatory prepay the Loan in the amount equivalent to such portion of the voluntary prepayment received by the Borrower under the Mezzanine Loan Agreement.

Security:

The Deed of Assignment of all claims, rights, charges, liens, options, encumbrances, equities and third party interest whatsoever in respect of an amount of US\$3,500,000 (equivalent to approximately HK\$27,300,000) being the total funding commitment of the Borrower under the Mezzanine Loan Agreement.

PERSONAL GUARANTEE

The Guarantee dated 23 December 2022 granted by the Guarantor in favour of the Company guaranteeing the punctual performance of the Borrower of all its obligations under, pursuant to, arising out of or in connection with the Loan Agreement.

Each of the Loan Agreement, the Deed of Assignment and the Guarantee contains other usual representations, warranties and understandings given by the Borrower and/or the Guarantor (as the case may be) in favor of the Lender.

FUNDING OF THE LOAN

The Company will finance the Loan with the Company's internal resources.

INFORMATION OF THE BORROWER AND THE GUARANTOR

The Borrower is a company incorporated in the British Virgin Island which is principally engaged in investment holding business. The Borrower is one of the co-lenders, the agent and security agent under the Mezzanine Loan Agreement and the total commitment to be provided by the Borrower therein amount to US\$3,500,000 (equivalent to approximately HK\$27,300,000).

The Guarantor is the sole and beneficial shareholder of the Borrower.

INFORMATION OF THE COMPANY

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

The Group is principally engaged in investment, trading and development of properties and securities investment and trading.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

The terms of the Loan Agreement (including the interest rate) were arrived at after arm's length negotiations between the Lender and the Borrower having taken into account the prevailing market interest rates and practices. The Loan Agreement was entered into by the Lender having regard to (i) the costs of borrowing in providing the Loan to the Borrower; (ii) the interest income to be generated under the Loan Agreement and (iii) the underlying security. In view of the above, the Directors are of the view that the terms of the Loan Agreement are normal commercial terms and the transactions contemplated thereunder is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Based on the information and confirmation of the Borrower and the Guarantor, and to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower, its ultimate beneficial owner(s) and the Guarantor are all third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

The Loan as provided under the Loan Agreement constitutes a financial assistance of the Company within the meaning of the Listing Rules.

As some of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Loan exceed 5% but are less than 25%, the provision of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Banking Day”	means a day (excluding Saturday, Sunday, other general holiday and any day on which a tropical cyclone warning no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 5:00 p.m. and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business
“Board”	the board of the Directors
“Borrower”	Melrose Park Developments Limited, a company incorporated in the British Virgin Island with limited liability and is one of the co-lenders, the agent and security agent under the Mezzanine Loan Agreement

“Company” or “the Lender”	Winfull Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability which shares are listed on the main board of the Stock Exchange
“connected persons”	having the meaning ascribed to it under the Listing Rules
“Deed of Assignment”	the deed of assignment dated 23 December 2022 entered into between the Lender and the Borrower, particular of which are as set out in the section headed “The Loan Agreement”
“Director(s)”	the director(s) of the Company
“Guarantee”	the deed of guarantee dated 23 December 2022 entered into between the Lender and the Guarantor
“Guarantor”	Mr. Ho Tak Pong Matthew (being the sole and beneficial shareholder of the Borrower)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the principal amount of US\$2,500,000 (equivalent to approximately HK\$19,500,000) made available by the Company to the Borrower under the Loan Agreement
“Loan Agreement”	the loan agreement dated 23 December 2022 entered into between the Company and the Borrower
“Mezzanine Loan Agreement”	the mezzanine loan agreement, dated 22 December 2022 whereby which the Borrower is one of the co-lenders, the agent and security agent
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	Dollars, the lawful currency of the United States of America
“Utilisation Date”	the date of utilisation of the facility granted under the Mezzanine Loan Agreement, being the date on which a loan is to be made under the facility
“%”	per cent

In this announcement, amounts in US\$ are translated into HK\$ on the basis of US\$1.00 = HK\$7.80. The conversion rate is for illustration purposes only and should not be taken as a representation that US\$ could actually be converted into HK\$ at such rate or at all.

By order of the Board
Winfull Group Holdings Limited
Pong Wilson Wai San
Chairman

Hong Kong, 23 December 2022

As at the date of this announcement, the Company's executive directors are Mr. Pong Wilson Wai San and Mr. Lee Wing Yin, the Company's non-executive director is Mr. Lai Hin Wing, Henry and the Company's independent non-executive directors are Mr. Koo Fook Sun, Louis, Ms. Yeung Wing Yan, Wendy and Mr. Lung Hung Cheuk respectively.