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# **EASY REPAY FINANCE & INVESTMENT LIMITED**

## **易還財務投資有限公司**

*(Continued in Bermuda with limited liability)*

**(Stock code: 8079)**

### **DISCLOSEABLE AND CONNECTED TRANSACTION ASSIGNMENT OF LOANS**

On 31 August 2018, Yvonne Credit entered into the Transfer Mortgage Agreement with Quick Money, pursuant to which Yvonne Credit agreed to assign and transfer, Quick Money agreed to accept the rights, title, interest and benefits in and to the Loans at an aggregate consideration of HK\$7,463,309.01.

HMV Digital is a substantial Shareholder of the Company and interested in approximately 11.92% of the issued share capital of the Company. Accordingly, HMV Digital and its subsidiaries are regarded as connected persons of the Company under the GEM Listing Rules. Therefore, the entering into of Transfer Mortgage Agreement constitutes connected transaction for the Company and is subject to reporting and announcement but exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

As one of the relevant applicable percentage ratios set out in Rule 19.06 of the GEM Listing Rules with respect to the assignment of loans exceed 5% but not more than 25%, the assignment of loans also constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

On 31 August 2018, Yvonne Credit entered into the Transfer Mortgage Agreement with Quick Money, pursuant to which Yvonne Credit agreed to assign and transfer, Quick Money agreed to accept the rights, title, interest and benefits in and to the Loan at an aggregate consideration of HK\$7,463,309.01.

### **TRANSFER MORTGAGE AGREEMENT**

#### **Date**

31 August 2018

#### **Parties**

Assignor : Yvonne Credit Service Company Limited, being an indirect wholly-owned subsidiary of the Company

Assignee : Quick Money Finance Limited

#### **Assets to be assigned**

Pursuant to the Transfer Mortgage Agreement, Yvonne Credit agreed to assign and transfer, Quick Money agreed to accept the rights, title, interest and benefits in and to the Loans. The amount of Loans subject to assignment is HK\$7,463,309.01.

The amount of Loans are comprised of a sum of HK\$404,524.32, HK\$2,938,200.08 and HK\$4,120,584.61 being the outstanding loan amounts pursuant to the Loans entered into between the customers and Yvonne Credit.

Details of the Loans are as follows:

#### **LOAN ONE**

Borrower : Customer A

Outstanding loan amount : HK\$404,524.32

Interest : 15% per annum

Original Loan Period : Expiring on 10 March 2025 agreed between Yvonne Credit and the customer A

Security : One car parking space located in Hong Kong with valuation of approximately HK\$2 million conducted by an independent property valuer on 31 August 2018

#### **LOAN TWO**

Borrower : Customer B

Outstanding loan amount : HK\$2,938,200.08

Interest : 10% per annum

Original Loan Period : Expiring on 24 April 2037 agreed between Yvonne Credit and the customer B

Security : One property located in Hong Kong with a valuation of approximately HK\$6.2 million conducted by an independent property valuer on 31 August 2018 respectively

#### **LOAN THREE**

Borrower : Customer C

Outstanding loan amount : HK\$4,120,584.61

Interest : 10% per annum

Original Loan Period : Expiring on 23 May 2037 agreed between Yvonne Credit and the customer C

Security : One property located in Hong Kong with a valuation of approximately HK\$7 million conducted by an independent property valuer on 31 August 2018 respectively

Yvonne Credit and Quick Money have not entered into any transactions within the past twelve months that need to be aggregated with the consideration pursuant to Rule 19.22 of the GEM Listing Rules.

## **INFORMATION OF QUCIK MONEY AND BORROWERS**

Quick Money is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of HMV Digital China Group Limited, the substantial shareholder of the Company.

Customer A, B and C are individuals. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrowers are the Independent Third Parties and not connected with the Group.

The consideration is secured and carry an interest rate of 10% and 15% per annum respectively which was determined with reference to the factors including, among others, (i) the usual practice of the trade comparing to the Group's other clients; and (ii) the rules under section 24 of the Money Lenders Ordinance.

## **REASONS FOR AND BENEFITS OF THE ASSIGNMENT OF LOANS**

The Group is principally engaged in money lending business, property investment, financial instruments, retail business and quoted shares investment in Hong Kong. Yvonne Credit is an indirect wholly-owned subsidiary of the Company and a money lender licensed in Hong Kong under the provisions of the Money Lenders Ordinance. The terms of the Transfer Mortgage Agreement are negotiated on an arm's length basis between Yvonne Credit and Quick Money.

The transfer the Loans at an aggregate consideration of HK\$7,463,309.01 is based on the outstanding loan amount due from the Borrowers. The Board is of the view that transfer of the Loans with comparatively unsatisfactory interest rate would better reallocate the financial resources realized therefrom.

The Company has received several loans enquires from potential borrowers and proposed terms of such loans offer higher interest rate. The Company is of the view that such loans with higher interest rate and shorter loan terms will provide better return to the Group. As such, the Company decided to assign and transfer the Loan with relatively lower interest rate and less favourable terms.

The Directors (including the independent non-executive Directors) are of the view that entering into of the Transfer Mortgage Agreement is in the Group's ordinary and usual course of business and on normal commercial terms within the meaning of the GEM Listing Rules. The Directors consider that the terms of the Transfer Mortgage Agreement are fair and reasonable and entering into of the Transfer Mortgage Agreement is in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

HMV Digital is a substantial Shareholder of the Company and interested in approximately 11.92% of the issued share capital of the Company. Accordingly, HMV Digital and its subsidiaries are regarded as connected persons of the Company under the GEM Listing Rules. Therefore, the entering into of Transfer Mortgage Agreement constitutes connected transaction for the Company under Chapter 20 of the GEM Listing Rules.

As one of the relevant applicable percentage ratios set out in Rule 19.06 of the GEM Listing Rules with respect to the assignment of loans exceed 5% but not more than 25%, the assignment of loans also constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

To the best knowledge of the Directors, none of the Directors has a material interest in the transactions contemplated under the Transfer Mortgage Agreement. Accordingly, no Director is required to abstain from voting on the relevant board resolution to approve the Transfer Mortgage Agreement.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Borrower(s)”	Custom A, B and C respectively
“Company”	Easy Repay Finance & Investment Limited (Stock code: 8079), a company continued in Bermuda with limited liability, the Shares are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HMV Digital”	HMV Digital China Group Limited (Stock code: 8078), a company incorporated in Bermuda with limited liability, the Shares are listed on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the GEM Listing Rules)
“Loans”	the Loan One, Loan Two and Loan Three entered into between Yvonne Credit and the Borrowers respectively
“Loan One”	the loan granted by Yvonne Credit to the customer A pursuant to loan agreement dated 11 March 2015
“Loan Two”	the loan granted by Yvonne Credit to the customer B pursuant to loan agreement dated 25 April 2017
“Loan Three”	the loan granted by Yvonne Credit to the customer C pursuant to loan agreement dated 24 May 2017
“Money Lenders Ordinance	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Quick Money”	Quick Money Finance Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of HMV Digital China Group Limited, the shares are listed on GEM

“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer Mortgage Agreement”	the agreement entered into between Yvonne Credit and Quick Money on 31 August 2018 in relation to transfer of the rights, title, interest and benefits in and to the Loans to Quick Money
“Yvonne Credit”	Yvonne Credit Service Company Limited, being an indirect wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board  
**Easy Repay Finance & Investment Limited**  
**Shiu Yeuk Yuen**  
*Chairman*

Hong Kong, 31 August 2018

*As at the date of this announcement, the Board comprises Mr. Shiu Yeuk Yuen and Ms. Siu Yeuk Hung Clara as executive Directors; Dr. Siu Yim Kwan, Sidney, Mr. Kam Tik Lun and Mr. Ho Siu King Stanley as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the Company’s website at [www.ecrepay.com](http://www.ecrepay.com) and the “Latest Company Announcements” page of the GEM website for at least seven days from the date of its posting.*