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EASY REPAY FINANCE & INVESTMENT LIMITED

易還財務投資有限公司

(Continued into Bermuda with limited liability)

(Stock code: 8079)

DISCLOSEABLE TRANSACTION DISPOSAL OF ASSETS

The board of directors (the “**Board**”) of Easy Repay Finance & Investment Limited (the “**Company**”) is pleased to announce that on 14 August 2020, the Vendor and the Purchaser signed an Agreement, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Vessel at consideration of US\$500,000, subject to the terms and conditions of the Agreement.

As one of the relevant applicable percentage ratios set out in Rule 19.07 of the GEM Listing Rules with respect to the Disposal exceed 5% but not more than 25%, the Disposal 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.

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THE AGREEMENT

Date of signing : 14 August 2020

Vendor : Vision Lion Limited

Purchaser : Mr. John Anthony Lim

Assets to be disposed

The Vessel was built in 2006. The length overall of the Vessel is 25.07 m.

Consideration

The Consideration for the Disposal is US\$500,000, which was arrived at after arm's length negotiation between the Vendor and Purchaser with reference to (i) the net book value of the Vessel of approximately HK\$5,125,000 as at 31 July 2020; and (ii) current condition of the vessel.

The Consideration shall be paid by the Purchaser to the Vendor or its nominee as following manners:

1. an initial deposit in amount of US\$50,000 upon signing of the Agreement; and
2. balance payment of US\$450,000 will be paid upon completion.

Completion

Completion is subject to the satisfaction of the conditions precedent and shall take place on 24 August 2020 (or any date as may be agreed between the Parties).

Conditions Precedent

Completion of the Disposal is subject to the fulfillment of the following conditions precedents:

1. the Vessel shall be delivered safely afloat or as otherwise agreed at Shau Kei Wan Typhoon Shelter, Hong Kong;
2. the delivery of all related documents with respect to the Vessel including the certificate of ownership, operating license, Builder's certificate and maintenance records or invoices (if available) upon completion;
3. the Vendor at its own expenses to make the Vessel to the Purchaser for a Sea Trial of a maximum of four hours duration; and
4. the Purchaser at his own cost place ashore and/or open up the Vessel and the machinery for the purpose of completing a Condition Survey no later than 18 August 2020.

Termination

The Purchaser shall give written notice of his rejection of the Vessel to the Vendor if the Vessel has not performed to his satisfaction on the Sea Trial and/or Condition Survey.

INFORMATION OF THE GROUP

The Group is principally engaged in the money lending business, retail and wholesale business.

The Vendor is a company incorporated in Hong Kong with limited liability and is a subsidiary of the Company. The Vendor is the legal and beneficial owner of the Vessel.

INFORMATION OF THE PURCHASER

The Purchaser is an individual. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser is an Independent Third Party and not connected with the Group.

REASONS AND BENEFIT FOR THE DISPOSAL

Taking into consideration the prevailing market conditions and the overall economy in Hong Kong, the Board is of the opinion that the Disposal is beneficial to the Group. The Disposal will enable the Group to save the operating and maintenance expenses of approximately HK\$2 million per year in order to run and maintain the upkeep of the Vessel.

The Directors consider the terms of the Agreement are fair and reasonable, and are in the best interests of the Group and its shareholders as a whole.

FINANCIAL IMPACT OF THE DISPOSAL AND USE OF PROCEED

As a result of the Disposal, it is estimated that the Group will record a loss on Disposal of approximately HK\$1,225,000, being the difference between the Consideration of the Disposal of US\$500,000 (equivalent to approximately HK\$3,900,000) and the carrying value of the Vessel of HK\$5,125,000 as at 31 July 2020. The net proceed (after deduction of broker commission and relevant expenses) of approximately HK\$3,500,000 will be used for general working capital of the Group.

Subject to audit, the actual amount of gain or loss on Disposal to be recognized by the Group will be based on the carrying value of the Vessel as at Completion and therefore may vary from the amount mentioned above.

GEM LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios set out in Rule 19.07 of the GEM Listing Rules with respect to the Disposal exceed 5% but not more than 25%, the Disposal 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.

DEFINITIONS

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

“Agreement”	The agreement signed between the Vendor and Purchaser on 14 August 2020 relating to the Disposal
“Company”	Easy Repay Finance & Investment Limited (Stock code: 8079), a company continued in Bermuda with limited liability, the Shares are listed on GEM
“Completion”	Completion of the Disposal
“Consideration”	the consideration for the Disposal pursuant to the Agreement, being US\$500,000
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Vessel
“GEM”	the GEM 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
“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)
“Purchaser”	Mr. John Anthony Lim
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Vision Lion Limited, a company incorporated in Hong Kong with limited liability, a subsidiary of the Company
“Vessel”	A vessel registered with the Marine Department of the Government of Hong Kong pursuant to Section 10 of Merchant Shipping (Local Vessels) (Certificate and Licensing) Regulation with the Certificate of Ownership Numbers 141132
“US\$”	United States Dollar, the lawful currency of United States
“%”	per cent.

By order of the Board
Easy Repay Finance & Investment Limited
Siu Yeuk Hung, Clara
Chairman

Hong Kong, 17 August 2020

As at the date of this announcement, the board of directors of the Company comprises Ms. Siu Yeuk Hung, Clara and Mr. Law Ka Kei as executive directors; Mr. Lee King Fui as independent non-executive director.

This announcement, for which the directors of the Company 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 of the Company, 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 “Latest Company Announcements” page of the website of the GEM at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.ecrepay.com.