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新威斯特頓集團有限公司
NEW WESTERN GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8242)

**DISCLOSEABLE TRANSACTION PROVISION
OF LOAN FACILITY
AND ADVANCE TO ENTITIES**

PROVISION OF LOAN FACILITY AND ADVANCE TO ENTITIES

The Board is pleased to announce that on 13 March 2020, the Facility Agreement was entered into between Easy Loan, an indirect wholly-owned subsidiary of the Company as lender, and the Borrower. Pursuant to the Facility Agreement, Easy Loan has agreed to provide to the Borrower the Loan Facility in the amount of HK\$25 million for a term of 12 months.

GEM LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the provision of the Loan Facility were more than 5% but less than 25%, the provision of Loan Facility granted under the Facility Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements under the GEM Listing Rules.

As the provision of Loan Facility to the Borrower as at the date of this announcement exceeds 8% under the assets ratio as defined under Rule 17.15 of the GEM Listing Rules, the grant of the Loan under the Loan Agreement is also subject to the general disclosure obligations under Rule 17.17 of the GEM Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 13 March 2020, the Facility Agreement was entered into between Easy Loan, an indirect wholly-owned subsidiary of the Company as lender, and Time Honest Limited as borrower. Pursuant to the Facility Agreement, Easy Loan has agreed to grant a secured Loan Facility in the amount of HK\$25 million to Borrower for a term of 12 months.

Summarised below are the principal terms of the Facility Agreement.

THE FACILITY AGREEMENT

Date of the Facility Agreement	:	13 March 2020
Lender	:	Easy Loan
Borrower	:	Time Honest Limited
Loan facility amount	:	HK\$25 million
Interest rate	:	12% per annum
Drawdown Date	:	within 14 days of the fulfillment of all conditions under the Facility Agreement
Term	:	12 months commencing from the Drawdown Date
Maturity Date	:	On the date falling 12 months after the Drawdown Date (if such date is not a business day in Hong Kong, the immediately following business day)
Repayment	:	Subject as otherwise provided in the Facility Agreement, the Borrower shall repay and/or settle the full amount of the Loan and the interest accrued thereon on the Maturity Date
Prepayment	:	The Borrower may, by giving prior written notice to the Lender, prepay before the Maturity Date all or part of the Loan and all accrued interests in respect of the sum prepaid in accordance with the terms of the Facility Agreement

- Security : (i) A charge over all assets of SM Asia Pacific Co Limited, which holds a company incorporated in Malaysia, directly holds various properties at Gold Coast Morib International Resort, Kanchong Laut, Selangor, Malaysia with valuation conducted by an independent property valuer on 13 March 2020 with an amount of approximately RM49,000,000 (equivalent to approximately HK\$89.2 million); (ii) a charge over certain shares of SM Asia Pacific Co Limited and (iii) a personal guarantee from the Guarantor
- Purpose : To support the general working capital of the Borrower

FUNDING OF THE LOAN

The Group will finance the Loan with its internal resources.

INFORMATION OF THE BORROWER AND THE GUARANTOR

The Borrower is a company incorporated in the British Virgin Islands with limited liability. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, The Borrower is an Independent Third Party and not connected with the Group. The Guarantor is the sole ultimate beneficial owner of the Borrower.

INFORMATION OF THE GROUP AND THE LENDER

The Company is an investment holding company. The principal activities of the Group are (1) the provision of integrated circuit solutions and the design, development and sales of integrated circuits; (2) the provision of investment and planning consulting service, real estate agent, property management services and car parking management services in the People's Republic of China; and (3) money lending business. The Lender is an indirect wholly-owned subsidiary of the Company and is licensed to conduct money lending business in Hong Kong through the provision of unsecured and secured loans to customers, including individuals and corporations, under the provisions of the Money Lenders Ordinance.

REASONS FOR THE LOAN FACILITY

Taking into account the principal activities of the Group, the provision of the Loan to the Borrower is in the ordinary and usual course of business of the Group on normal commercial terms within the meaning of the GEM Listing Rules.

The terms of the Facility Agreement, including the applicable interest, are negotiated on an arm's length basis between Easy Loan and the Borrower, with reference to the prevailing market interest rates and practices. The Directors are of the view that the provision of the Loan is on normal commercial terms within the meaning of the GEM Listing Rules. The Directors are of the view that the terms of the Facility Agreement are entered into on normal commercial terms based on the credit policy of the Company. Taking into account the financial background of the Borrower and the securities provided and that a stable revenue and cashflow stream from the interest income to the Group is expected, the Directors believe that the terms of the Facility Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the provision of the Loan Facility were more than 5% but less than 25%, the provision of the Loan Facility under the Facility Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements under the GEM Listing Rules.

As the provision of Loan Facility to the Borrower as at the date of this announcement exceeds 8% under the assets ratio as defined under Rule 17.15 of the GEM Listing Rules, the provision of the Loan Facility under the Facility Agreement is also subject to the general disclosure obligations under Rule 17.17 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	Time Honest Limited, BVI incorporated company, a borrower being directly owned and controlled by Mr. Chu Hin Ming Alfonso, Guarantor (as defined in below), and an Independent Third Party and not connected with the Group
“Company”	New Western Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM
“Directors”	the directors of the Company

“Easy Loan”/“Lender”	Easy Loan Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Facility Agreement”	the facility agreement dated 13 March 2020 entered into between Easy Loan and the Borrower in relation to the provision of the Loan Facility
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Chu Hin Ming Alfonso, being an individual and an Independent Third Party, is a third party independent of the Company and its connected persons as at the date of this announcement
“HK\$”	Hong Kong Dollars, 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, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are third party(ies) independent of the Company and its connected person(s)
“Loan Facility”	a loan facility in the principal amount of HK\$25 million granted by Easy Loan as the lender to the Borrower as the borrower pursuant to the Facility Agreement

“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

“RM” Malaysian Ringgit, the lawful currency of the Malaysian

“Stock Exchange” The Stock Exchange of Hong Kong Limited

For the purpose of this announcement, unless otherwise specified, conversions of RM into HK\$ are based on the exchange rate of RM1.00 to HK\$1.82. The exchange rate is for illustrative purpose only and no representation is made that any amounts in RM or HK\$ could have been or could be converted at the above exchange rate or at any other exchange rate.

By order of the Board
New Western Group Limited
Mr. Gan Lin

Chief Executive Officer and Executive Director

Hong Kong, 13 March 2020

As at the date of this announcement, the executive Directors are Mr. Zhang Qing and Mr. Gan Lin; the non-executive Director is Mr. Liu Kam Lung and the independent non-executive Directors are Mr. Cheung Chi Man Dennis, Mr. Chiu Yu Wang and Dr. Gao Jinkang.

*This announcement, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibilities, 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 “Latest Listed Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.newwesterngroup.com.hk.