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Kong Shum Union Property Management (Holding) Limited

港深聯合物業管理（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8181)

**DISCLOSEABLE TRANSACTION IN RELATION TO
THE PROVISION OF FINANCIAL ASSISTANCE**

PROVISION OF LOAN

The Board is pleased to announce that on 17 July 2017, the Loan Agreement was entered into among the Lender, an indirect wholly-owned subsidiary of the Company, the Borrower and the Guarantor. Pursuant to the Loan Agreement, the Lender has agreed to grant a Loan in the principal amount of HK\$16,000,000 to the Borrower for a period of 6 months commencing from the date of the Loan Agreement at an interest rate of 14% per annum and is secured by the Guarantee.

GEM LISTING RULES IMPLICATIONS

The Loan provided under the Loan Agreement constitutes a financial assistance provided by the Lender within the meaning of the GEM Listing Rules.

As one or more of the applicable percentage ratios for the Acquisition under the GEM Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules. Accordingly, the Acquisition is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

The Board is pleased to announce that on 17 July 2017, the Loan Agreement was entered into among the Lender, an indirect wholly-owned subsidiary of the Company, the Borrower and the Guarantor.

Summarized below are the principal terms of the Loan Agreement.

THE LOAN AGREEMENT

Date	:	17 July 2017
Lender	:	Lucky Stone Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower	:	The Borrower, a company incorporated in Hong Kong with limited liability
Guarantor	:	The Guarantor, a partnership duly organized and existing under and by virtue of the Laws of The Cayman Islands. The Guarantor is a fellow subsidiary of the Borrower with the same ultimate beneficial owner
Principal amount	:	HK\$16,000,000
Interest	:	14% per annum
Drawdown date	:	17 July 2017
Term	:	A period of six months commencing from the date of the Loan Agreement
Payment	:	The Borrower shall pay interest of the Loan to the Lender by two installments, date of which being the 90th day from the date of the Loan Agreement and the last payment date of the Loan, and repay the principal amount of the Loan and interest accrued thereto on or before the end of the term of the Loan (subject to the terms and conditions of the Loan Agreement)
Prepayment	:	The Borrower may at any time, after giving the Lender not less than one month's prior written notice, prepay the outstanding Loan and interest thereon in accordance with the Loan Agreement

- Security** : (a) Two post-dated cheques from the Borrower for the respective amounts of the interest accrued on the Loan payable after the date of drawdown and a post-dated cheque for the payment of the principal amount of the Loan on the date of repayment drawn on a licensed bank in Hong Kong; and
- (b) a guarantee provided by the Guarantor in favour of the Lender for all monies and obligations from time to time owing by the Borrower to the Lender (the “**Guarantee**”).

FUNDING OF THE ADVANCE

The Group will finance the Loan with its internal resources.

INFORMATION OF THE BORROWER AND THE GUARANTOR

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is principally engaged in trading and investment business and the Guarantor is principally engaged in investment holding business; each of the Borrower, the Guarantor and their ultimate beneficial owner is an Independent Third Party.

INFORMATION OF THE GROUP AND THE LENDER

The Group is principally engaged in provision of property management services in Hong Kong primarily targeting residential properties and properties investment. The Lender, being an indirect wholly-owned subsidiary of the Company principally engaged in the business of money lending service, is a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

REASON FOR PROVISION OF THE LOAN

The provision of the Loan will provide reasonable interest income to the Lender and the Loan will be recorded as a loan receivable of the Group.

The terms of the Loan Agreement were arrived at after arm’s length negotiations between the Lender and the Borrower with reference to the financial background and repayment ability of the Borrower and the Guarantor. The Directors consider that the transactions contemplated under the Loan Agreement are in ordinary and usual course of business of the Group and on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Loan provided under the Loan Agreement constitutes a financial assistance provided by the Lender within the meaning of the GEM Listing Rules.

As one or more of the applicable percentage ratios for the Acquisition under the GEM Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules. Accordingly, the Acquisition is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Borrower”	a company incorporated in Hong Kong with limited liability, being the borrower under the Loan Agreement;
“Business Day”	a day (other than a Saturday, a Sunday or a day on which a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong) on which banks are generally open for business in Hong Kong throughout their normal business hours;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	Kong Shum Union Property Management (Holding) Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the issued ordinary shares of which are listed on GEM (stock code: 8181);
“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 together with its subsidiaries;
“Guarantor”	a partnership duly organized and existing under and by virtue of the Laws of The Cayman Islands;

“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)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) are third parties independent of and not connected with the Group and its connected persons in accordance with the GEM Listing Rules;
“Lender”	Lucky Stone Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Loan”	the term loan in the principal amount of HK\$16,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement;
“Loan Agreement”	the loan agreement dated 17 July 2017 entered into between the Lender, the Guarantor and the Borrower relating to the granting of the Loan;
“Shareholder(s)”	holder(s) of the issued share capital of the Company; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By order of the Board
Kong Shum Union Property Management (Holding) Limited
Eric TODD
Chairman

Hong Kong, 17 July 2017

As at the date of this announcement, the executive Directors are Mr. Eric Todd (Chairman), Mr. Lee Chin Ching, Cyrix and Mr. Ho Ying Choi and the independent non-executive Directors of the Company are Mr. Tso Siu Lun, Alan, Mr. Lam Kai Yeung and Mr. Lo Chi Ho, Richard.

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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company’s website at www.kongshum.com.hk.