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CHINA BRILLIANT GLOBAL LIMITED

朗華國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8026)

DISCLOSEABLE TRANSACTION

The Board announces that on 24 February 2021 and 8 March 2021, CBG Finance, an indirect wholly-owned subsidiary of the Company, and Borrower A and Borrower B entered into the Loan Agreement A and the Loan Agreement B respectively, each in relation to the advance of a loan in the principal amount of US\$500,000 for a period of 45 days from the dates of the respective Loan Agreements.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of each of the Loan Agreements are below 5%, the grant of loans contemplated under each of the Loan Agreements on a standalone basis was not subject to the disclosure requirement under Chapter 19 of the GEM Listing Rules.

However, as the Borrowers, after making all necessary enquiries, are members of the same group of companies and the grant of loans under the Loan Agreements took place within a twelve-month period, the Company has been advised that the grant of loans contemplated under each of the Loan Agreements requires aggregation under Rule 19.22 of the GEM Listing Rules. Given the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the grant of loans contemplated under the Loan Agreements to the Borrowers on an aggregated basis exceed 5% but are less than 25%, the grant of the loans contemplated under the Loan Agreements constituted a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

The Board announces that on 24 February 2021 and 8 March 2021, CBG Finance, an indirect wholly-owned subsidiary of the Company, and Borrower A and Borrower B entered into the Loan Agreement A and the Loan Agreement B respectively, each in relation to the advance of a loan in the principal amount of US\$500,000 for a period of 45 days from the dates of the respective Loan Agreements.

The principal terms of the Loan Agreements are as follows:

Loan Agreement	Loan Agreement A	Loan Agreement B
Date	24 February 2021	8 March 2021
Lender	CBG Finance	CBG Finance
Borrower	Borrower A	Borrower B
Principal amount	US\$500,000 (equivalent to HK\$3,900,000)	US\$500,000 (equivalent to HK\$3,900,000)
Interest rate	8% p.a.	8% p.a.
Term	45 days commencing from the date of the agreement	45 days commencing from the date of the agreement
Maturity date	9 April 2021	21 April 2021
Security	Nil	Nil
Repayment	Borrower A shall repay the interests together with the principal amount at loan maturity	Borrower B shall repay the interests together with the principal amount at loan maturity
Early repayment	Borrower A shall be permitted to make early repayment in part or in full prior to loan maturity	Borrower B shall be permitted to make early repayment in part or in full prior to loan maturity

As at the date of this announcement, the loans granted under the Loan Agreements have been repaid by the respective maturity dates disclosed above. The advance in respect of the loans under the Loan Agreements were made on the basis of the credit assessments conducted by CBG Finance made on the proven positive repayment track record of the Borrowers, the financial strength and repayment ability of the Borrowers, the interest rates and the relatively short-term nature of the advances. After taking into account the factors as disclosed above in assessing the risks of the relevant advances, the Company considered that the risks involved in the advance to the Borrowers were relatively low. The loans granted by the Group under the Loan Agreements were funded with the Company's general working capital.

INFORMATION ON THE BORROWERS

Borrower A is a company incorporated in Hong Kong principally engaged in the business of trading of electric devices. Borrower A is an existing customer of the Group with no default record. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Borrower A and its ultimate beneficial owners are Independent Third Parties.

Borrower B is a company incorporated in Hong Kong principally engaged in the business of trading of electric devices. Borrower B is an existing customer of the Group with no default record. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Borrower B and its ultimate beneficial owners are Independent Third Parties.

After making all necessary enquiries, Borrower A and Borrower B are members of the same group of companies and therefore they are associated with one another.

INFORMATION ON THE GROUP AND THE LENDER

The Group is principally engaged in money lending and related business and fintech business. CBG Finance is an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong. It is principally engaged in money lender under the provisions of the Money Lenders Ordinance.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENTS

As the principal business activities of the Group include money lending, the grant of the loans to the Borrowers under the Loan Agreements was in the ordinary and usual course of business of the Group. The terms of the Loan Agreement A and the Loan Agreement B were negotiated on an arm's length basis between CBG Finance with Borrower A and Borrower B, respectively. The Directors consider that the granting of loans is financial assistance provided by the Company within the meaning of the GEM Listing Rules. The Directors are of the view that the terms of the Loan Agreement A and the Loan Agreement B were entered into on normal commercial terms based on the Company's credit policy. Taking into account the satisfactory financial background of each of the Borrowers and the benefit of additional interest income expected to be generated from the repayment of the loans by the Borrowers, the Directors consider that the terms of the Loan Agreements are fair and reasonable and the entering into of each of the Loan Agreements is in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of each of the Loan Agreements are below 5%, the grant of loans contemplated under each of the Loan Agreements on a standalone basis was not subject to the disclosure requirement under Chapter 19 of the GEM Listing Rules.

However, as the Borrowers, after making all necessary enquiries, are members of the same group of companies and the grant of loans under the Loan Agreements took place within a twelve-month period, upon consultation with the Stock Exchange, the Company became aware that transactions with counterparties which are associated shall be aggregated and accordingly the grant of loans contemplated under each of the Loan Agreements requires aggregation under Rule 19.22 of the GEM Listing Rules. Given the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the grant of loans contemplated under the Loan Agreements to the Borrowers on an aggregated basis exceed 5% but are less than 25%, the grant of the loans contemplated under the Loan Agreements constituted a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

The Company acknowledges and is apologetic that the notification and announcement in respect of the Loan Agreements and the transactions contemplated thereunder as required under Chapter 19 of the GEM Listing Rules had been delayed. The failure to make timely disclosure was due to the unfortunate unawareness of the Company that transactions with counterparties which are associated shall be aggregated under Rule 19.22 of the GEM Listing Rules. Accordingly, the Company was not aware that the calculation of percentage ratios under Chapter 17 of the GEM Listing Rules on an aggregated basis in respect of loan transactions with Borrower A and Borrower B, which are separate entities with separate operation and whose loan financing arrangement with the Group had been individually and separately assessed and approved by CBG Finance, was required.

This has unfortunately led to the Company failing to issue an announcement in respect of the discloseable transaction in compliance with the requirements under Chapter 19 of the GEM Listing Rules in a timely manner. In order to avoid occurrence of similar non-compliance with the GEM Listing Rules in the future, relevant trainings have been given to its staff to strengthen their awareness and knowledge of the ongoing obligations of the Company under the GEM Listing Rules, in particular, in respect of the aggregation of transactions with counterparties in the same group and the calculation of percentage ratios on an aggregated basis, and professional advice will be sought where necessary as to any action(s) as may be required to be taken in relation to any proposed transactions which may involve any potential aggregation. Going forward, the Company will make disclosure in a timely manner to ensure compliance with the GEM Listing Rules in this regard and ensure adequate control measures are in place for the monitoring of transactions of the Group.

DEFINITIONS

“Board”	the board of Directors
“Borrower A”	Galaxy (Hong Kong) Electronics Co., Limited, a company incorporated in Hong Kong, an Independent Third Party and the borrower under the Loan Agreement A
“Borrower B”	Galaxy (Hong Kong) Development Limited, a company incorporated in Hong Kong, an Independent Third Party and the borrower under the Loan Agreement B
“Borrowers”	Borrower A and Borrower B, collectively
“CBG Finance”	CBG Finance Limited, an indirect wholly-owned subsidiary of the Company, being the lender under each of the Loan Agreements
“Company”	China Brilliant Global Limited (朗華國際集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8026)
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who is/are independent of and not connected with the Company and its connected person(s)
“Loan Agreement A”	the loan agreement dated 24 February 2021 and entered into between CBG Finance as lender and Borrower A as borrower in relation to grant of loan by CBG Finance to Borrower A
“Loan Agreement B”	the loan agreement dated 8 March 2021 and entered into between CBG Finance as lender and Borrower B as borrower in relation to grant of loan by CBG Finance to Borrower B

“Loan Agreements”	Loan Agreement A and Loan Agreement B, collectively
“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
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

For the purpose of this announcement, the exchange rate of US\$1.00 = HK\$7.8 has been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in US\$ or HK\$ has been, could have been or may be converted at such a rate.

By Order of the Board
CHINA BRILLIANT GLOBAL LIMITED
Zhang Chunhua
Chairman and Executive Director

Hong Kong, 19 July 2022

As at the date of this announcement, the Board comprises the following Directors:

*Mr. Zhang Chunhua (Executive Director (Chairman))
Ms. Chung Elizabeth Ching Yee (Executive Director and Chief Executive Officer)
Ms. Zhang Chunping (Executive Director)
Ms. Chan Mei Yan Hidy (Independent Non-executive Director)
Ms. Lee Kwun Ling, May Jean (Independent Non-executive Director)
Mr. Zhang Weidong (Independent Non-executive Director)*

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 Stock Exchange’s website at www.hkexnews.hk and the GEM website at www.hkgem.com and in the case of this announcement, on the “Latest Company Announcements” page for at least seven days from the date of its posting. This announcement will also be published on the Company’s website at www.cbg.com.hk.