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HANG PIN LIVING TECHNOLOGY COMPANY LIMITED

杭品生活科技股份有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1682)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN FACILITY

The Board is pleased to announce that on 18 May 2020, the Lender, a wholly owned subsidiary of the Company, entered into the Facility Agreement with the Borrower and the Guarantor, pursuant to which the Lender agreed to provide to the Borrower a revolving loan facility of up to HK\$25,000,000.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the provision of the Loan Facility exceeds 5% but less than 25%, the entering into of the Facility Agreement and the provision of the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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THE FACILITY AGREEMENT

Principal terms of the Facility Agreement are set out as below:

Date: 18 May 2020

Lender: Golden Maximum Finance Limited (金高峰財務有限公司),
a company incorporated in Hong Kong with limited liability
and a wholly owned subsidiary of the Company

Borrower:	a company incorporated in Hong Kong with limited liability which, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and its connected persons as at the date of this announcement
Principal amount:	up to HK\$25,000,000
Interest:	Interest accrue for Loan shall accrue at 10% per annum and shall be paid on quarterly basis
Availability period:	available for drawdown for the period of 3 years commencing on 18 May 2020, which would be subject to the review on an annual basis to the satisfaction of Lender and extendable to such other date as determined by the Lender
Repayment:	subject as otherwise provided in the Facility Agreement, the Borrower shall repay all Loans and the outstanding interest on the last day of the Availability Period or on demand by the Lender in accordance with terms of the Facility Agreement, whichever occurs earlier
Prepayment:	The Borrower may, by giving prior written notice to the Lender, prepay all or part of the outstanding balance of the Loan Facility together with all interest accrued and unpaid thereon
Re-borrowing:	the Borrower may re-borrow (in whole or in part) any amount prepaid in accordance with the terms and conditions of the Facility Agreement
Security:	The Loan is secured by the Guarantee as a security for the payment by the Borrower of its debt under the Facility Agreement

FUNDING OF THE LOAN FACILITY

The Loan Facility will be funded by internal resources of the Group.

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 investment holding and each of the Borrower and its ultimate beneficial owners is independent third party of the Company and its connected persons.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Guarantor is an individual who is a third party independent of the Company and its connected persons.

INFORMATION OF THE GROUP AND THE LENDER

The Company is a limited company incorporated in Bermuda and is an investment holding company. The Group is principally engaged in (i) the garment sourcing business and (ii) the provision of financial services which include, among others, asset management, finance lease, pawn and money lending business. The Lender is a wholly owned subsidiary of the Company.

REASON FOR AND BENEFITS OF THE PROVISION OF THE LOAN FACILITY

The Directors consider that the provision of the Loan Facility under the Facility Agreement is a transaction carried out as part of the ordinary and usual course of business of the Group.

The terms of the Facility Agreement (including the interest rate) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice, the security provided and the maximum amount of the Loan Facility. The Directors consider that the terms of the Facility Agreement are fair and reasonable, and the provision of the Loan Facility is in the interest of the Company and the Shareholders as a whole.

Moreover, the Loan Facility constitutes an exempted loan under Schedule 1 to the Money Lending Ordinance (Cap 163) ("MLO") and therefore, the Lender is excluded from the definition of "money lender" for the purpose of MLO.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the provision of the Loan Facility exceeds 5% but less than 25%, the entering into of the Facility Agreement and the provision of the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

“Availability Period”	the period of 3 year commencing on 18 May 2020, which would be subject to the review on an annual basis to the satisfaction of the Lender and extendable to such other date as determined by the Lender
“Board”	Board of Directors of the Company
“Borrower”	Hong Kong Ultimate Precision Global Limited, a company incorporated in Hong Kong with limited liability which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and its connected persons as at the date of this announcement
“Company”	Hang Pin Living Technology Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Facility Agreement”	a facility agreement dated 18 May 2020 entered into between the Lender, the Borrower and the Guarantor in relation to the provision of the Loan Facility
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee executed by the Guarantor in favour of the Lender as a security for the payment by the Borrower of its debt under the Facility Agreement
“Guarantor”	an individual who, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, is a third party independent of the Company and its connected persons.
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Lender”	Golden Maximum Finance Limited (金高峰財務有限公司), a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Loan(s)”	aggregate principal amount to be drawn and/or re-borrowed by the Borrower in accordance with the terms and conditions of the Facility Agreement
“Loan Facility”	a revolving loan facility of up to HK\$25,000,000 granted by the Lender to the Borrower pursuant to the Facility Agreement
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

On behalf of the Board
Hang Pin Living Technology Company Limited
Lam Kai Yeung
Chief Executive Officer & Executive Director

Hong Kong, 18 May 2020

As at the date of this announcement, the Board comprises Mr. Zhi Hua, Mr. Lam Kai Yeung and Mr. Situ Shilun as executive Directors, Mr. Chau On Ta Yuen, Dr. Lam Lee G. and Mr. Chan Kin as independent non-executive Directors.