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## **Lerado Financial Group Company Limited**

### **隆成金融集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

## **DISCLOSEABLE TRANSACTIONS AND MAJOR TRANSACTIONS IN RELATION TO THE PROVISION OF FINANCIAL ASSISTANCE**

Reference is made to the announcement dated 31 March 2025 (the “**Announcement**”) of Lerado Financial Group Company Limited (the “**Company**”). Unless otherwise specified, the capitalised terms in the announcement shall have the same meanings as the ones in the Announcement.

The Company provides further details of the remedial actions adopted by the Company in relation to the Non-Compliance Matters as follows:–

- (1) the Company has examined and closely monitored the latest status of all loans provided to the third parties from time to time (including but not limited to the original maturity date, the outstanding balance of any loan and the amount of unpaid interest, if any) to ascertain whether such loan(s) if extended, on a standalone or aggregated basis, will constitute notifiable transaction(s) of the Company under Chapter 14 of the Listing Rules by calculating the size tests at the particular date(s) of renewal of such loans. As such, all loans, when extended, will be assessed again for notifiable transactions under Chapter 14 of the Listing Rules to prevent re-occurrence of the Non-Compliance Matters. The Group has assigned two persons including an administrative officer and a director of the Lender who have experiences in money lending business to handle each loan transaction. When the administrative officer prepares the list and calculates the size test, the director of the Lender will counter check the completeness and correctness of the data by referring to the original loan agreements and the previous renewal confirmation (if any) and the size test. The compliance of the Listing Rules in relation to each loan renewal will be reviewed by the Company Secretary. Such measure has been in place as of the date of this announcement.
- (2) the Company has enhanced its written policy and procedure on notifiable transactions to regulate the procedures on identification, approval and disclosure and monitoring of the notifiable transactions by requiring the subsidiaries of the Company to provide the list of all proposed transactions, including provision and renewal of loans, with the material terms which include the name of the borrower, the principal of the loan, the interest rate of the loan, the original maturity date, the outstanding balance of the loan and the amount of unpaid interest and if such loan is secured or if there is any guarantee provided together with the

related size test, to the Company Secretary for review. Such policy has been distributed to the relevant personnel(s) of the Lender and that the relevant personnel(s) have acknowledged in writing that they have received such written policy and procedure, they understand the policy and procedure and will implement the same on all notifiable transactions including provision and renewal of loans. The Company Secretary should review and ascertain if those transactions will be conducted in compliance with the applicable requirements under the Listing Rules and the relevant rules and regulations. Such transactions can be executed if they do not fall within the notifiable transactions under the Listing Rules. If a transaction is identified as a notifiable transaction, the related documentation be reported to the Board for approval and that such transactions can only be executed having approved by the Board. In view that the involvement of the Company Secretary who is conversant with the Listing Rules to double check the compliance of the loan transactions, the Company considers that such a measure is suffice to address the non-compliance issue. Such enhance policy and procedure has been in place as of the date of this announcement.

- (3) the Company will arrange external legal advisers to provide ongoing trainings on legal and regulatory requirements applicable to the transactions of the Group which may fall under Chapter 14 and Chapter 14A of the Listing Rules including the full scope of notifiable transactions and connected transactions, in particular, on the loan transactions of the Group to the Directors, senior management and relevant employees of the Group in addition to the regular continuous professional development that the directors are required to attend on a yearly basis. All relevant personnels responsible for identification the notifiable transactions including the Company Secretary and staff of the subsidiaries are required to attend. The training was done on 15 May 2025.

In view of the above remedial actions, the Directors consider that the implementation of such remedial measures will strengthen and reinforce the knowledge of the responsible staff, management and Directors and will improve the compliance ability of the Company and would prevent reoccurrence of similar non-compliance incidents.

By Order of the Board  
**Lerado Financial Group Company Limited**  
**MAN Yun Wah**  
*Company Secretary*

Hong Kong, 23 May 2025

*As at the date of this announcement, the executive directors of the Company are Mr. CHEN Chun Chieh, Ms. HO Kuan Lai and Mr. LEUNG Kam Por Ken; and the independent non-executive directors of the Company are Mr. YU Tat Chi Michael, Mr. YANG Haihui and Mr. LAM Williamson.*