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PineStone 鼎石

Pinestone Capital Limited

鼎石資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 804)

DISCLOSEABLE TRANSACTION – PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 10 December 2024 (after trading hours of the Stock Exchange), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower pursuant to which the Lender has agreed to grant to the Borrower the Loan in the amount of HK\$17,800,000 which is interest bearing at 24% per annum for a term of 12 months from the date of the Loan Agreement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 10 December 2024 (after trading hours of the Stock Exchange), the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower the Loan in the amount of HK\$17,800,000 which is interest bearing at 24% per annum for a term of 12 months from the date of the Loan Agreement. The principal terms and conditions of the Loan Agreement are set out below:

THE LOAN AGREEMENT

Date: 10 December 2024

Lender: Pinestone Capital Group Limited

Borrower: Capital Realm Financial Holdings Group Limited (資本界金控集團有限公司), a company incorporated in the Caymans Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 204), an Independent Third Party

Loan amount: HK\$17,800,000

Interest rate: 24% per annum

Term: The Loan shall be available to the Borrower for a period of 12 months from the date of the Loan Agreement

Maturity date: Maturity date falls on 10 December 2025

Repayment: The Borrower shall pay interest accrued on the outstanding balance of the Loan on a monthly basis and shall repay the total outstanding balance of the Loan together with any outstanding interest accrued thereon on the Maturity Date, being the 12 months from the date of the Loan Agreement

The Borrower may prepay to the Lender all outstanding balance of the Loan together with interest accrued by giving prior two months written notice to the Lender

The Lender may request the Borrower to repay all outstanding balance of the Loan together with interest accrued by giving prior two months written notice to the Borrower

Purpose of the Loan: The Loan shall be used by the Borrower exclusively for the development of the businesses of the Borrower, including but not limited to investment for short to long-term capital appreciation purposes, and investment in listed and unlisted securities.

Security: a share charge (the “**Share Charge**”) in relation to (i) 22.85% of the issued shares of Royal Glory and (ii) the entire issued shares of Skillful Plan executed by the Borrower in favour of the Lender.

INFORMATION ON THE COUNTERPARTIES

The Borrower

The Borrower is a listed company incorporated in the Caymans Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 204) which is an investment holding company. As at the date of this announcement, the Borrower indirectly owned 22.85% of the issued shares of Royal Glory and the entire issued shares of Skillful Plan.

Royal Glory

Royal Glory is a private limited company incorporated in Hong Kong. Royal Glory is an investment holding company. As at the date of this announcement, Royal Glory directly owned the entire issued shares Huanghao International Financial Leasing (Shenzhen) Co., Ltd.* (皇灝國際融資租賃(深圳)有限公司) (“**Huanghao International**”). Huanghao International was established in PRC with limited liability and principally engaged in leasing business.

Skillful Plan

Skillful Plan is a private limited company incorporated in Hong Kong. Skill Plan is an investment holding company. As at the date of this announcement, Skillful Plan directly owned the 30% of the issued shares of Shenzhen Qianhai Dingsheng Investment Consulting Co., Ltd.* (深圳前海鼎晟投資諮詢有限公司) (“**Shenzhen Qianhai Dingsheng**”). Shenzhen Qianhai Dingsheng was established in PRC with limited liability and principally engaged in consulting business.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Borrower, Royal Glory and Skillful Plan are the Independent Third Parties.

INFORMATION OF THE GROUP AND THE LENDER

The Group is principally engaged in comprising (i) securities brokerage; (ii) securities-backed lending; (iii) placing and underwriting; and (iv) other money lending services.

The Lender is an indirect wholly-owned subsidiary of the Company and is a company incorporated in Hong Kong with limited liability, and is a holder of money lender license under the Money Lenders Ordinance. The grant of the Loan is carried out as part of the ordinary and usual course of business of the Lender.

INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN AGREEMENT

The advance in respect of the Loan Agreement was made based on (i) the Group's credit assessment on the financial strength and repayment ability of the Borrower; and (ii) the value of the security provided by the Borrower.

After taking into account the factors as disclosed above in assessing the risk of the advance and the result of the due diligence of the Borrower, the Group considers that the risk involved in the advance to the Borrower is acceptable to the Group.

FUNDING OF THE FINANCIAL ASSISTANCE

The Group will finance the Loan by internal resources of the Group.

REASONS AND BENEFITS FOR ENTERING INTO THE LOAN AGREEMENT

The terms of the Loan Agreement (including the interest rate) are negotiated on an arm's length basis between the Lender and the Borrower on normal commercial terms with reference to the prevailing market practice. Taking into account the financial background and repayment ability of the Borrower, the Directors are of view that a stable revenue and cashflow stream from interest income for the Group is expected to be generated from the Loan. The Directors consider and believe that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

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

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Borrower”	Capital Realm Financial Holdings Group Limited (資本界金控集團有限公司), a company incorporated in the Caymans Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 204)
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which commercial banks are generally open for business in Hong Kong
“Company”	Pinestone Capital Limited (鼎石資本有限公司), a company incorporated in the Caymans Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 804)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“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)”	parties which are not connected persons of the Company (as defined in Listing Rules) and are independent of and not connected with the Company and its connected persons
“Lender”	Pinestone Capital Group Limited (鼎石資本集團有限公司), a company incorporated under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan in the amount of HK\$17,800,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 10 December 2024 entered into between the Lender and the Borrower in relation to the grant of the Loan
“Maturity Date”	being the 12 months from the date of the Loan 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
“Royal Glory”	Royal Glory Holdings Limited (皇灝集團有限公司), a private limited company incorporated in Hong Kong. As at the date of this announcement, the Borrower indirectly owned 22.85% of the issued shares of Royal Glory
“Shareholder(s)”	holder(s) of Share(s)
“Skillful Plan”	Skillful Plan Limited (承名有限公司), a private limited company incorporated in Hong Kong. As at the date of this announcement, the Borrower indirectly owned the entire issued shares of Skillful Plan

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

percentage

By order of the Board
Pinestone Capital Limited
Lee Chun Tung
Executive Director

Hong Kong, 10 December 2024

As at the date of this announcement, the Board comprises Mr. Zhu Zheping, Mr. Li Dapeng, Mr. Lee Chun Tung and Mr. Yan Ximao as executive Directors; Mr. Yau Tung Shing as non-executive Director; and Mr. Lau Kelly, Mr. Wong Chun Peng Stewart and Mr. Cheng Man Pan as independent non-executive Directors.

* *For identification purposes only*