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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 6 April 2023 (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\$15,000,000 which is interest bearing at 16% 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

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THE LOAN AGREEMENT

Date:	6 April 2023
Lender:	Pinestone Capital Group Limited
Borrower:	Helios New Energy EV (Group) Limited (凱力新能源 (集團) 有限公司), an Independent Third Party
Loan amount:	HK\$15,000,000
Interest rate:	16% 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 5 April 2024
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 three 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 three 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 bus operating business.

Security: i) corporate guarantees and indemnity given or to be given by the Guarantor A and Guarantor C

ii) a personal guarantee and indemnity given or to be given by the Guarantor B

INFORMATION ON THE COUNTERPARTIES

The Borrower and the Guarantor A

The Borrower is a limited company incorporated in Hong Kong which is engaging in bus operation business company. As at the date of this announcement, the Guarantor B is the ultimate beneficial owner of the Borrower.

The Guarantor B

The Guarantor B is an individual and an investor in Hong Kong.

The Guarantor C

The Guarantor C is a limited company in British Virgin Islands which is engaging in properties investment in Hong Kong. As at the date of this announcement, Guarantor B is the ultimate beneficial owner of Guarantor C.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Borrower and the Guarantors are 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; (ii) the value of the security provided by the Borrower; and (iii) the financial strength and repayment ability of the Guarantors.

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 and the Guarantors, 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” & “Guarantor A”	Helios New Energy EV (Group) Limited (凱力新能源 (集團) 有限公司), a company incorporated under the law of Hong Kong which the Guarantor B is the ultimate beneficial owner of the Borrower
“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
“Guarantors”	Guarantor A, Guarantor B and Guarantor C
“Guarantor B”	Ms. Wu Huimei, who is the ultimate beneficial owner of the Borrower and is an Independent Third Party
“Guarantor C”	Set Honour Holdings Limited (建耀控股有限公司), a company incorporated under the law of British Virgin Islands which Guarantor B is the ultimate beneficial owner of Guarantor C
“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\$15,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 6 April 2023 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
“Shareholder(s)”	holder(s) of Share(s)
“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, 6 April 2023

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