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## **CMBC Capital Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1141)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE**

Reference is made to the announcements of the Company dated 8 December 2017, 5 February 2018, 7 March 2018 and 19 March 2018 in relation to, among others, the grant of the First Loan by CMBCCF to the Borrower.

On 13 April 2018, CMBCCF, a wholly-owned subsidiary of the Company, has entered into the Second Facility Agreement with the Borrower, pursuant to which CMBCCF has agreed to make available to the Borrower the Second Loan.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Loans exceed(s) 5% but less than 25%, the grant of the Loans (aggregated pursuant to Rule 14.22 of the Listing Rules) constitutes discloseable transactions of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **THE SECOND FACILITY AGREEMENT**

Reference is made to the announcements of the Company dated 8 December 2017, 5 February 2018, 7 March 2018 and 19 March 2018 in relation to, among others, the grant of the First Loan by CMBCCF to the Borrower.

On 13 April 2018, CMBCCF, a wholly-owned subsidiary of the Company, has entered into the Second Facility Agreement with the Borrower, pursuant to which CMBCCF has agreed to make available to the Borrower the Second Loan.

The principal terms of the Second Facility Agreement are as follows:

- Date: 13 April 2018
- Parties:
- i. CMBCCF; and
  - ii. the Borrower.
- Principal Amount: US\$40,000,000
- Conditions Precedent: The Second Loan will be made available to the Borrower on the utilisation date upon satisfaction, among others, of the following conditions precedent:
- i. CMBCCF has received all documents as required under the Second Facility Agreement; and
  - ii. no default is continuing or would result from the Second Loan under the Second Facility Agreement.
- Utilisation: subject to the satisfaction of the conditions precedent as set out in the Second Facility Agreement, the Borrower may utilise the Second Loan from and including the date falling 3 business days from the date of the Second Facility Agreement.
- Purpose: to finance the general working capital requirements of the Borrower.
- Interest Rate:
- i. nil for the period commencing from (and including) the utilisation date and ending on 12 May 2018;
  - ii. 0.7% per month for the period commencing from (and including) 13 May 2018 and ending on 12 June 2018; and
  - iii. 0.8% per month for the period commencing from (and including) 13 June 2018 and ending on the repayment date.

- Repayment Date: 3 months from the repayment date
- Repayment: subject as otherwise provided in the Second Facility Agreement, the Borrower shall repay the outstanding Second Loan in full on the repayment date.
- Security: the Second Loan will be secured by, *inter alia*, the following:
- i. a charge over 100,000,000 shares in the HK Listco held by the Borrower; and
  - ii. a personal guarantee provided by the Guarantor.

In addition to the interest payment CMBCCF entitled to receive, the Borrower agrees to pay CMBCCF an arrangement fee of US\$360,000.

The Company will finance the Second Loan with its internal resources.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SECOND FACILITY AGREEMENT**

Taking into account the principal activities of the Group, the Directors consider that entering into the Second Facility Agreement and the grant of the Second Loan thereunder are in the ordinary and usual course of business of the Group.

The grant of the Second Loan was determined on the basis of CMBCCF credit assessments made on, *inter alia*, that (1) the background of the Borrower; (2) the financial strength of the Borrower. According to its audited financial statement as at 31 December 2016, the consolidated total assets and consolidated net assets of the Borrower exceed HK\$16 billion and HK\$8 billion, respectively; (3) the value of the HK Listco shares charged to CMBCCF calculated based on the closing price of such shares as stated in the daily quotation sheets issued by the Stock Exchange on 12 April 2018, being approximately HK\$719 million (or more than twice of the total principal amount of the Second Loan to be granted); and (4) the relatively short term of the Second Loan. After taking into account these factors, the Company considers that the risks involved in the advance to the Borrower are relatively low.

The Second Facility Agreement has been entered into based on the Company's development strategy. Taking into account the return from the grant of the Second Loan and the results of the credit assessments, the Directors consider that the terms of the Second Facility Agreement are fair and reasonable, the entering into the Second Facility Agreement and the grant of the Second Loan hereunder are in the interests of the Company and its Shareholders as a whole.

## **INFORMATION OF THE GROUP**

As at the date of this announcement, the Group is principally engaged in the securities business, investment and financing and asset management and advisory business.

## **INFORMATION OF THE BORROWER**

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Borrower is incorporated in the British Virgin Islands, which principally acts as a financing vehicle; the Guarantor is the sole shareholder of the Borrower.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Borrower and the Guarantor is an Independent Third Party as at the date of this announcement.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Loans exceed(s) 5% but less than 25%, the grant of the Loans (aggregated pursuant to Rule 14.22 of the Listing Rules) constitutes discloseable transactions of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITION

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	a company incorporated in British Virgin Islands with limited liability, and beneficially controlled by the Guarantor
“CMBCCF”	CMBC Capital Finance Limited, a limited liability company incorporated in Hong Kong and a direct wholly-owned subsidiary of the Company
“Company”	CMBC Capital Holdings Limited (民銀資本控股有限公司), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 1141)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“First Facility Agreement”	the facility agreement dated 8 December 2017 entered into between the Company and the Borrower, pursuant to which CMBCCF has agreed to make available to the Borrower a loan of US\$30 million
“First Loan”	a loan provided by CMBCCF to the Borrower in the principal amount of US\$30 million pursuant to the First Facility Agreement
“Group”	the Company and its subsidiaries
“Guarantor”	an individual who is the sole shareholder of the Borrower
“HK Listco”	a company incorporated in the Cayman Islands, whose issued shares are listed on the Stock Exchange
“HK\$”	Hong Kong Dollars(s), the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Loans”	the First Loan and the Second Loan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan
“Second Facility Agreement”	the facility agreement dated 13 April 2018 entered into between the Company and the Borrower, pursuant to which CMBCCF has agreed to make available to the Borrower the Second Loan
“Second Loan”	a loan to be provided by CMBCCF to the Borrower in the principal amount of US\$40 million pursuant to the Second Facility Agreement
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US dollars, the lawful currency of the United States
“%”	per cent.

By order of the Board  
**CMBC Capital Holdings Limited**  
**Li Jinze**  
*Chairman*

Hong Kong, 13 April 2018

*As at the date of this announcement, the executive Directors are Mr. Li Jinze, Mr. Ding Zhisuo and Mr. Ng Hoi Kam, the non-executive Directors are Mr. Ren Hailong and Mr. Liao Zhaohui, and the independent non-executive Directors are Mr. Lee, Cheuk Yin Dannis, Mr. Wu Bin and Mr. Wang Lihua.*