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CMBC CAPITAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

**MAJOR TRANSACTION IN RELATION TO PROVISION OF
FINANCIAL ASSISTANCE**

Reference is made to the announcements of the Company dated 31 May 2018 and 14 June 2018, in relation to, among others, the grant of the First Loan and the Second Loan by CMBCCF to the First and Second Borrowers, respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

As disclosed in the Announcements, the Second Loan was for a term of 3 months from the utilisation date and would expire on 13 September 2018. On 14 September 2018, CMBCCF entered into the Renewal Facility Agreement with the Second Borrower and the Guarantors, pursuant to which CMBCCF has agreed to renew 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 Loan Facilities (as aggregated pursuant to Rule 14.22 of the Listing Rules) exceed(s) 25% but are less than 100%, the entering into of the Renewal Facility Agreement and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements.

The Company has obtained written Shareholders' approval for the Renewal Facility Agreement in accordance with Rule 14.44 of the Listing Rules from CMBC Investment, which is a controlling shareholder of the Company beneficially interested in approximately 63.17% of issued share capital of the Company as at the date of this announcement. Pursuant to Rule 14.44 of the Listing Rules, the written approval from CMBC Investment is accepted in lieu of holding a general meeting for approval of the Renewal Facility Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Renewal Facility Agreement is expected to be despatched to the Shareholders by 9 October 2018.

THE RENEWAL FACILITY AGREEMENT

Reference is made to the announcements of the Company dated 31 May 2018 and 14 June 2018, in relation to, among others, the grant of the First Loan and the Second Loan by CMBCCF to the First and Second Borrowers, respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

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

Date: 14 September 2018

Parties: i. CMBCCF; and
ii. the Second Borrower.

Principal Amount: US\$50,000,000

Conditions Precedent:	The Second Loan will be renewed on the date of Renewal Facility Agreement upon satisfaction, among others, of the following conditions precedent: <ul style="list-style-type: none"> i. CMBCCF has received all documents as required under the Renewal Facility Agreement; and ii. no event of default is continuing or would result from the proposed loan under the Renewal Facility Agreement.
Purpose:	to secure certain business opportunities.
Interest rate:	9% per annum payable quarterly on the 20th date of the last month in each quarter, with the first interest payment date on 20 December 2018.
Extension fee:	3% of the principal amount payable on the renewal date. No part of the extension fee so paid shall be refundable in any event.
Renewal term:	1 year
Repayment:	subject as otherwise provided in the Renewal Facility Agreement, the Second Borrower shall repay the Second Loan in the following manner: <ul style="list-style-type: none"> i. US\$10 million to be repaid on the date falling 90 days after the date of the Renewal Facility Agreement; ii. US\$10 million to be repaid on the date falling 180 days after the date of the Renewal Facility Agreement; and iii. the remaining principal (together with the accrued unpaid interest) to be repaid one year after the date of Renewal Facility Agreement.
Voluntary Prepayment:	The Second Borrower may by not less than 7 business days' (or such shorter period as CMBCCF agrees) prior notice prepay the whole or any part (but, if in part, being an amount that reduces the amount of the Second Loan by a minimum amount of US\$5 million and thereafter in an integral multiple of US\$1 million) of the outstanding loan under the Second Loan. <p>The Second Loan may only be prepaid after 180 days from the date of the Renewal Facility Agreement.</p>

Conversion Right: Where the Second Borrower initiates any capitalization plan, restructuring arrangement, capital injection, debt financing or corporate reorganization or similar arrangement which might change the shareholding structure (“**Debt Capitalisation Plan**”), CMBCCF will have the right (but is not obliged) to participate in the Debt Capitalisation Plan including by way of conversion of the Second Loan into equity or debt capital in the Second Borrower on terms that are equal or better than the other participating parties.

Security: the Second Loan will be secured by, *inter alia*, the following:

- i. charge over certain shares of the Second Borrower;
- ii. corporate guarantee provided by the Chargor;
- iii. corporate guarantee provided by the Corporate Guarantor;
and
- iv. personal guarantee provided by the Personal Guarantor.

As disclosed in the Announcements, the Company financed the Second Loan with its internal resources.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE RENEWAL FACILITY AGREEMENT

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

The Renewal Facility Agreement has been entered into based on the Company’s development strategy. Taking into account the return from the renewal of the Second Loan and based on the result of the credit assessments of the Second Borrower and the security, the Directors consider that the terms of the Renewal Facility Agreement are fair and reasonable, the entering into the Renewal Facility Agreement and the renewal 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 SECOND BORROWER AND THE GUARANTORS

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Second Borrower is incorporated in Hong Kong, which is a direct subsidiary of the Chargor and principally engaged in media, culture and sports business.

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Chargor is an indirect subsidiary of the Corporate Guarantor incorporated in the PRC with limited liability which is principally engaged in culture business.

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Corporate Guarantor is a company incorporated in the PRC with limited liability whose principal business is pharmaceutical products manufacturing, real estate, media, culture and sports business.

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Personal Guarantor is a PRC individual and is a controlling shareholder of the Corporate Guarantor.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Second Borrower, the Guarantors, and their respective ultimate beneficial owners 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 Loan Facilities (as aggregated pursuant to Rule 14.22 of the Listing Rules) exceed(s) 25% but are less than 100%, the entering into of the Renewal Facility Agreement and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the Renewal Facility Agreement and the transactions contemplated thereunder and accordingly, no Shareholder or its/his associate(s) is required to abstain from voting if the Company were to convene a general meeting for approving the Renewal Facility Agreement and the transactions contemplated thereunder.

The Company has obtained written Shareholders' approval for the Loan Facilities in accordance with Rule 14.44 of the Listing Rules from CMBC Investment, which is a controlling shareholder of the Company beneficially interested in approximately 63.17% of issued share capital of the Company as at the date of this announcement. Pursuant to Rule 14.44 of the Listing Rules, the written approval from CMBC Investment is accepted in lieu of holding a general meeting for approval of the Renewal Facility Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Renewal Facility Agreement is expected to be despatched to the Shareholders by 9 October 2018.

DEFINITION

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

“Announcements”	the announcements dated 31 May 2018 and 14 June 2018 made by the Company
“Board”	the board of Directors
“Chargor”	a limited liability company incorporated in the PRC
“CMBC Investment”	CMBC International Investment Limited (民銀國際投資有限公司), a company incorporated in the British Virgin Islands, and a controlling shareholder of the Company
“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

“Corporate Guarantor”	a company incorporated in the PRC with limited liability whose principal business is pharmaceutical products manufacturing, real estate, media, culture and sports business
“Director(s)”	director(s) of the Company
“First Borrower”	DDMC (Hong Kong) Limited (當代明誠(香港)有限公司) a company incorporated in Hong Kong with limited liability, and an indirect subsidiary of the Chargor
“First Loan”	the loan granted by CMBCCF to the First Borrower in the principal amount of US\$40,000,000 pursuant to a facility agreement dated 31 May 2018
“Group”	the Company and its subsidiaries
“Guarantors”	collectively, the Chargor, the Corporate Guarantor and the Personal Guarantor
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facilities”	collectively, the First Loan and the Second Loan
“Personal Guarantor”	a PRC individual, who is a controlling shareholder of the Corporate Guarantor
“PRC”	the People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan

“Renewal Facility Agreement”	the renewal facility agreement dated 14 September 2018 entered into between CMBCCF and the Second Borrower, pursuant to which CMBCCF has agreed to renew the Second Facility Agreement for one year
“Second Borrower”	DDMC Sports International Limited a company incorporated in Hong Kong with limited liability, and a direct subsidiary of the Parent Guarantor and is a fellow subsidiary of the First Borrower
“Second Facility Agreement”	the facility agreement dated 14 June 2018 entered into between the Company and the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Second Loan
“Second Loan”	a loan to be provided by CMBCCF to the Second Borrower in the principal amount of US\$50 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, 14 September 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.