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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, in relation to, among others, the grant of the First Loan by CMBCCF to the First Borrower and the grant of the Second Loan by CMBCCF to the Second Borrower, respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

On 29 November 2018, CMBCCF has entered into the Third Facility Agreement with the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Third 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 exceed(s) 5% but less than 25%, the grant of the Loan Facilities constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the amount of the financial assistance advanced to the Borrower under the Loan Facilities does not exceed 8% of the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of the Loan Facilities is not subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

## THE THIRD FACILITY AGREEMENT

Reference is made to the Announcements of the Company, in relation to, among others, the proposed grant of the First Loan by CMBCCF to the First Borrower and the grant of the Second Loan by CMBCCF to the Second Borrower, respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

On 29 November 2018, CMBCCF has entered into the Third Facility Agreement with the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Third Loan.

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

Date: 29 November 2018

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

Principal Amount: HK\$150,000,000

Conditions Precedent: The Third Loan will be made available to the Second Borrower on the utilisation date upon satisfaction, among others, of the following conditions precedent:

- i. CMBCCF has received all documents as required under the Third Facility Agreement; and
- ii. no default is continuing or would result from the Third Loan under the Third Facility Agreement.

Utilisation: subject to the satisfaction of the conditions precedent as set out in the Third Facility Agreement, the Second Borrower may utilise the Third Loan from and including the date falling 2 business days from the date on which an utilisation request is delivered to CMBCCF.

Purpose: to acquire certain business.

- Interest rate: 5% to 10% per annum, payable on (1) the last day of each three months from the utilisation date; and (2) the repayment date for the Third Loan.
- Arrangement fee: 1% to 5%
- Maturity Date: 6 months from the utilisation date.
- Repayment: subject as otherwise provided in the Third Facility Agreement, the Second Borrower shall repay the outstanding Third Loan in full on the maturity date.
- Security: the Third Loan will be secured by, *inter alia*, the following:
- personal guarantee provided by the ultimate controlling shareholder of the Second Borrower;
  - corporate guarantee provided by the Guarantor; and
  - charge of certain shares of the Second Borrower.

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

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

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

The Third Facility Agreement has been entered into based on the Company's development strategy. Taking into account the return from the grant of the Third Loan and based on the result of the credit assessments made on the financial strength and the security for the Third Loan, the Directors consider that the terms of the Third Facility Agreement are fair and reasonable, the entering into the Third Facility Agreement and the grant of the Third 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 FIRST BORROWER, THE SECOND BORROWER, THE ULTIMATE CONTROLLING SHAREHOLDER OF THE SECOND BORROWER AND THE GUARANTOR**

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Second Borrower is a company incorporated under the laws of the Cayman Islands with limited liability whose shares are listed on the Stock Exchange. The Second Borrower is principally engaged in the education business.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the First Borrower, the Second Borrower, the ultimate controlling shareholder of the Second 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 Loan Facilities exceed(s) 5% but less than 25%, the grant of the Loan Facilities constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the amount of the financial assistance advanced to the Borrower under the Loan Facilities does not exceed 8% of the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of the Loan Facilities is not subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

## DEFINITION

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

“Announcements”	the announcements dated 5 March 2018 and 28 June 2018 made by the Company
“Board”	the board of Directors
“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)
“CMBCCF”	CMBC Capital Finance Limited, a limited liability company incorporated in Hong Kong and a direct wholly-owned subsidiary of the Company
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“First Borrower”	a company that is incorporated in British Virgin Islands with limited liability and is the controlling shareholder of the Second Borrower
“First Loan”	the loan granted by CMBCCF to the First Borrower in the aggregate principal amount of HK\$100,000,000 pursuant to a facility agreement dated 5 March 2018
“Group”	the Company and its subsidiaries
“Guarantor”	a business company incorporated under the laws of the British Virgin Islands and the controlling shareholder of the Second Borrower

“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, the Second Loan and the Third Loan
“PRC”	the People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency in the PRC
“Second Borrower”	a company incorporated under the laws of the Cayman Islands with limited liability whose shares are listed on the Stock Exchange. To the best of the knowledge of the Directors, the Second Borrower is principally engaged in the education business
“Second Facility Agreement”	the facility agreement dated 28 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 HK\$340 million pursuant to the Second Facility Agreement
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Third Facility Agreement”	the facility agreement dated 29 November 2018 entered into between the Company and the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Third Loan
“Third Loan”	a loan to be provided by CMBCCF to the Second Borrower in the principal amount of HK\$150 million pursuant to the Third Facility Agreement
“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, 29 November 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.*