

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**APAC RESOURCES**

**APAC RESOURCES LIMITED**

**亞太資源有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1104)**

## **DISCLOSEABLE TRANSACTION EXTENSION OF LOAN REPAYMENT DATE**

Reference is made to the Previous Announcement in relation to a loan transaction between the Lender (an indirect wholly-owned subsidiary of the Company) as the lender, the Borrower as the borrower and the Guarantor as the guarantor. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Previous Announcement.

On 20 December 2018, the Lender as the lender entered into the Supplemental Loan Agreement with the Borrower as the borrower and the Guarantor as the guarantor, pursuant to which, the Lender agreed to, among other things, extend the repayment date of the Loan from 12 months from the first and second drawdown of the Loan to 18 months from the first and second drawdown of the Loan being 20 June 2019 and 10 July 2019 respectively on the terms and subject to the conditions therein. As at the date of the Supplemental Loan Agreement, the Loan has been fully drawn and remained outstanding and due to be repaid by the Borrower to the Lender.

### **LISTING RULES IMPLICATIONS**

As the Lender is an indirect wholly-owned subsidiary of the Company, the Transaction entered into by the Lender shall be a deemed transaction of the Company under the Listing Rules as the definition of “listed issuer” under Chapter 14 of the Listing Rules shall include the listed issuer’s subsidiaries. The Transaction constitutes a discloseable transaction for the Company on the basis that the relevant percentage ratio(s) of the Company exceeds 5% but is below 25%.

Reference is made to the Previous Announcement in relation to a loan transaction between the Lender (an indirect wholly-owned subsidiary of the Company) as the lender, the Borrower as the borrower and the Guarantor as the guarantor. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Previous Announcement.

## **THE TRANSACTION**

On 20 December 2018, the Lender as the lender entered into the Supplemental Loan Agreement with the Borrower as the borrower and the Guarantor as the guarantor, pursuant to which, the Lender agreed to, among other things, extend the repayment date of the Loan from 12 months from the first and second drawdown of the Loan to 18 months from the first and second drawdown of the Loan being 20 June 2019 and 10 July 2019 respectively on the terms and subject to the conditions therein. As at the date of the Supplemental Loan Agreement, the Loan has been fully drawn and remained outstanding and due to be repaid by the Borrower to the Lender.

### **The Supplemental Loan Agreement**

**Date:** 20 December 2018

**Parties:**

- (1) the Lender as the lender for the Supplemental Loan Agreement;
- (2) the Borrower as the borrower for the Supplemental Loan Agreement; and
- (3) the Guarantor as the guarantor for the Supplemental Loan Agreement.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries and based on the confirmations of the Borrower and the Guarantor, the Borrower, the Guarantor and their respective ultimate beneficial owner(s) are all third parties independent of the Company and its connected persons.

## **Principal terms of the Supplemental Loan Agreement**

Pursuant to the Supplemental Loan Agreement, the Loan Agreement has now been amended and supplemented, inter alia, as follows:

Repayment date: 20 June 2019 and 10 July 2019, being 18 months from the first and second drawdown dates of the Loan

Save for the amendment made to the Loan Agreement by the Supplemental Loan Agreement, the provisions of the Loan Agreement and the rights and obligations thereunder shall remain in full force and effect.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Transaction, which forms part of the Group's financial services activities, allows the Group to apply certain of its funds to better use thereby providing a higher return to the Group. The terms of the Supplemental Loan Agreement, including the interest rate applicable, were arrived at after arm's length negotiations between the Lender and the Borrower having taken into account the current market norm in relation to similar transactions.

In view of the above, the Directors are of the view that the terms of the Supplemental Loan Agreement are on normal commercial terms and the Transaction is fair and reasonable, and in the interests of the Company and its shareholders taken as a whole.

## **INFORMATION ABOUT THE COMPANY AND THE GROUP**

### **The Company and the Group**

The Company is a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange. The Group is an established investment fund and commodity trading house which owns strategic interests in natural resource companies with the main business lines comprising of primary strategic investment, resource investment, and commodity trading business, focused primarily on metals, mining and energy and investment in financial assets.

## **INFORMATION ABOUT THE LENDER, THE BORROWER AND THE GUARANTOR**

### **The Lender**

The Lender is a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Company. The principal business activity of the Lender is principal investment and financial services.

### **The Borrower**

The Borrower is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Guarantor. The principal business activity of the Borrower is investment holding.

### **The Guarantor**

The Guarantor is a company incorporated in Taiwan with limited liability, the shares of which are listed on the Taiwan Stock Exchange Corporation. The principal business activity of the Guarantor is the provision of dry bulk shipping services internationally.

## **LISTING RULES IMPLICATIONS**

As the Lender is an indirect wholly-owned subsidiary of the Company, the Transaction entered into by the Lender shall be a deemed transaction of the Company under the Listing Rules as the definition of “listed issuer” under Chapter 14 of the Listing Rules shall include the listed issuer’s subsidiaries. The Transaction constitutes a discloseable transaction for the Company on the basis that the relevant percentage ratio(s) of the Company exceeds 5% but is below 25%.

## **DEFINITIONS**

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

“Loan”	the loan in the limit up to HK\$84,000,000 (or an amount equivalent to HK\$84,000,000 in such alternative currency as acceptable to and agreed by the Lender) made available by the Lender to the Borrower on the terms and subject to the conditions set out in the Loan Agreement, being approximately HK\$39,629,000 and HK\$39,629,000 for the first and second drawdown of the Loan respectively;
--------	--

“Previous Announcement”	the announcement dated 14 December 2017 made by the Company;
“Supplemental Loan Agreement”	the supplemental loan agreement to the Loan Agreement entered into between the Lender, the Borrower and the Guarantor on 20 December 2018; and
“Transaction”	the transaction contemplated under the Supplemental Loan Agreement.

By Order of the Board  
**APAC Resources Limited**  
**Andrew Ferguson**  
*Executive Director*

Hong Kong, 20 December 2018

As at the date of this announcement, the directors of the Company are:

*Executive Directors*

Mr. Brett Robert Smith (*Deputy Chairman*) and Mr. Andrew Ferguson (*Chief Executive Officer*)

*Non-Executive Directors*

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*), Mr. Lee Seng Hui and Mr. So Kwok Hoo

*Independent Non-Executive Directors*

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Robert Moyse Willcocks

\* *For identification purpose only*