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LUEN THAI HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 30 November 2015, 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 make available the Loan in the principal sum of RMB100,000,000 to the Borrower subject to the terms and conditions thereof. Pursuant to the terms of the Loan Agreement, the Borrower shall pay interest on the Loan at the normal interest of 12% per annum and repay the Loan in full on the Repayment Date.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted under the Loan Agreement was/were more than 5% but less than 25%, the Loan granted under the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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

PROVISION OF FINANCIAL ASSISTANCE

On 30 November 2015, 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 make available the Loan in the principal sum of RMB100,000,000 to the Borrower subject to the terms and conditions thereof.

Loan Agreement

The principal terms of the Loan Agreement are summarised as follows:

Date: 30 November 2015

Parties: The Lender, an indirect subsidiary of the Company as lender
The Borrower as borrower

Principal sum of the Loan:	RMB100,000,000
Interest rate:	<p>The Borrower shall pay interest on the Loan at the normal interest rate of 12% per annum. Interest shall accrue from the Drawdown Date and shall be payable on the Repayment Date.</p> <p>If the Borrower fails to make any payment due under the Loan Agreement on the due date for payment, interest on the unpaid amount shall accrue, from the date of non-payment to the date of actual payment, at a normal interest rate of 18% per annum.</p>
Drawdown:	<p>Subject to fulfilment or waiver of the conditions precedent as set out in the Loan Agreement, the Borrower may request the making of the Loan on or before 10 December 2015 provided that the Lender shall have received the drawdown notice not later than 12:00 noon (Hong Kong time) on the third business day before the date on which the Loan is to be made.</p>
Repayment and Prepayment:	<p>Subject to the provisions below, the Borrower shall repay the Loan in full on the Repayment Date.</p> <p>The Borrower may prepay the Loan in full before the Repayment Date, provided that (a) the Borrower shall have given to the Lender not less than one-month's prior written notice specifying the date of prepayment and (b) the Borrower shall also, on the date of prepayment, pay to the Lender all interests payable on the Loan as of the date of prepayment.</p> <p>Subject to the Parties' prior written agreement, the Borrower may prepay part of the Loan before the Repayment Date provided that the Borrower shall also, on the date of prepayment, pay to the Lender all interests payable on such part of the Loan as of the date of prepayment. All remaining part of the Loan and all interests payable on the remaining part of the Loan shall continue to be payable on the Repayment Date.</p> <p>The Parties may by mutual written agreement extend the Repayment Date for a further 12-month period, up to 36 months after the Drawdown Date.</p>
Repayment acceleration:	<p>The Lender may, by written notice to the Borrower, demand early repayment of the Loan upon certain events of default. Upon demand for early repayment by the Lender, the Borrower shall immediately repay all outstanding principal amount of the Loan plus all interests payable on the Loan as of the date of early repayment.</p>

Security: The Loan is secured by the following share charges:

- (i) a share charge executed by the Borrower, pursuant to which the Borrower shall charge the entire share capital in Lofty Talent in favour of the Lender as security for all the obligations and indebtedness owed by the Borrower to the Lender under the Loan Agreement, which will rank second to the existing share charge between the Borrower and the Lender dated 29 November 2011; and
- (ii) a share charge executed by Keyasia, pursuant to which Keyasia shall charge 55 ordinary shares in the Borrower (representing 55% of the issued share capital of the Borrower) in favour of the Lender as security for all the obligations and indebtedness owed by the Borrower to the Lender under the Loan Agreement, which will rank second to the existing share change between Keyasia and the Lender dated 29 November 2011.

Funding of the Loan

The Group will finance the Loan by internal resources of the Group.

Information of the Borrower

The Borrower and its subsidiaries are principally engaged in the property development and investment holding.

As at the date of this announcement, the Borrower was owned as to 55% by Keyasia, 24% by the Lender and 21% by Shan Ying, a direct wholly-owned subsidiary of LTL which is ultimately controlled by Dr. Tan Siu Lin, a Director. LTL, as an associate of Dr. Tan Siu Lin, is connected person of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed above, the Borrower and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company (as defined in the Listing Rules).

Information of the Group

The Group is principally engaged in the manufacturing and trading of apparels and accessories, the provision of freight forwarding and logistics services and real estate development.

Reasons for, and benefits of, the Loan Agreement

The terms of the Loan Agreement were negotiated on an arm's length basis between the Lender and the Borrower. The Directors are of the view that the terms of the Loan Agreement are on a normal commercial terms. After considering (i) the Loan is secured by the share charges as described above; (ii) the expected interest income to be generated; (iii) the market conditions; and (iv) the satisfactory financial background of the Borrower, the Directors consider that the terms of the Loan Agreement and the entering into of the Loan Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted under the Loan Agreement was/were more than 5% but less than 25%, the Loan granted under the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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

DEFINITIONS

In this announcement, unless the context otherwise requires, the words and expressions below shall have the following meanings:

“associate(s)”	shall have the meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“Borrower”	Chang Jia International Limited (長佳國際有限公司), a company incorporated under the laws of the British Virgin Islands and owned as to 24% by the Company as at the date of this announcement;
“Company”	Luen Thai Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	shall have the meaning as defined in the Listing Rules;
“Directors”	the directors of the Company;
“Drawdown Date”	the drawdown date of the Loan as specified on the drawdown notice delivered by the Borrower to the Lender pursuant to the Loan Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Keyasia”	Keyasia Investments Limited (基亞投資有限公司), a company incorporated under the laws of the British Virgin Islands;
“Lender”	Shiny New Limited, a company incorporated under the laws of the British Virgin Islands 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 aggregate principal amount of RMB100,000,000 to be made available by the Company to the Borrower pursuant to the Loan Agreement;
“Loan Agreement”	the loan agreement dated 30 November 2015 entered into between the Lender and the Borrower in respect of the Loan;
“Lofty Talent”	Lofty Talent Limited (崑駿有限公司), a company incorporated under the laws of the British Virgin Islands and a wholly-owned subsidiary of the Borrower;
“LTL”	Luen Thai Land Limited, a company incorporated under the laws of the British Virgin Islands;
“Parties”	the Lender and the Borrower;
“PRC”	People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan);
“Repayment Date”	the day falling on the 12 months from the Drawdown Date, which may be extended by the Parties’ mutual written agreement for a further 12 months, up to 36 months after the Drawdown Date;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shan Ying”	Shan Ying Limited (善盈有限公司), a company incorporated under the laws of the British Virgin Islands and a wholly-owned subsidiary of LTL;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent

Hong Kong, 30 November 2015

As at the date of this announcement, the Board comprises Dr. Tan Siu Lin, Dr. Tan Henry, Mr. Tan Cho Lung, Raymond and Ms. Mok Siu Wan, Anne as executive Directors; Mr. Tan Willie and Mr. Lu Chin Chu as non-executive Directors; Mr. Chan Henry, Mr. Cheung Siu Kee and Mr. Seing Nea Yie as independent non-executive Directors.

By order of the Board
Chiu Chi Cheung
Company Secretary

Website: www.luenthai.com