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## **中國通海國際金融有限公司**

**CHINA TONGHAI INTERNATIONAL FINANCIAL LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 952)**

### **DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE**

#### **THE PROVISION OF FINANCIAL ASSISTANCE**

The Board hereby announces that on 24 April 2020, the Lender (an indirect wholly-owned subsidiary of the Company) entered into a Loan Facility Agreement with the Borrower, pursuant to which the Lender agreed to provide the Borrower the Loan in sum of HK\$5 million.

#### **LISTING RULES IMPLICATIONS**

The provision of the Loan constitutes provision of financial assistance under the Listing Rules. As the highest of the applicable percentage ratio under the Listing Rules in respect of the provision of the Loan exceeds 5% but less than 25%, therefore, the provision of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting and announcement but exempted from the shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

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## Loan Facility Agreement

The principal terms of the Loan Facility Agreement are set out below:

Date:	24 April 2020
Lender:	China Tonghai Finance Limited
Borrower:	The Borrower
Principal Loan Amount:	HK\$5 million
Interest Rate:	8.5% per annum
Repayment:	without prejudice to the provision of the Loan Facility Agreement and subject to the followings, the Borrower shall repay the Loan together with interest thereon by way of the Monthly Installment Amount on each of the payment dates which will be set out in a repayment schedule and all other amounts due by it under the Loan Facility Agreement in full on the earlier of (a) the Repayment Date; or (b) within one Business Day of written demand by the Lender on the Borrower in the event of material adverse effect of the Borrower; or (c) within one Business Day of written demand by the Lender on the Borrower in the event of an event of default occurring.
Security:	the Loan is secured by the sub-charge pursuant to which the Borrower charges and assigns (as the case may be) to the Lender all the interests and rights of the Borrower in the three mortgages, which it holds as lender and mortgagee over three residential properties in Hong Kong, and all the monies to be repaid by the borrowers and mortgagors to the Lender pursuant to the said three mortgages
Conditions Precedent of Utilisation:	drawdown of the Loan is conditional upon, among other things, the fulfilment of the followings:  (i) provision by the Borrower to the Lender of the certified true copy of the written resolutions of the sole director approving and authorising the entry into and performance of the Financing Agreements to which it is a party, and any other documents ancillary to the Financing Agreements and authorising the execution of the Financing Agreements and any other ancillary documents; and

- (ii) each of the Financing Agreements duly executed by the Borrower to which it is a party together with all documents ancillary or incidental thereto duly signed and completed.

The Loan is financed with the internal resources of the Group.

## **REASONS FOR AND BENEFITS OF PROVISION OF FINANCIAL ASSISTANCE**

The provision of the Loan to the Borrower is in the ordinary course of business of the Lender. The terms and conditions of the Loan Facility Agreement are negotiated between the Lender and the Borrower on an arm's length basis and are on normal commercial terms. Taking into consideration of the interest income to be received by the Group, the Directors consider that the terms of the Loan Facility Agreement is fair and reasonable and the entering into the Loan Facility Agreement is in the best interest of the Company and the shareholders of the Company as a whole.

## **INFORMATION ON THE BORROWER**

The Borrower is Buddy Finance Limited, a company incorporated in Hong Kong with limited liability and a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services. Its ultimate beneficial owner is Mr. CHAN Shung Fai, who is also the sole director and sole shareholder of the Borrower.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Borrower and its ultimate beneficial owner are Independent Third Parties.

## **INFORMATION ON THE GROUP AND THE LENDER**

The Group is principally engaged in (i) discretionary and non-discretionary dealing services for securities, futures and options, securities placing and underwriting services, margin financing and money lending services, insurance broking and wealth management services; (ii) corporate finance advisory and general advisory services; (iii) fund management, discretionary portfolio management and portfolio management advisory services; (iv) financial media services; and (v) investing and trading of various investment products.

The Lender is China Tonghai Finance Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. It is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services.

## LISTING RULES IMPLICATIONS

The provision of the Loan constitutes provision of financial assistance under the Listing Rules. As the highest of the applicable percentage ratio under the Listing Rules in respect of the provision of the Loan exceeds 5% but less than 25%, therefore, the provision of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting and announcement but exempted from the shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Board	the board of Directors
“Borrower”	Buddy Finance Limited, a company incorporated in Hong Kong with limited liability
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in Hong Kong
“Company”	China Tonghai International Financial Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 952)
“Directors”	the director(s) of the Company
“Financing Agreements”	the Loan Facility Agreement, the sub-charge and three notices of assignment and sub-charge to be executed by the Borrower
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party(ies)”	person or company who/which are not connected with (within the meaning of the Listing Rules) and are independent of the directors, chief executives and substantial shareholders of the Group or any of their respective associates

“Lender”	China Tonghai Finance Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability and a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan with a principal amount of HK\$5 million granted by the Lender to the Borrower pursuant to the Loan Facility Agreement
“Loan Facility Agreement”	the secured loan facility agreement dated 24 April 2020 entered into between the Lender and the Borrower in respect of the Loan
“Monthly Installment Amount”	the amortized monthly payment of principal and interest for the Loan in the amount of HK\$227,278 after the date of utilization
“Repayment Date”	the date falling 24 months following the date of utilization
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

On behalf of the Board  
**China Tonghai International Financial Limited**  
**HAN Xiaosheng**  
*Chairman*

Hong Kong, 24 April 2020

As at the date of this announcement, the Board of the Company comprises:

***Executive Directors:***

Mr. HAN Xiaosheng (*Chairman*)  
Mr. ZHANG Bo (*Deputy Chairman*)  
Mr. ZHANG Xifang  
Mr. FENG Henian  
Mr. LIU Hongwei  
Mr. Kenneth LAM Kin Hing

***Independent Non-executive Directors:***

Mr. Roy LO Wa Kei  
Mr. KONG Aiguo  
Mr. LIU Jipeng  
Mr. HE Xuehui  
Mr. HUANG Yajun

***Non-executive Directors:***

Mr. Bernard POULIOT  
Mr. LIU Bing  
Mr. ZHAO Yingwei  
Mr. ZHAO Xiaoxia