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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 18 November 2020, the Lender (an indirect wholly-owned subsidiary of the Company) entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to provide the Borrower the Loan in sum of HK\$190 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 Agreement

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

Date:	18 November 2020
Lender:	China Tonghai Finance Limited
Borrower:	The Borrower
Loan Amount:	HK\$190 million
Interest Rate:	8.25% per annum
Repayment:	without prejudice to the provision of the Loan Agreement, the Borrower shall repay the Loan together with accrued interest thereon and all other amounts due by it under the Loan 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 on the Borrower or on the occurrence of an event of default.
Early Repayment:	without prejudice to the provision of the Loan Agreement, the Borrower may on any Business Day prior to the Repayment Date, upon giving to the Lender two Business Days prior written notice, make early repayment of a Loan in full provided that accrued interest shall be paid on early repayment of the Loan and to be calculated at the interest rate up to and including the actual date of early repayment.
Availability Period:	the period no longer than 14 days from and including the date of the Loan Agreement, or such longer period as the Lender may agree in writing.
Default Interest:	if the Borrower fails to pay any sum payable to the Lender under the Loan Agreement when due, it shall pay interest on such sum from and including the due date up to and including the date of actual payment at the default rate of 15% per annum.

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 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 (i) the interest income to be received by the Group and (ii) the credit assessments on the financial strength and repayment ability of the Borrower, the Directors consider that the terms of the Loan Agreement is fair and reasonable and the entering into the Loan 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 Hong Kong Hoi Hing International Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in the investments holding. Its ultimate beneficial owner are Mr. MO Li Jun and Ms. HUO Jialin, who are the directors 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.

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DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Hong Kong Hoi Hing International 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
“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\$190 million granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 18 November 2020 entered into between the Lender and the Borrower in respect of the Loan
“Repayment Date”	the date falling 20 days following the date(s) 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, 18 November 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. FANG Zhou
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. LIU Bing
Mr. ZHAO Yingwei
Mr. ZHAO Xiaoxia