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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 announcement of the Company dated 5 March 2018, in relation to, among others, the proposed grant of the First Loan by CMBCCF to the First Borrower. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

On 28 June 2018, CMBCCF has entered into the Second Facility Agreement with the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Second 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 (as aggregated pursuant to Rule 14.22 of the Listing Rules) constitutes discloseable transactions of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 13.15 of the Listing Rules in respect of the disclosure of the identity of the Second Borrower and the interest rate of the Second Loan.

THE SECOND FACILITY AGREEMENT

Reference is made to the announcement of the Company dated 5 March 2018, in relation to, among others, the proposed grant of the First Loan by CMBCCF to the First Borrower (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

On 28 June 2018, CMBCCF has entered into the Second Facility Agreement with the Second Borrower, pursuant to which CMBCCF has agreed to make available to the Second Borrower the Second Loan.

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

- Date: 28 June 2018
- Parties: i. CMBCCF as lender; and
ii. the Second Borrower.
- Principal Amount: HK\$340,000,000
- Conditions Precedent: The Second 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 Second Facility Agreement; and
- ii. no default is continuing or would result from the Second Loan under the Second Facility Agreement.
- Utilisation: subject to the satisfaction of the conditions precedent as set out in the Second Facility Agreement, the Second Borrower may utilise the Second 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 entities.

- 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 Second Loan.
- Maturity Date: 6 months from the utilisation date.
- Repayment: subject as otherwise provided in the Second Facility Agreement, the Second Borrower shall repay the outstanding Second Loan in full on the maturity date.
- Security: the Second 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 PRC Guarantor;
 - corporate guarantee provided by the First Borrower; and
 - pledge of certain shares of the companies to be acquired by the Second Borrower using the proceeds of the Second Loan.

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

INFORMATION ON THE CREDIT RISK RELATING TO THE SECOND LOAN

The grant of the Second Loan was determined on the basis of CMBCCF credit assessments made on, *inter alia*, that the background and the financial strength of the First Borrower, the Second Borrower, the ultimate controlling shareholder of the Second Borrower and the PRC Guarantor. The Second Borrower is a large-scale company in the PRC, principally engaged in the education business. According to its audited financial statement as at 31 December 2017, the consolidated net asset and consolidated total asset of the Second Borrower exceed RMB1.7 billion and RMB2.5 billion, respectively. As such, and taking into consideration the relatively short term of the Second Loan, the Company considers that the risks involved in the advance to the Second Borrower are relatively low.

The Group has granted the First Loan to the First Borrower pursuant to the facility agreement dated 5 March 2018, which was secured by, among others, the corporate guarantee provided by the sole shareholder of the First Borrower. Neither the First Borrower, the Second Borrower, the ultimate controlling shareholder of the Second Borrower nor the PRC Guarantor have any previous default on any loans provided by the Group. To the best knowledge, information and belief of the Directors, the Second Borrower did not have any credit rating as at the date of this announcement.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SECOND FACILITY AGREEMENT

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

The Second Facility Agreement has been entered into based on the Company's development strategy. Taking into account the return from the grant of the Second Loan and based on the result of the credit assessments, the Directors consider that the terms of the Second Facility Agreement are fair and reasonable, the entering into the Second Facility Agreement and the grant of the Second 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 AND THE PRC GUARANTOR

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Second Borrower, 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 PRC 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 (as aggregated pursuant to Rule 14.22 of the Listing Rules) constitutes discloseable transactions of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

WAIVER FROM STRICT COMPLIANCE WITH RULE 13.15 OF THE LISTING RULES

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 13.15 of the Listing Rules in respect of the disclosure of the identity of the Second Borrower and the interest rate of the Second Loan.

DEFINITION

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

“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
“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 and the Second 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
“PRC Guarantor”	a Company established in the PRC with limited liability and an indirect subsidiary of the Second Borrower
“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
“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, 28 June 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.