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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
SUPPLEMENTAL AGREEMENT IN RELATION TO
EXTENSION OF LOAN FACILITY**

**SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LOAN
FACILITY**

On 23 July 2018, a Loan Facility Agreement was entered into between the Lender, an indirect wholly-owned subsidiary of the Company, and the Borrower, pursuant to which the Lender agreed to provide the Borrower the Loan in an amount of HK\$255 million for 45 days. On 6 September 2018, the parties entered into the Supplemental Agreement to the Loan Facility Agreement to extend the repayment date to 6 December 2018 and change the interest rate on the Loan from 6.75% per annum to 8.0% per annum. Save as disclosed herein, all other terms and provisions of the Loan Facility Agreement shall remain in full force and effect. All the interests of the Loan accrued up to 6 September 2018 under the Loan Facility Agreement have been repaid.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the aggregated interest income to the Group and the total amount of financial assistance granted to the Borrower under the Loan Facility Agreements exceeds 5% but less than 25%, the extension of the Loan under the Supplemental Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements.

PROVISION OF FINANCIAL ASSISTANCE

On 23 July 2018, a Loan Facility Agreement was entered into between the Lender, an indirect wholly-owned subsidiary of the Company, and the Borrower, pursuant to which the Lender agreed to provide the Borrower the Loan in an amount of HK\$255 million for 45 days. The principal terms of the Loan Facility Agreement are set out below:

Principal terms of the Loan Facility Agreement

Date:	23 July 2018
Lender:	Oceanwide Finance Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong
Borrower:	The Borrower
Principal Loan Amount:	HK\$255 million
Interest Rate:	6.75% per annum
Repayment:	Subject as otherwise provided in the Loan Facility Agreement, the Borrower shall repay on the date falling 45 days following the date of utilisation
Personal Guarantee:	a deed of guarantee was given by the Personal Guarantor in favour of the Lender to guarantee the Borrower's due performance of the obligation under the Loan Facility Agreement

SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LOAN FACILITY

On 6 September 2018, the parties entered into the Supplemental Agreement to the Loan Facility Agreement to extend the repayment date to 6 December 2018 and change the interest rate of the Loan from 6.75% per annum to 8.0% per annum. Save as disclosed herein, all other terms and provisions of the Loan Facility Agreement shall remain in full force and effect. All the interests of the Loan accrued up to 6 September 2018 under the Loan Facility Agreement have been repaid.

The personal guarantee given by the Personal Guarantor in favour of the Lender will remain as the continuing security for the due performance of the obligation of the Borrower under the Loan Facility Agreements.

REASONS FOR AND THE BENEFITS OF PROVISION OF THE FINANCIAL ASSISTANCE

The granting of the Loan to the Borrower is in the ordinary course of business of the Lender and on normal commercial terms and is arrived at arm's length negotiations. Taking into consideration of the increase in the interest income to be received by the Group and the short tenure of the Loan, the Directors consider that the terms and the extension of the Loan is fair and reasonable and is in the best interest of the Company and its shareholders as a whole.

The Loan is funded by internal resources of the Company.

INFORMATION ON THE BORROWER AND PERSONAL GUARANTOR

The Borrower is a company incorporated in Hong Kong. Its principal business is overseas immigration services and equity investments.

The Personal Guarantor is a 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 (together with its ultimate beneficial owner) and the Personal Guarantor 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 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 license 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

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the aggregated interest income to the Group and the total amount of financial assistance granted to the Borrower under the Loan Facility Agreements exceeds 5% but less than 25%, the extension of the Loan under the Supplemental Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Borrower”	a company incorporated in Hong Kong with limited liability
“Business Day”	means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) 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”	Oceanwide Finance Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong and a registered money lender holding a valid money lenders license 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 short term loan with principal amount of HK\$255 million granted by the Lender to the Borrower pursuant to the Loan Facility Agreement as supplemented by the Supplemental Agreement

“Loan Facility Agreement”	the loan facility agreement dated 23 July 2018 entered into between the Lender and the Borrower in respect of the Loan
“Loan Facility Agreements”	the Loan Facility Agreement and the Supplemental Agreement
“Personal Guarantor”	Mr. A, a director and sole shareholder of the Borrower
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 6 September 2018 entered into between the Lender and the Borrower to supplement the Loan Facility Agreement
“%”	per cent

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

Hong Kong, 6 September 2018

As at the date of this announcement, the board of directors of China Tonghai International Financial Limited comprises six executive directors, namely Mr. HAN Xiaosheng, Mr. ZHANG Bo, Mr. ZHANG Xifang, Mr. FENG Henian, Mr. LIU Hongwei and Mr. Kenneth LAM Kin Hing; four non-executive directors, namely Mr. Bernard POULIOT, Mr. LIU Bing, Mr. ZHAO Yingwei and Mr. ZHAO Xiaoxia; and five independent non-executive directors, namely Mr. Roy LO Wa Kei, Mr. KONG Aiguo, Mr. LIU Jipeng, Mr. HE Xuehui and Mr. HUANG Yajun.