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

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

On 29 June 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\$160 million for a period of three months. The parties entered into the First Supplemental Agreement to the Loan Facility Agreement on 28 September 2018 to extend the repayment date of Loan to 27 December 2018 and change the interest rate from 5.4% per annum to 8.5% per annum on 28 September 2018. On 31 December 2018, the parties entered into the Second Supplemental Agreement to the Loan Facility Agreement to further extend the repayment date of the Loan to 27 March 2019 at the same interest rate of 8.5% per annum. Save as disclosed herein, all other terms and provisions of the Loan Facility Agreement and the First Supplemental Agreement shall remain in full force and effect. All the interests of the Loan accrued up to 27 December 2018 under the Loan Facility Agreement and the First Supplemental Agreement has been repaid.

## **LISTING RULES IMPLICATIONS**

As the relevant percentage ratios 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 Second 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.

Reference is made to the announcement of Company dated 28 September 2018 in relation to the entering of First Supplemental Agreement with the Borrower to extend the repayment date of the Loan under the Loan Facility Agreement to 27 December 2018 and change the interest rate on the Loan to 8.5% per annum.

## **PROVISION OF FINANCIAL ASSISTANCE**

On 29 June 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\$160 million for a period of three months. The principal terms of the Loan Facility Agreement are set out below:

### **Principal terms of the Loan Facility Agreement**

Date:	29 June 2018
Lender:	China Tonghai Financial Limited (formerly known as Oceanwide Finance Limited), an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
Borrower:	The Borrower
Principal Loan Amount:	HK\$160 million
Interest Rate:	5.4% per annum
Repayment:	Subject as otherwise provided in the Loan Facility Agreement, the Borrower shall repay on the date falling three months following the date of utilization
Personal Guarantee:	A deed of guarantee was given by a Personal Guarantor in favour of the Lender to guarantee the Borrower's due performance of the obligation under the Loan Facility Agreement

## **FIRST SUPPLEMENTAL AGREEMENT AND SECOND SUPPLEMENTAL AGREEMENT IN RELATION TO EXTENSION OF LOAN**

On 28 September 2018, the parties entered into the First Supplemental Agreement to the Loan Facility Agreement to extend the repayment date of Loan to 27 December 2018 and change the interest rate of the Loan from 5.4% per annum to 8.5% per annum.

On 31 December 2018, the parties entered into the Second Supplemental Agreement to the Loan Facility Agreement to further extend the repayment date of the Loan to 27 March 2019 at the same interest rate of 8.5% per annum. The interest payable under the Second Supplemental Agreement will be effective from 28 December 2018 and up to and including 27 March 2019. Save as disclosed herein, all other terms and provisions of the Loan Facility Agreement and the First Supplemental Agreement shall remain in full force and effect. All the interests of the Loan accrued up to 27 December 2018 under the Loan Facility Agreement and the First Supplemental Agreement has 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. Taking into consideration of 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 provision of 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 with limited liability. Its principal business is equity investment.

The Personal Guarantor is the sole director and ultimate beneficial owner 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 owners) 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 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 Second 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
“Borrower”	a company incorporated in Hong Kong with limited liability
“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
“First Supplemental Agreement”	the supplemental agreement dated 28 September 2018 entered into between the Lender and the Borrower to supplement the Loan Facility Agreement
“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 (formerly known as Oceanwide 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 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\$160 million granted by the Lender to the Borrower pursuant to the Loan Facility Agreement as supplemented by the First Supplemental Agreement and the Second Supplemental Agreement
“Loan Facility Agreement”	the loan facility agreement dated 29 June 2018 entered into between the Lender and the Borrower in respect of the Loan
“Loan Facility Agreements”	the Loan Facility Agreement, the First Supplemental Agreement and the Second Supplemental Agreement
“Personal Guarantor”	Mr. A, the sole director and ultimate beneficial owner of the Borrower
“Second Supplemental Agreement”	the supplemental agreement dated 31 December 2018 entered into between the Lender and the Borrower to supplement the Loan Facility Agreement and the First Supplemental Agreement

“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, 31 December 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.*