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**中国三迪**  
CHINA SANDI

**CHINA SANDI HOLDINGS LIMITED**

**中國三迪控股有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 910)**

**DISCLOSEABLE TRANSACTION  
PROVISION OF GUARANTEES AND MORTGAGES**

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The Board would like to announce that on 19 November 2021, after obtaining approval from the Board, (i) the Guarantee Contracts were entered into between each of the Guarantors and the Bank pursuant to which each Guarantor agreed to provide joint and several guarantee for the repayment obligations of the Borrower in respect of the Facility and (ii) the Mortgage Contracts were entered into between each of the Mortgage Providers and the Bank for a maximum period of two years pursuant to which each Mortgage Provider agreed to mortgage certain land, properties and carpark spaces in favour of the Bank as security for the repayment obligations of the Borrower in respect of the Facility.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Guarantees and the Mortgages is/are more than 5% but less than 25%, the provision of the Guarantees and the Mortgages constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **PROVISION OF GUARANTEES AND MORTGAGES**

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Summarised below are the principal terms of the Guarantee Contracts:

### **THE GUARANTEE CONTRACTS**

- Date: 19 November 2021
- Guarantors: The Guarantors namely, Shanghai Sandi, Fuzhou Gaojia, Wuyishan Gaojia and Yungtai Gaojia, each being a wholly-owned subsidiary of the Company
- Lender: Xiamen International Bank Co. Ltd., Fuzhou Branch
- Scope of the guarantee: Each Guarantor shall provide joint and several guarantee for the repayment obligations of the Borrower in respect of the principal amount of RMB260 million and any interests arising therefrom (including late penalty and compound interests), default interests, indemnity and the costs incurred by the Bank in realizing the security rights and creditor's rights (including but not limited to litigation costs, arbitration fees, legal fees, property preservation fees, assessment fees, auction fees, implementation fees and travel expenses).
- Term: Each Guarantee Contract shall become effective from 22 November 2021 until the expiry of three years from the due date of the repayment obligation of the Borrower in respect of the Facility.

### **THE MORTGAGE CONTRACTS**

- Date: 19 November 2021
- Mortgagor: The Mortgage Providers namely, Shanghai Sandi, Fuzhou Gaojia, Wuyishan Gaojia and Yungtai Gaojia, each being a wholly-owned subsidiary of the Company

Lender:	Xiamen International Bank Co. Ltd., Fuzhou Branch
Scope of the mortgage security:	Each Mortgage Provider shall provide mortgage in respect of certain land, properties and carpark spaces as security for the repayment obligations of the Borrower in respect of the Facility, interests and other amounts resulting thereunder up to a maximum amount of RMB390,000,000 (in respect of each of Fuzhou Gaojia, Wuyishan Gaojia and Yongtai Gaojia) and RMB276,915,000 (in respect of Shanghai Sandi).
Term:	Same term as the Facility with a term of two years, effective from 22 November 2021.
Mortgaged properties:	Certain land, properties and carpark spaces owned by the Mortgage Providers, with those of Shanghai Sandi valued at RMB277,185,814, those of Fuzhou Gaojia valued at RMB66,953,000, those of Wuyishan Gaojia valued at RMB77,740,000 and those of Yongtai Gaojia valued at RMB101,005,200

The Guarantee Contracts and the Mortgage Contracts are entered into for securing the repayment obligations of the Borrower in respect of the Facility, major terms of which are set out below:

## **THE FACILITY CONTRACT**

Date:	19 November 2021
Lender:	Xiamen International Bank Co. Ltd., Fuzhou Branch
Borrower:	Fujian Aibang Construction Engineering Co., Ltd.
Maximum facility:	RMB260 million
Interest rate:	An initial annual interest rate of approximately 6.6%, being 2.75% above the one-year loan prime rate (1-Year LPR) promulgated by the National Interbank Funding Center under the authority of the People's Bank of China as at the date immediately before the loan drawdown date of 3.85%. The interest rate may be adjusted according to the 1-Year LPR but shall not be lower than 6.6%.
Term:	Two years, effective from 22 November 2021.

## **INFORMATION ON THE BORROWER**

The Borrower is a limited liability company established in the PRC and is principally engaged in property construction and decoration in the PRC.

Based on public information, the Borrower is held as to approximately 51% and 49% by Mr. Liu Shaojun and Mr. Chen Haibin, both being PRC residents and merchants. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

### **INFORMATION ON THE BANK**

The Bank is a local branch of Xiamen International Bank, a PRC licensed commercial bank principally engaged in banking services with its head office located in Xiamen, Fujian Province, the PRC. According to the publicly available information, the Bank does not have any controlling shareholder (within the meaning of the Listing Rules). Its largest shareholder is 福建省福投投資有限責任公司 (Fujian Futou Investment Limited Liability Company), which is wholly owned by 福建省投資開發集團有限責任公司 (Fujian Investment and Development Group Limited Liability Company) and the actual controlling shareholder of which is the State-owned Assets Supervision and Administration Commission of the People's Government of Fujian Province.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Bank and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

### **INFORMATION ON THE GROUP**

The Group is principally engaged in property development and holding of property for investment and rental purpose in the PRC. The Guarantors and the Mortgage Providers include Shanghai Sandi, Fuzhou Gaojia, Wuyishan Gaojia and Yongtai Gaojia, each being a 100% owned subsidiary of the Company and principally engaged in property development and investment in the PRC.

### **REASONS FOR ENTERING INTO THE GUARANTEE CONTRACTS AND THE MORTGAGE CONTRACTS**

Recently, property development industry in the PRC has experienced a slow down in growth, and generally related upstream and downstream industries has been affected to a certain extent. In order to maintain sufficient working capital of main partners of the project, the developer and these partners from related upstream and downstream industries will support each other to develop projects in a common and healthy way. The Group and the Borrower, being a construction company, have been cooperating well in the property development of multiple projects of the Group and successfully delivered a number of projects.

The Bank provided the Facility in the maximum amount of RMB260 million to the Borrower and requested the Group to provide the Guarantees and Mortgages as security. By entering into the Guarantee Contracts and the Mortgage Contracts, the Borrower agreed that the Group may delay repayment of certain amount owed to the Borrower by two years. The provision of the Guarantees and Mortgages also reflects the Group's support to the long term business partner in exchange for better project rates in the future.

The terms of the Guarantee Contracts and the Mortgage Contracts were negotiated on an arm's length basis between the Group and the Bank based on, among other things, the financing needs requested by the Bank and the Group's assessment on the source of funds for repayment and the business conditions and creditworthiness of the Borrower. The Directors are of the view that the Guarantee Contracts and the Mortgage Contracts were entered into on normal commercial terms. In view of the above, the Directors consider that the terms of the Guarantee Contracts and the Mortgage Contracts are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Guarantees and the Mortgages is/are more than 5% but less than 25%, the provision of the Guarantees and the Mortgages constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Bank”	Xiamen International Bank Co. Ltd., Fuzhou Branch
“Board”	the board of Directors
“Company”	China Sandi Holdings Limited (Stock code: 910), a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Facility”	the facility in the maximum amount of RMB260 million made available by the Bank to the Borrower

“Facility Contract”	the composite credit facility contract dated 19 November 2021 between the Bank and the Borrower
“Fuzhou Gaojia”	Fuzhou Gaojia Real Estate Development Co. Ltd, a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guarantee Contracts”	the guarantee contracts all dated 19 November 2021 entered into between each of the Guarantors (as guarantor) and the Bank
“Guarantees”	the joint and several guarantees provided by the Guarantors under the Guarantee Contracts
“Guarantors”	Shanghai Sandi, Fuzhou Gaojia, Wuyishan Gaojia and Yongtai Gaojia
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mortgage Contracts”	the mortgage contracts all dated 19 November 2021 entered into by each of the Mortgage Providers (as mortgagor) and the Bank for a maximum period of two years
“Mortgage Providers”	Shanghai Sandi, Fuzhou Gaojia, Wuyishan Gaojia and Yongtai Gaojia
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Shanghai Sandi”	Shanghai Sandi Real Estate Development Co. Ltd, a limited liability established in the PRC and a wholly-owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wuyishan Gaojia”	Wuyishan Gaojia Real Estate Development Co. Ltd, a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“Yongtai Gaojia”	Yongtai Gaojia Real Estate Development Co. Ltd, a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board  
**China Sandi Holdings Limited**  
**Guo Jiadi**  
*Chairman*

Hong Kong, 22 November 2021

*As at the date of this announcement, members of the Board comprise Mr. Guo Jiadi, Ms. Amika Lan E Guo and Mr. Wang Chao, being the executive Directors; and Mr. Chan Yee Ping, Michael, Ms. Ma Shujuan and Mr. Lam Wai Fung, Dominic, being the independent non-executive Directors.*