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KSL Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8170)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

The Board is pleased to announce that on 23 December 2016 (after trading hours), the Loan Agreement was entered into among the Lender, an indirect wholly-owned subsidiary of the Company, the Borrower and the Guarantor. Pursuant to the Loan Agreement, the Lender has agreed to grant the Loan in the principal amount of HK\$22,000,000 to the Borrower for a period of 3 months commencing from 28 December 2016 at an interest rate of 1.6% per month.

GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Loan is more than 5% but all percentage ratios are less than 25%, the grant of the Loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

As the assets ratio as defined under the GEM Listing Rules in respect of the Loan exceeds 8%, the Loan Agreement is also subject to the general disclosure obligations under Rule 17.15 of the GEM Listing Rules. The information required to be disclosed pursuant to Rule 17.15 of the GEM Listing Rules in respect of the Loan Agreement is disclosed in this announcement.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 23 December 2016 (after trading hours), the Loan Agreement was entered into among the Lender, an indirect wholly-owned subsidiary of the Company, the Borrower and the Guarantor.

Summarised below are the principal terms of the Loan Agreement.

THE LOAN AGREEMENT

Date	:	23 December 2016 (after trading hours)
Lender	:	The Lender, an indirect wholly-owned subsidiary of the Company
Borrower	:	The Borrower
Guarantor	:	The Guarantor, the chairman of the board, an executive director and a controlling shareholder (as defined in the GEM Listing Rules) of the Borrower
Principal amount	:	HK\$22,000,000
Interest rate	:	1.6% per month
Drawdown date	:	28 December 2016
Term	:	a period of three (3) months commencing from 28 December 2016, which can be extended for another three (3) months upon mutual consent between the Borrower and the Lender
Maturity Date	:	The date falling on the three (3) months (or six (6) months if the term is being extended) of the drawdown date (or, if such date is not a Business Day, the immediately following Business Day)
Repayment	:	The Borrower shall repay and/or settle the full amount of the Loan on the maturity date and the interest thereon shall be prepaid on the date of the signing of the Loan Agreement.
Prepayment	:	The Borrower may, by giving not less than fourteen (14) days' prior written notice to the Lender, prepay before the maturity date all or part of the Loan.
Guarantee	:	The Loan is secured by a personal guarantee dated 23 December 2016 executed by the Guarantor in favour of the Lender pursuant to which the Guarantor unconditionally and irrevocably guarantees the due and punctual payment of all and any sums which are or at any time may become payable by the Borrower under the Loan Agreement and the due and punctual performance and observance by the Borrower of all other obligations under the Loan Agreement.

FUNDING OF THE LOAN

The Group will finance the Loan with its internal resources.

INFORMATION OF THE BORROWER AND THE GUARANTOR

The Borrower is a limited liability company incorporated under the laws of Cayman Islands whose shares are listed on the Growth Enterprise Market of the Stock Exchange. It is principally engaged in the business of providing financial guarantee services, performance guarantee services and advisory services in the People's Republic of China.

The Guarantor is an individual who is the chairman of the board, an executive director and a controlling shareholder (as defined in the GEM Listing Rules) of the Borrower.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Borrower and the Guarantor is an Independent Third Party.

INFORMATION OF THE GROUP AND THE LENDER

The Lender, being an indirect wholly-owned subsidiary of the Company, is an investment holding company. The Group is principally engaged in the provision of engineering consulting, contracting and project management services in Hong Kong with a focus on geotechnical engineering works.

REASONS FOR THE GRANT OF THE LOAN

The terms of the Loan Agreement (including the interest rate) are negotiated on an arm's length basis among the parties thereto, with reference to the normal prevailing commercial practice and the principal amount of the Loan. The Directors are of the view that the terms of the Loan Agreement are normal commercial terms entered into based on the Group's credit assessment towards the Borrower and the Guarantor as well as the personal guarantee provided by the Guarantor to the Lender in respect of the Loan. Taking into account (i) the satisfactory financial background of the Borrower and the Guarantor; (ii) the personal guarantee provided by the Guarantor; and (iii) the stable revenue and cashflow stream expected from the interest income, the Directors consider that the terms of the Loan Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Loan is more than 5% but all percentage ratios are less than 25%, the grant of the Loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

As the assets ratio as defined under the GEM Listing Rules in respect of the Loan exceeds 8%, the Loan Agreement is also subject to the general disclosure obligations under Rule 17.15 of the GEM Listing Rules. The information required to be disclosed pursuant to Rule 17.15 of the GEM Listing Rules in respect of the Loan Agreement is disclosed in this announcement.

DEFINITIONS

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

“Board”	the board of Directors;
“Borrower”	China Assurance Finance Group Limited, an exempted company incorporated in Cayman Islands with limited liability whose issued shares are listed on Growth Enterprise Market of the Stock Exchange (Stock Code: 8090), being the borrower under the Loan Agreement;
“Business Day(s)”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours;
“Company”	KSL Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands whose issued shares are listed on Growth Enterprise Market of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange, as amended from time to time;
“Group”	the Company and its subsidiaries;

“Guarantor”	an individual who is the chairman of the board, an executive director and a controlling shareholder (as defined in the GEM Listing Rules) of the Borrower, being the guarantor under the Loan Agreement;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected person(s);
“Lender”	Sky Planner Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, being the lender under the Loan Agreement;
“Loan”	the loan in the principal amount of HK\$22,000,000 granted to the Borrower under the Loan Agreement;
“Loan Agreement”	the loan agreement dated 23 December 2016 entered into among the Lender, the Borrower and the Guarantor in respect of the Loan;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board
KSL Holdings Limited
Tong Jiangxia
Chairperson

Hong Kong, 23 December 2016

As at the date of this announcement, the executive Directors are Ms. Tong Jiangxia, Ms. Au Man Yi, Mr. Chai Nan, Mr. Wang Peng and Mr. He Jian Wen; the non-executive Director is Dr. Li Kai Shun; and the independent non-executive Directors are Professor Ho Ho Ming, Mr. Ko Chi Keung and Ms. Kwong Ka Ki.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.kslholdings.com.