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## **CMBC CAPITAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1141)**

### **DISCLOSURE PURSUANT TO RULES 13.13 AND 13.14 OF THE LISTING RULES**

Reference is made to the Announcements in relation to, *inter alia*, the Loans made by the Group to the Borrower's affiliate.

On 9 May 2018, CMBC Securities, a wholly-owned subsidiary of the Company, has entered into the Facility Agreement with the Borrower, pursuant to which CMBC Securities has agreed to make available to the Borrower the Margin Loan Facilities.

As the amount of the Loans has increased by 3% or more of the assets ratio as defined under Rule 14.07(1) of the Listing Rules since the Announcements, the grant of the Margin Loan Facilities is subject to the general disclosure obligation under Rule 13.14 of the Listing Rules.

In addition, the Margin Loan Facilities are granted by CMBC Securities to facilitate the acquisition of certain securities listed on the Stock Exchange and (where applicable) the continued holding of those securities, the Margin Loan Facilities constitute securities margin financing. As CMBC Securities is a securities house and provides the financial assistance in its ordinary and usual course of business and upon normal commercial terms by way of securities margin financing in order to facilitate the acquisition of securities listed in Hong Kong pursuant to Rule 14.04(1)(e)(iii) of the Listing Rules, the grant of the Margin Loan Facilities by CMBC Securities does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

## THE FACILITY AGREEMENT

Reference is made to the Announcements in relation to, *inter alia*, the Loans made by the Group to the Borrower's affiliate.

On 9 May 2018, CMBC Securities, a wholly-owned subsidiary of the Company, has entered into the Facility Agreement with the Borrower, pursuant to which CMBC Securities has agreed to make available to the Borrower the Margin Loan Facilities.

The principal terms of the Facility Agreement are as follows:

- Date: 9 May 2018
- Parties: i. CMBC Securities; and  
ii. the Borrower.
- Purpose: Acquisition of certain securities listed on the Stock Exchange
- Principal Amount: HK\$430,000,000
- Conditions Precedent: The Margin Loan Facilities will be made available to the Borrower on the utilisation date upon satisfaction, among others, of the following conditions precedent:
- i. CMBC Securities has received all documents as required under the Facility Agreement; and
- ii. no default is continuing or would result from the grant of the Margin Loan Facilities under the Facility Agreement.
- Utilisation: subject to the satisfaction of the conditions precedent as set out in the Facility Agreement, the Borrower may utilise the Margin Loan Facilities from and including the date falling 2 business days after the delivery of a duly completed utilisation request.

- Interest rate and other fees: 8.5% per annum.
- Repayment Date: Tranche 1: 6 months from the relevant utilisation date; and  
Tranche 2: 12 months from the relevant utilisation date
- Repayment: subject as otherwise provided in the Facility Agreement, the Borrower shall repay the outstanding Margin Loan Facilities in full on the relevant repayment date.
- Security: the Margin Loan Facilities will be secured by, *inter alia*, the following:
- i. the listed securities the Borrower to be deposited from time to time in its account opened with CMBC Securities; and
  - ii. a personal guarantee provided by the Guarantor.

The Company will finance the Margin Loan Facilities with its internal resources.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO THE FACILITY AGREEMENT**

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

The Facility Agreement has been entered into based on the Company's development strategy. Taking into account the return from the grant of the Margin Loan Facilities and the results of the credit assessments, the Directors consider that the terms of the Facility Agreement are fair and reasonable, the entering into the Facility Agreement and the grant of the Margin Loan Facilities thereunder 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 BORROWER**

To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, the Borrower is incorporated in the Cayman Islands, which principally acts as a investment holding company; the Guarantor is an individual and the ultimate controlling shareholder 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 as at the date of this announcement.

## **LISTING RULES IMPLICATIONS**

As the amount of the Loans has increased by 3% or more of the assets ratio as defined under Rule 14.07(1) of the Listing Rules since the Announcements, the grant of the Margin Loan Facilities is subject to the general disclosure obligation under Rule 13.14 of the Listing Rules.

In addition, the Margin Loan Facilities are granted by CMBC Securities to facilitate the acquisition of certain securities listed on the Stock Exchange and (where applicable) the continued holding of those securities, the Margin Loan Facilities constitute securities margin financing. As CMBC Securities is a securities house and provides the financial assistance in its ordinary and usual course of business and upon normal commercial terms by way of securities margin financing in order to facilitate the acquisition of securities listed in Hong Kong pursuant to Rule 14.04(1)(e)(iii) of the Listing Rules, the grant of the Margin Loan Facilities by CMBC Securities does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

## **DEFINITION**

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

“Announcements”	the announcements of the Company dated 8 December 2017, 5 February 2018, 7 March 2018, 19 March 2018, 13 April 2018, 17 April 2018 and 7 May 2018, in relation to, amongst others, the advances made by the Group to Macro-Link International Investment Co., Ltd, an affiliate of the Borrower
“Board”	the board of Directors

“Borrower”	MACROLINK INTERNATIONAL HOLDINGS LIMITED (新華聯國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, and beneficially controlled by the Guarantor
“CMBC Securities”	CMBC Securities Company Limited, a company incorporated in Hong Kong with limited liability and a corporation licensed to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and a direct wholly-owned subsidiary of the Company
“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)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Facility Agreement”	the facility agreement dated 9 May 2018 entered into between CMBC Securities and the Borrower, pursuant to which CMBC Securities has agreed to make available to the Borrower the Margin Loan Facilities
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Fu Kwan, an individual and the ultimate controlling shareholder of the Borrower
“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
“Loans”	the advances that the Group has made available to Macro-Link International Investment Co., Ltd, an affiliate of the Borrower, as disclosed in the Announcements
“Margin Loan Facilities”	the margin loan facilities to be provided by CMBC Securities to the Borrower in the principal amount of HK\$430 million pursuant to the Facility Agreement
“PRC”	the People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region and Taiwan
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tranche 1”	HK\$230,000,000 of the Margin Loan Facilities
“Tranche 2”	HK\$200,000,000 of the Margin Loan Facilities
“%”	per cent.

By order of the Board  
**CMBC Capital Holdings Limited**  
**Li Jinze**  
*Chairman*

Hong Kong, 9 May 2018

*As at the date of this announcement, the executive Directors are Mr. Li Jinze, Mr. Ding Zhisuo, 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.*