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**高富集團控股有限公司**  
**GT GROUP HOLDINGS LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
(Stock Code: 263)

**DISCLOSEABLE TRANSACTION  
PROVISION OF INDEMNITY**

On 23 March 2017 (after trading hours), the Company entered into the Indemnity in favour of the Personal Guarantor and the Corporate Guarantor, whereby the Company irrevocably and unconditionally indemnifies each of the Personal Guarantor and Corporate Guarantor from and against any and all claims under the Personal Guarantee and the Corporate Guarantee up to an aggregate amount which the Personal Guarantor and/or the Corporate Guarantor incur or suffer as a result of such claim multiplied by the percentage beneficial shareholding of the Group in the Investee Company as on the date of such claim or demand by the Lending Bank. As at the date of this announcement, the Investee Company is held as to approximately 9.09% by the Group.

Each of the Personal Guarantor and the Corporate Guarantor has entered into the Personal Guarantee and the Corporate Guarantee respectively to guarantee all the obligations and liabilities of the Investee Company under the facility agreement and related finance documents in respect of a term loan facility of up to US\$64,000,000.

As one of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Indemnity is more than 5% but less than 25%, the commitments therefore constitute a discloseable transaction for the Company, which is subject to the announcement requirement but exempt from the shareholders' approval requirement under the Listing Rules.

## **BACKGROUND**

Reference is made to the Company's announcement dated 27 January 2017 in respect of, among other things, the subscription of share in the Investee Company. Pursuant to the Shareholders' Agreement, the shareholders of the Investee Company will use commercially reasonable efforts to assist the obtaining of leverage finance and provide guarantee on a several but not joint basis pro rata to their shareholdings, to facilitate the acquisition of the convertible bonds issued by XinRen Aluminum and otherwise fund the operations of the Investee Company. As at the date of this announcement, the Investee Company is held as to approximately 9.09% by the Group and 90.91% by the Investor.

## **PROVISION OF INDEMNITY**

On 21 March 2017, the Investee Company entered into a facility agreement with a licensed bank in Hong Kong (the "Lending Bank") in respect of a term loan facility of up to US\$64,000,000 to finance the acquisition of the Convertible Bond in the principal amount of US\$60,000,000. Please refer to the Company's announcement dated 27 January 2017 for further details of the Convertible Bonds and Xinren Aluminum (the issuer of the Convertible Bonds).

The Facility is available for drawdown for 6 months and is repayable by 27 September 2018. Interest rate on the Facility is 4% per annum, payable semi-annually in arrears. Each of the Personal Guarantor and the Corporate Guarantor has entered into the Personal Guarantee and the Corporate Guarantee respectively to guarantee all the obligations and liabilities of the Investee Company under the facility agreement and related finance documents.

On 23 March 2017 (after trading hours), the Company entered into the Indemnity in favour of the Personal Guarantor and the Corporate Guarantor, whereby the Company irrevocably and unconditionally indemnifies each of the Personal Guarantor and Corporate Guarantor from and against any and all claims made by the Lending Bank on the Personal Guarantor and the Corporate Guarantor under the Personal Guarantee and the Corporate Guarantee, as the case may be, up to an aggregate amount which the Personal Guarantor and/or the Corporate Guarantor incur or suffer as a result of such claim multiplied by the percentage beneficial shareholding of the Group in the Investee Company as on the date of such claim or demand by the Lending Bank.

The Personal Guarantor is the sole director and the sole shareholder of the Investor. The Corporate Guarantor is principally engaged in property development in the PRC and is wholly-owned by an Independent Third Party. Save as disclosed, each of the Personal Guarantor and the Corporate Guarantor is an Independent Third Party.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF THE INDEMNITY**

The Company is an investment holding company. The Group is principally engaged in the trading of goods, financing, property development and brokerage and securities investment businesses. The Company's strategy is to continue to identify attractive investment opportunities for further expansion of its financial services business, such as moneylending, securities investment and enhancement of its margin loans for its brokerage customers.

The Facility is to finance the Investee Company's acquisition of the Convertible Bonds, which fall within the purpose of the Investee Company. The Indemnity is the Group's provision of pro rata financial support to the Investee Company as agreed under the Shareholders' Agreement, as the Personal Guarantor and Corporate Guarantor have guaranteed all the obligations and liabilities of the Investee Company under the Facility. In view of the above and having considered the terms of the Facility and the Deed of Indemnity, the Directors are of the view that the terms of the Indemnity are fair and reasonable and the transactions contemplated thereunder are in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Indemnity is more than 5% but less than 25%, the commitments therefore constitute a discloseable transaction for the Company, which is subject to the announcement requirement but exempt from the shareholders' approval requirement under the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the words and expressions below shall have the following meanings when used herein:

“Board”	the board of the Directors
“CB Vendor”	an Independent Third Party and the registered holder of the Convertible Bonds
“Company”	GT Group Holdings Limited, a company incorporated in the Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Convertible Bonds”	the 8% secured convertible bonds due 2020 issued by XinRen Aluminum in the principal amount of US\$60,000,000, which are owned by the CB Vendor as at the date of this announcement
“Corporate Guarantee”	a corporate guarantee in Chinese (保證合同) signed by the Corporate Guarantor in favour of the Lending Bank, guaranteeing all the obligations and liabilities of the Investee Company under the facility agreement in respect of the Facility and related finance documents
“Corporate Guarantor”	a company incorporated under the laws of the PRC
“Director(s)”	the director(s) of the Company

“Facility”	the term loan facility of up to US\$64,000,000 under the facility agreement dated 21 March 2017 entered into between the Lending Bank (as lender) and the Investee Company (as borrower)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Indemnity”	the deed of indemnity dated 23 March 2017 entered into by the Company in favour of the Personal Guarantor and the Corporate Guarantor
“Independent Third Party”	a person who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and connected persons of the Company
“Investee Company”	Singularity Advisory (Cayman) Ltd, a company incorporated in the Cayman Islands, which is held as to approximately 9.09% and 90.91% by Upperclass Developments Limited (an indirect wholly-owned subsidiary of the Company) and the Investor respectively
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Personal Guarantee”	a personal guarantee in Chinese (保證合同) signed by the Personal Guarantor in favour of the Lending Bank, guaranteeing all the obligations and liabilities of the Investee Company under the facility agreement in respect of the Facility and the related finance documents
“Personal Guarantor”	an individual who is a resident in the PRC
“PRC”	People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shareholders’ Agreement”	the shareholders’ agreement dated 27 January 2017 entered into between Upperclass and the Investor with respect to the management of the Investee Company

“Upperclass” Upperclass Developments Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong

“XinRen Aluminum” XinRen Aluminum Holdings Limited, a company incorporated in Singapore

By order of the board of  
**GT GROUP HOLDINGS LIMITED**  
**Li Dong**  
*Chairman*

Hong Kong, 23 March 2017

*As at the date of this announcement, the Board comprises six Executive Directors, namely Mr. Li Dong (Chairman), Ms. Ng Shin Kwan, Christine, Mr. Lee Jalen, Mr. Chan Ah Fei, Mr. Liang Shan and Mr. Suen Yick Lun, Philip and three Independent Non-executive Directors, namely Dr. Wong Yun Kuen, Mr. Wong Shun Loy and Mr. Hu Chao.*