

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **GUOTAI JUNAN INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 1788)**

### **DISCLOSEABLE TRANSACTION PROVISION OF LOAN FACILITY**

The Board is pleased to announce that on 16 August 2017, the Lender, an indirect wholly owned subsidiary of the Company, entered into the Facility Agreement with the Borrower, pursuant to which the Lender agreed to provide to the Borrower the Loan Facility in the principal amount of HK\$2,340,000,000, bearing interest at a rate of 4.05% per annum for a term of 6 months.

The provision of the Loan Facility under the Facility Agreement constitutes a financial assistance granted by the Group under Rule 14.04(1) of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the provision of the Loan Facility is more than 5% but less than 25%, the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements thereunder.

On 16 August 2017, the Lender, an indirect wholly owned subsidiary of the Company, entered into the Facility Agreement with the Borrower, pursuant to which the Lender has agreed to provide to the Borrower the Loan Facility in the principal amount of HK\$2,340,000,000, bearing interest at a rate of 4.05% per annum for a period of 6 months.

### **THE FACILITY AGREEMENT**

Principal terms of the Facility Agreement are set out as below:

Date : 16 August 2017

Lender : Guotai Junan Finance (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company

The Lender is the holder of a money lender licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as at the date of this announcement.

- Borrower : A Hong Kong incorporated company being indirectly non-wholly owned and controlled by an enterprise under the Central People's Government of the PRC
- Principal amount : HK\$2,340,000,000
- Interest rate : 4.05% per annum, interest is payable on the last day of each 3 months period starting from the Drawdown Date
- Drawdown : On or before 31 December 2017 or such later date as the Lender and the Borrower may otherwise agree in writing
- Number of drawdown : Once only
- Repayment : The principal amount of the Loan Facility and all unpaid interest accrued thereon under the Facility Agreement shall be repaid in full by the Borrower to the Lender on the Maturity Date
- Undertaking : The Loan Facility is supported by a letter of undertaking executed as a legally binding deed by the Undertaker, the parent company of the Borrower, in favour of the Lender. Specifically, the Undertaker undertakes as follows:
- (i) to ensure Borrower is in sound financial status and has sufficient capital liquidity to promptly pay all outstanding amounts under the Loan Facility;
  - (ii) to maintain management control and hold not less than 100% shareholding interest in the Borrower during the entire period of the Loan Facility;
  - (iii) not to sell, transfer or otherwise dispose of its shareholding interest in the Borrower;
  - (iv) not to pledge or permit the creation or existence of guarantee in any form, directly or indirectly on its shareholding interest in the Borrower (except where the Lender is the beneficiary); and
  - (v) to, upon demand by the Lender, indemnify the Lender against any damage, lost, cost and fee caused by and incurred for the breach of any terms of the letter of undertaking by the Undertaker.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Undertaker is a third party independent of the Company and its connected persons as at the date of this announcement.

Loan purpose : To support the general working capital of the Borrower

### **INFORMATION OF THE GROUP AND THE LENDER**

Operations of the Group are based in Hong Kong and its services include: (i) securities, futures and leveraged foreign exchange dealing and broking; (ii) corporate finance; (iii) asset management services; (iv) loans and financing; and (v) financial products, market making and investments.

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company. It holds a money lender license in Hong Kong under the provisions of the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong). The Lender conducts money lending business in Hong Kong.

### **INFORMATION OF THE BORROWER AND THE UNDERTAKER**

The Borrower is a company incorporated in Hong Kong with limited liability and is principally engaged in asset management and advisory activity. The Undertaker is the sole ultimate beneficial owner of the Borrower.

### **REASON FOR AND BENEFITS OF THE PROVISION OF THE LOAN FACILITY**

The provision of the Loan Facility is in the ordinary and usual course of the business of the Group.

The terms of the Facility Agreement (including the interest rate) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan Facility. The Directors consider that the terms of the Facility Agreement are fair and reasonable and the provision of the Loan Facility is in the interest of the Company and Shareholders as a whole.

### **IMPLICATIONS UNDER THE LISTING RULES**

The provision of the Loan Facility under the Facility Agreement constitutes a financial assistance granted by the Group under Rule 14.04(1) of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the provision of the Loan Facility is more than 5% but less than 25%, the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements thereunder.

## DEFINITIONS

“Board”	the Board of Directors
“Borrower”	A company incorporated in Hong Kong with limited liability, being directly wholly owned by the Undertaker and indirectly non-wholly owned and controlled by an enterprise under the Central People’s Government of the PRC at the date of this announcement. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is independent third party and not connected with the Group
“Company”	Guotai Junan International Holdings Limited, a company incorporated in Hong Kong with limited liability, the 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
“Director(s)”	the director(s) of the Company
“Drawdown Date”	the date on which the Loan Facility is drawn down, which is on or before 31 December 2017 or such later date as the Lender and the Borrower may otherwise agree in writing
“Facility Agreement”	a facility agreement dated 16 August 2017 entered into between the Lender and the Borrower in relation to the provision of the Loan Facility
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Lender”	Guotai Junan Finance (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company, and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facility”	a loan facility in the principal amount of HK\$2,340,000,000 granted by the Lender to the Borrower pursuant to the Facility Agreement

“Maturity Date”	the date falling 6 months from the Drawdown Date
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Undertaker”	A company incorporated in the PRC with limited liability and is the parent company of the Borrower as at the date of this announcement. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is independent third party and not connected with the Group
“%”	per cent

By Order of the Board  
**Guotai Junan International Holdings Limited**  
**FENG Zheng Yao Helen**  
*Company Secretary*

Hong Kong, 16 August 2017

*As at the date of this announcement, the Board comprises four executive directors, being Dr. YIM Fung (Chairman), Mr. WONG Tung Ching, Ms. QI Haiying, and Mr. LI Guangjie; two non-executive directors, being Mr. XIE Lebin and Mr. LIU Yiyong; and three independent non-executive directors, being Dr. FU Tingmei, Dr. SONG Ming and Mr. TSANG Yiu Keung.*