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## **Fullshare Holdings Limited**

### **豐盛控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00607)**

#### **ANNOUNCEMENT CONNECTED TRANSACTION IN RELATION TO PROVIDING FINANCIAL ASSISTANCE**

##### **THE PLEDGE AGREEMENT**

The Board announces that on 13 June 2018 (after trading hours), Nanjing Deying, an indirect wholly-owned subsidiary of the Company, entered into the Pledge Agreement with Bank of Communications, pursuant to which, Nanjing Deying agreed to pledge the Pledged Asset as security for the loan granted by Bank of Communications to Nanjing Jiangong under the Loan Agreement.

##### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Ji is the chairman of the Board, the chief executive officer of the Company, an executive Director and a controlling Shareholder of the Company, therefore he is a connected person of the Company under Chapter 14A of the Listing Rules. Mr. Ji Changrong (the younger brother of Mr. Ji) directly and indirectly holds over 50% voting power in Nanjing Fullshare Holding. Nanjing Jiangong is a subsidiary of Nanjing Fullshare Holding. As at the date of this announcement, Mr. Ji Changbin (the elderly brother of Mr. Ji) beneficially owns more than 30% equity interest of Nanjing Jiangong. Therefore, Nanjing Jiangong is a connected person of the Company by virtue of being an associate of Mr. Ji under Chapter 14A of the Listing Rules.

Accordingly, the transaction under the Pledge Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the relevant applicable Percentage Ratios in respect of the transaction are more than 0.1% but less than 5%, such transaction is subject to the announcement requirement, but exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of this announcement, Mr. Shi Zhiqiang, an executive Director, is interested in approximately 6.33% equity interest in Nanjing Fullshare Holding, which holds approximately 51.21% equity interest in Nanjing Jiangong. Considering the interest of Mr. Shi Zhiqiang and Mr. Ji's associates in Nanjing Jiangong, Mr. Ji and Mr. Shi Zhiqiang have abstained from voting on the relevant Board resolutions approving the Pledge Agreement and the transaction contemplated thereunder. Save as aforesaid, none of the Directors has a material interest in the Pledge Agreement and the transaction contemplated thereunder.

## **INTRODUCTION**

The Board announces that on 13 June 2018 (after trading hours), Nanjing Deying, an indirect wholly-owned subsidiary of the Company, entered into the Pledge Agreement with Bank of Communications, pursuant to which, Nanjing Deying agreed to pledge the Pledged Asset as security for the loan granted by Bank of Communications to Nanjing Jiangong under the Loan Agreement.

## **THE PLEDGE AGREEMENT**

The major terms of the Pledge Agreement are summarized as follows.

### **Date**

13 June 2018

### **Parties**

- (1). Nanjing Deying as pledgor; and
- (2). Bank of Communications as pledgee

### **Security**

Pursuant to the Pledge Agreement, Nanjing Deying shall pledge the Pledged Asset as security for the repayment obligations of Nanjing Jiangong under the Loan Agreement. The security provided by Nanjing Deying under the Pledge Agreement is subject to the obligations of Nanjing Jiangong under the Loan Agreement, pursuant to which, the highest amount of obligations secured by the Pledged Asset is RMB710 million together with interest thereon at a floating interest rate with reference to the Benchmark Interest Rate for a term of 39 months.

The Pledged Asset is a commercial property directly held by Nanjing Deying with gross floor areas of approximately 100,605 square metres with auxiliary facilities located at Yuhuatai District, Nanjing, Jiangsu Province, the PRC.

## **The Loan Agreement**

On 13 June 2018, Nanjing Jiangong entered into a working capital loan agreement with Bank of Communications, pursuant to which, Bank of Communications agreed to grant loan in the amount of up to RMB710 million to Nanjing Jiangong for a term of 39 months. The interest rate under the Loan Agreement is a floating interest rate with reference to the Benchmark Interest Rate.

## **REASONS AND BENEFITS OF THE PLEDGE AGREEMENT**

On 13 June 2018, each of Mr. Ji and Nanjing Jiangong executed a guarantee letter (collectively the “**Guarantee Letters**”) in favour of the Group. Pursuant to the Guarantee Letters, among others, (i) Mr. Ji undertook that before the loan under the Loan Agreement is fully repaid or the pledge under the Pledge Agreement is released, the balance of loans granted by him (and/or any companies controlled by him) to the Company shall be at least HK\$900 million. If the balance of loans is lower than HK\$900 million, the Company could refuse to repay the debt until the loan under the Loan Agreement is fully repaid or the pledge is released; and (ii) Nanjing Jiangong undertook that it would provide a loan to the Company with substantially the same commercial terms as the Loan Agreement or pledge assets with equivalent value to the Company or a financial institution designated by the Company. Nanjing Jiangong further undertook that it would provide Nanjing Deying with a fee equivalent to 3% of the principal amount of the loan under the Loan Agreement in consideration of Nanjing Deying agreeing to provide the pledge under the Pledge Agreement.

In view of the undertakings provided in the Guarantee Letters stated as above, the Group agreed to grant security in respect of the obligations of Nanjing Jiangong under the Loan Agreement. The terms of the Pledge Agreement are negotiated on an arm’s length basis among the relevant parties with reference to the market practice regarding similar transactions in the PRC, and are on normal commercial terms.

In light of the above, the Directors consider that the terms of the Pledge Agreement are on normal commercial terms and are fair and reasonable, and that transaction contemplated under the Pledge Agreement are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Ji is the chairman of the Board, the chief executive officer of the Company, an executive Director and a controlling Shareholder of the Company, therefore he is a connected person of the Company under Chapter 14A of the Listing Rules. Mr. Ji Changrong (the younger brother of Mr. Ji) directly and indirectly holds over 50% voting power in Nanjing Fullshare Holding. Nanjing Jiangong is a subsidiary of Nanjing Fullshare Holding. As at the date of this announcement, Mr. Ji Changbin (the elderly brother of Mr. Ji) beneficially owns more than 30% equity interest of Nanjing Jiangong. Therefore, Nanjing Jiangong is a connected person of the Company by virtue of being an associate of Mr. Ji under Chapter 14A of the Listing Rules.

Accordingly, the transaction under the Pledge Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the relevant applicable Percentage Ratios in respect of the transaction are more than 0.1% but less than 5%, such transaction is subject to the announcement requirement, but exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of this announcement, Mr. Shi Zhiqiang, an executive Director, is interested in approximately 6.33% equity interest in Nanjing Fullshare Holding, which holds approximately 51.21% equity interest in Nanjing Jiangong. Considering the interest of Mr. Shi Zhiqiang and Mr. Ji's associates in Nanjing Jiangong, Mr. Ji and Mr. Shi Zhiqiang have abstained from voting on the relevant Board resolutions approving the Pledge Agreement and the transaction contemplated thereunder. Save as aforesaid, none of the Directors has a material interest in the Pledge Agreement and the transaction contemplated thereunder.

## **INFORMATION OF THE PARTIES**

### **Nanjing Jiangong**

Nanjing Jiangong is principally engaged in the businesses of construction engineering, municipal project construction and building construction.

### **Nanjing Deying**

Nanjing Deying is a company incorporated in the PRC with limited liability and a subsidiary of the Company. The principal asset of Nanjing Deying is the Pledged Asset and the principal business of Nanjing Deying is property management.

### **The Group**

The Group is principally engaged in (a) property development and investment, (b) tourism, (c) investment and financial services, (d) provision of healthcare and education products and services, and (e) new energy business.

## **DEFINITIONS**

“Bank of Communications”	means 交通銀行股份有限公司江蘇省分行 (Jiangsu Branch of Bank of Communications Co., Ltd.*), a licensed bank incorporated under the laws of the PRC
“Benchmark Interest Rate”	means (i) the benchmark lending interest rate quoted by the People's Bank of China; (ii) the loan prime rate quoted by Bank of Communications; or (iii) the average loan prime rate issued by the National Interbank Funding Centre

“Board”	means the board of Directors
“Company”	means Fullshare Holdings Limited 豐盛控股有限公司, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	means the director(s) of the Company
“Group”	means the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan Agreement”	means the working capital loan agreement entered into between Nanjing Jiangong and Bank of Communications on 13 June 2018, pursuant to which, Bank of Communications agreed to grant loan in the amount of up to RMB710 million to Nanjing Jiangong
“Mr. Ji”	means Mr. Ji Changqun (季昌群), the chairman of the Board, the chief executive officer and an executive Director of the Company
“Nanjing Deying”	means 南京德盈置業有限公司 (Nanjing Deying Property Limited*), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Nanjing Fullshare Holding”	means 南京豐盛產業控股集團有限公司 (Nanjing Fullshare Industrial Holding Group Co., Ltd.*), a company established under the laws of the PRC
“Nanjing Jiangong”	means 南京建工集團有限公司 (Nanjing Jiangong Group Co. Ltd.*), a limited liability company incorporated in the PRC
“Percentage Ratios”	means the applicable percentage ratios (other than the profits and the equity capital ratios) under Rule 14.07 of the Listing Rules

“Pledge Agreement”	means the pledge agreement entered into between Nanjing Deying and Bank of Communications on 13 June 2018 in relation to the loan granted to Nanjing Jiangong by Bank of Communications under the Loan Agreement
“Pledged Asset”	means the commercial property directly held by Nanjing Deying with gross floor areas of approximately 100,605 square metres with auxiliary facilities located at Yuhuatai District, Nanjing, Jiangsu Province, the PRC
“PRC”	means the People’s Republic of China
“RMB”	means Renminbi, the lawful currency of the PRC
“Share(s)”	means the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	means holder(s) of the Share(s)
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited

By order of the Board  
**Fullshare Holdings Limited**  
**Ji Changqun**  
*Chairman*

Hong Kong, 13 June 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Ji Changqun, Mr. Shi Zhiqiang and Mr. Wang Bo; and the independent non-executive directors of the Company are Mr. Lau Chi Keung, Mr. Chow Siu Lui and Mr. Tsang Sai Chung.*

\* *For identification purpose only.*