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LIPPO LIMITED

力寶有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 226)

HONGKONG CHINESE LIMITED

香港華人有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 655)

DISCLOSEABLE TRANSACTION

PROVISION OF A LOAN FACILITY

PROVISION OF A LOAN FACILITY

On 29 May 2020, Polar Step Limited (the Lender, being a wholly-owned subsidiary of HKC which in turn is an approximate 73.95% indirect subsidiary of Lippo) entered into the Loan Agreement with Burney East Limited (the Borrower, being a wholly-owned subsidiary of LAAPL which is a principal joint venture of HKC) pursuant to which the Lender will advance the Loan of US\$35,000,000 (approximately HK\$271,373,000) to the Borrower.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under rule 14.07 of the Listing Rules in respect of the Loan exceeds 5% but all are less than 25%, the provision of the Loan constitutes a discloseable transaction for each of Lippo and HKC under Chapter 14 of the Listing Rules and is subject to the announcement requirements under Chapter 14 of the Listing Rules.

PROVISION OF A LOAN FACILITY

On 29 May 2020, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender will advance the Loan to the Borrower. Summarised below are the key terms of the Loan Agreement:

Date: 29 May 2020

Parties: the Lender; and
the Borrower

Loan: US\$35,000,000 (approximately HK\$271,373,000)

Availability Period:	the period commencing from 29 May 2020 to 30 June 2020 (both dates inclusive)
Drawdown:	in one drawing during the Availability Period
Interest Rate:	2.2% over 1 week US\$ LIBOR
Repayment Date:	repayable on demand
Security:	None

INFORMATION ON THE BORROWER AND LAAPL

The principal business activity of the Borrower is investment holding.

LAAPL is a company incorporated in the Cayman Islands and a principal joint venture of HKC. The principal business activity of LAAPL is investment holding. The LAAPL Group has an aggregate interest of approximately 68.72% in OUE Limited, the shares of which are listed on the Mainboard of Singapore Exchange Securities Trading Limited.

To the best of the knowledge, information and belief of the Directors of Lippo and HKC respectively, having made all reasonable enquiries, the other shareholder of LAAPL (and its ultimate beneficial owners) are third parties independent of Lippo and HKC and their respective connected persons.

INFORMATION ON THE LENDER, LIPPO AND HKC

The principal business activity of the Lender is investment.

The principal activity of Lippo is investment holding. Its subsidiaries, associates, joint ventures and joint operation are principally engaged in investment holding, property investment, property development, food businesses, healthcare services, hotel operation, property management, project management, mineral exploration and extraction, fund management, securities investment, treasury investment, money lending, banking and other related financial services.

The principal activity of HKC is investment holding. Its subsidiaries, associates and joint ventures are principally engaged in investment holding, property investment, property development, hotel operation, healthcare services, project management, securities investment, treasury investment, money lending, banking and other related financial services.

REASONS FOR AND BENEFITS OF PROVIDING THE LOAN

The Borrower will apply the proceeds of the Loan to invest in investment opportunities of strategic assets and for general working capital purposes of the LAAPL Group. After considering the funding needs of the LAAPL Group and the interest rate of the Loan, the respective Boards of Lippo and HKC consider the terms of the Loan Agreement to be fair and reasonable and in the interests of the respective shareholders of Lippo and HKC as a whole. The Loan shall be financed through the HKC Group's internal resources and/or bank borrowings.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under rule 14.07 of the Listing Rules in respect of the Loan exceeds 5% but all are less than 25%, the provision of the Loan constitutes a discloseable transaction for each of Lippo and HKC under Chapter 14 of the Listing Rules and is subject to the announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Board(s)"	the board(s) of Directors;
"Borrower"	Burney East Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of LAAPL, a principal joint venture of HKC;
"connected person(s)"	has the meaning ascribed to such term under the Listing Rules;
"HKC"	Hongkong Chinese Limited (香港華人有限公司*), a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange, and an approximate 73.95% indirect subsidiary of Lippo;
"HKC Group"	HKC and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"LAAPL"	Lippo ASM Asia Property Limited, a company incorporated in the Cayman Islands with limited liability and a principal joint venture of HKC. Its issued share capital comprises: (i) voting, non-participating class "A" shares of US\$1.00 each; (ii) non-voting, participating class "B" shares of US\$1.00 each; and (iii) non-voting, participating class "C" shares of US\$1.00 each. The HKC Group is interested in 50% of all the class "A" shares in issue and 100% of all the class "B" shares in issue which entitle the HKC Group to 50% of the voting rights and approximately 94.26% of the profit sharing of LAAPL;
"LAAPL Group"	LAAPL and its subsidiaries;
"Lender"	Polar Step Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of HKC;

"LIBOR"	the London Inter-Bank Offered Rate;
"Lippo"	Lippo Limited 力寶有限公司, a company incorporated in Hong Kong with limited liability whose shares are listed on the Stock Exchange;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Loan"	the loan in the amount of US\$35,000,000 (approximately HK\$271,373,000) to be advanced by the Lender to the Borrower in accordance with the Loan Agreement;
"Loan Agreement"	the loan agreement dated 29 May 2020 between the Lender and the Borrower in respect of the Loan;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"HK\$"	Hong Kong dollar, the lawful currency of Hong Kong;
"US\$"	United States dollar, the lawful currency of the United States of America; and
"%"	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of US\$1.00 to HK\$7.7535. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.

By Order of the Board
LIPPO LIMITED
John Luen Wai Lee
*Managing Director and
Chief Executive Officer*

By Order of the Board
HONGKONG CHINESE LIMITED
John Luen Wai Lee
Chief Executive Officer

29 May 2020

As at the date of this announcement, the Boards of Lippo and HKC are as follows:

Lippo

Executive Directors:
Dr Stephen Riady (*Chairman*)
Mr John Luen Wai Lee
(*Managing Director
and Chief Executive Officer*)

HKC

Executive Directors:
Dr Stephen Riady (*Chairman*)
Mr John Luen Wai Lee
(*Chief Executive Officer*)

Non-executive Directors:

Mr Jark Pui Lee

Mr Leon Nim Leung Chan

Non-executive Director:

Mr Leon Nim Leung Chan

Independent Non-executive Directors:

Mr Edwin Neo

Mr King Fai Tsui

Mr Victor Ha Kuk Yung

Independent Non-executive Directors:

Mr Edwin Neo

Mr King Fai Tsui

Mr Victor Ha Kuk Yung

* *For identification purpose only*