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民商創科

Minshang Creative Technology Holdings Limited

民商創科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1632)

**DISCLOSABLE TRANSACTION
SUBSCRIPTION OF 8.25% NOTES**

THE TRANSACTION

On 30 September 2020 (after trading hours), the Company and the Issuer entered into the Subscription Agreement in relation to the Subscription. Pursuant to the Subscription Agreement, the Company has agreed to subscribe for the Notes in the principal amount of HK\$13,000,000.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction for the Company and is subject to the announcement requirement as set out in the Listing Rules.

THE SUBSCRIPTION AGREEMENT

Set out below are the principal terms of the Subscription Agreement:

Date

30 September 2020

The Subscriber

The Company

The Issuer

China Tonghai International Financial Limited

Consideration

The Company has agreed to subscribe for the Notes in the principal amount of HK\$13,000,000. The Group intends to fund the consideration for the Subscription in cash from its internal resources.

Completion

Completion shall take place on the Completion Date at a time and venue to be agreed between the Issuer and the Company.

Principal terms of the Notes

The principal terms and conditions of the Notes are summarised as follows:

Principal Amount : HK\$13,000,000

Interest Rate : The Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 8.25% per annum, payable on the Maturity Date.

Maturity Date : 31 December 2020

Subject to the written consent of all the Noteholders and the Company of not less than 15 days before the Maturity Date and the payment of the accrued interest by the Company to the Noteholder(s) on the Maturity Date as required under Condition 5 (a) of the Instrument, the Notes will be extended for another 3 months after the Maturity Date with terms and conditions substantially the same as those set out in the Instrument except that the Notes will be matured on the Extended Maturity Date (as defined in the Instrument).

Redemption : *Early Redemption*

Unless an event of default occurs and is continuing which cannot be remedied, the Notes will be redeemed at their principal amount on the Maturity Date. All certificates evidencing Notes redeemed shall be cancelled. The obligations of the Issuer in respect of any such cancelled Notes shall be discharged.

- Status : Subject to the Subscription Agreement, the Notes constitutes direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. Subject to the Subscription Agreement, the payment obligations of the Issuer under the Notes shall, (save for such exceptions as may be provided by applicable laws and regulations), at all times rank at least equally with all their other present and future unsecured and unsubordinated obligations.
- Transferability : The Notes are not transferable and no assignment or transfer (whether in whole or in part) of the Notes may be made by the holders of the Notes.

INFORMATION OF THE PARTIES TO THE SUBSCRIPTION AGREEMENT

The Issuer is a limited liability company incorporated in Bermuda. The shares of the Issuer are listed on the Main Board Stock Exchange (stock code: 952). The Issuer and its subsidiaries are principally engaged in, among other things, discretionary and non-discretionary dealing services for securities, futures and options, securities placing and underwriting services, margin financing and money lending services, insurance broking and wealth management services and corporate finance advisory and general advisory services.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Issuer and its ultimate beneficial owners are Independent Third Parties.

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) the operation of restaurant chains under the “Viet’s Choice (越棧)” brands and “Five Spice (5越)” brands in Hong Kong; and (ii) trading business.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The terms of the Subscription Agreement (including the subscription amount and the interest rates) have been negotiated and determined after arm's length negotiations between the Company and the Issuer with reference to, among other things, recent market conditions.

As disclosed in the Company's announcement dated 13 March 2020 and 6 April 2020, the Company has entered into a subscription agreement with the Issuer pursuant to which the Company has subscribed Notes bearing interest at the rate of 7.5% per annum and 8.25% per annum respectively. The Notes have been redeemed by the Issuer on 11 September 2020 and 30 September 2020. Taking into account that the previous subscriptions aforementioned and the Notes are a relatively short-term investment such that the Directors are of the view that the interest rate of the Notes is relatively higher than the interest rate of fixed deposits offered by well-recognised financial institutions in Hong Kong and the revenue and cash flow that can be generated from the investment in the Notes, the Board considers that the Subscription can broaden the source of income of the Group and provide the Group with a stable investment return. Accordingly, the Directors, consider that the terms of the Subscription Agreement are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a disclosable transaction for the Company and is subject to the announcement requirement as set out in the Listing Rules.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“Board”	the board of Directors
“Notes”	the Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 8.25 % per annum, payable on the Maturity Date issued by the Issuer pursuant to the Subscription Agreement

“Business Day(s)”	any day (excluding Saturday) on which banks are generally open for business in Hong Kong
“Company”	Minshang Creative Technology Holdings Limited (民商創科控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription pursuant to the terms and conditions of the Subscription Agreement
“Completion Date”	the date on which the Completion occurs, which shall fall on the same Business Day after the date on which the Conditions Precedent specified in Clause 3 are fulfilled
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	Director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	persons who themselves (and in the case of any corporate entities, their ultimate beneficial owners) are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, third parties independent of, and not connected with, the Company and its connected persons
“Issuer”	China Tonghai International Financial Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 952)

“Issue Date”	30 September 2020
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	31 December 2020
“PRC”	the People’s Republic of China
“Subscription”	the proposed subscription by the Company of the Notes in the principal amount of HK\$13,000,000 as contemplated under the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 30 September 2020 entered into between the Company and the Issuer in relation to the subscription of the Notes
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Minshang Creative Technology Holdings Limited
WU Jiangtao
Chairman

Hong Kong, 30 September 2020

As at the date of this announcement, the executive Directors are Mr. Wu Jiangtao, Mr. Lu Sheng Hong, Ms. Li Jia and Mr. Tao Jingyuan; the non-executive Director is Mr. Wong Stacey Martin; and the independent non-executive Directors are Mr. Ko Po Ming, Mr. Choi Tze Kit, Sammy, Mr. Cheung Miu and Mr. Cheung Pak To, Patrick.