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民銀資本控股有限公司
CMBC CAPITAL HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 1141)

DISCLOSEABLE TRANSACTION
EXTENSION OF LOANS

EXTENSION OF LOANS

The Board announces that, on 5 January 2023 (after trading hours), the Lender, a wholly-owned subsidiary of the Company, entered into the Supplemental Deed with the Borrower, amongst others, pursuant to which the Lender and the Borrower agreed to the Extension of the repayment dates of the Loans in the aggregate amount of HK\$160,000,000 up until or before 18 December 2023 subject to the terms and conditions of the Supplemental Deed.

LISTING RULES IMPLICATIONS

As the highest relevant applicable percentage ratio (as defined in the Listing Rules) in respect of the Loans exceeds 5% but is less than 25%, the grant of the Extension constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

On 17 December 2021, the Lender and the Borrower entered into the Facility Agreement, pursuant to which the Lender made available to the Borrower a secured term loan facility by way of two drawdowns in the aggregate amount of HK\$180,000,000. The Loans were secured by, inter alia, the following:

- (a) a share charge dated 17 December 2021 granted by the Borrower and the Chargor as chargor in favour of the Lender over the shares in the Office Property Holdco;
- (b) a mortgage dated 17 December 2021 granted by the Borrower as mortgagor in favour of the Lender over the Duplex Apartment and the Carpark; and
- (c) a mortgage dated 17 December 2021 granted by the Office Property Holdco as mortgagor and the Borrower as borrower in favour of the Lender over the Office.

As at the date of this announcement, the outstanding principal amount of the Loans is HK\$160,000,000 (after fulfillment of condition (a) as stated in “Conditions precedent” below).

THE SUPPLEMENTAL DEED

On 5 January 2023 (after trading hours), amongst others, the Lender and the Borrower entered into the Supplemental Deed, pursuant to which the Lender and the Borrower agreed to the Extension, and to modify and supplement the Facility Agreement, subject to the terms and conditions of the Supplemental Deed. The salient terms of the Supplemental Deed are summarised below:

Effective Date	: 5 January 2023 (the “ Effective Date ”)
Borrower	: Silver Grant International Holdings Group Limited (銀建國際控股集團有限公司), the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 171)
Chargor	: Silver Grant Hainan Investment (BVI) Limited, a BVI business company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Borrower

- Office Property Holdco : Real China Development Limited (泰境發展有限公司), a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Borrower
- Extended Loan Amount : HK\$160,000,000
- Extension for repayment of the Loans : The Borrower shall repay to the Lender at least HK\$10,000,000 of the Loans on or before 19 June 2023; and the remaining Loans together with all outstanding interest on or before 18 December 2023 (the “**Extension**”)
- Interest : Commencing from the Effective Date, rate of interest on the Loan(s) for the Interest Period and any succeeding Interest Period is the higher of (i) 9% per annum; and (ii) the percentage rate per annum which is the sum of a margin of 3.6% per annum and the three-month HIBOR as at one Business Day before the first day of that Interest Period.

The “Interest Period” shall be three months (except the interest period commencing from the Effective Date and ending on 17 March 2023 and the interest period ending on 18 December 2023).

“HIBOR” means, in relation to any Loan, the applicable Screen Rate as at 11:00 a.m. Hong Kong time for Hong Kong Dollars, and if that rate is less than zero, HIBOR shall be deemed to be zero.

“Screen Rate” means the Hong Kong interbank offered rate administered by the Hong Kong Association of Banks (or any other person which takes over the administration of that rate) for Hong Kong Dollars for three months as displayed on the Thomson Reuters screen (or any replacement Thomson Reuters page which displays such rate) or such other page or service displaying the relevant rate specified by the Lender after consultation with the Borrower if such Thomson Reuters page ceases to be available.

Conditions precedent : The terms and conditions of the Supplemental Deed shall become effective from the Effective Date upon fulfilment of, among others, the following conditions precedent:

- (a) evidence that the Borrower has made a partial repayment of the Loans in the amount of at least HK\$20,000,000 on or before the Effective Date, to the effect that the outstanding amount of the Loans with effect from 5 January 2023 shall not exceed the Extended Loan Amount;
- (b) evidence that the Borrower has made payment of the late payment penalty for the aggregate amount of the Loans outstanding for the period beginning on 19 December 2022 and ending on the Effective Date in the agreed amount of HK\$1,844,383.56 on or before the Effective Date;
- (c) evidence that the Borrower has made payment of a non-refundable arrangement fee for the Extension in the amount of HK\$3,200,000 (being 2% of the Extended Loan Amount) on or before the Effective Date; and
- (d) the loan-to-value ratio does not exceed 55%.

Miscellaneous : For the avoidance of doubt, failure to comply with any term, condition or undertaking of the Supplemental Deed shall constitute an event of default as stipulated under the Facility Agreement and modified and supplemented by the Supplemental Deed, and the outstanding Loans plus all interest accrued thereon shall immediately become due and payable to the Lender.

As at the date of this announcement, all conditions precedent as stipulated in the Supplemental Deed (except for the delivery to the Lender of an original of the Supplemental Deed) have been fulfilled.

INFORMATION ON THE GROUP AND THE BORROWER, THE CHARGOR AND THE OFFICE PROPERTY HOLDCO

The Company is a company incorporated in Bermuda with limited liability and is an investment holding company, and the Group is principally engaged in securities business, investment and financing and asset management, corporate finance and advisory business.

The Borrower is a company incorporated in Hong Kong with limited liability, and its issued shares are listed on the Main Board of the Stock Exchange. The Chargor is a BVI business company incorporated in the British Virgin Islands. The Office Property Holdco is a company incorporated under the laws of Hong Kong with limited liability and principally engaged in property holding and investment. The Borrower and its subsidiaries (including the Chargor and the Office Property Holdco) are principally engaged in investment holding, property leasing and investments. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Borrower, the Chargor, the Office Property Holdco and its/their respective ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL DEED AND THE EXTENSION

Taking into account the principal activities of the Group, the Directors consider that entering into the Supplemental Deed and the grant of the Extension thereunder are in the ordinary and usual course of business of the Group.

The Supplemental Deed has been entered into after arm's length negotiation between the parties with reference to market practice in similar transactions and cost of funds of the Group and is based on the Company's development strategy.

The Group has (i) assessed the financial situation of the Borrower and considered that the Borrower has the capability to generate sufficient cash flows to pay the interest of the Loans; (ii) reviewed the business development of the Borrower and noted that there was improvement in the financial performance of the Borrower in the first half of 2022 as compared with the first half of 2021, which meets the expectation of the Group; (iii) monitored the size of other debts of the Borrower and considered that the Borrower will be able to generate cash flow to steadily repay its financial indebtedness; (iv) monitored and considered that the Borrower is able to cover its capital expenditure with operating cash flows and external fundings; (v) monitored the news and public information on the Borrower and considered there was no material adverse information on the Borrower; (vi) obtained the latest valuation reports on the Mortgaged Properties from a professional third-party valuer, which evidence that the loan-to-value ratio of the Loan would drop to 55% from 60% due to the decrease in the outstanding principal amount of the Loans.

Taking into account (i) the improved financial conditions and repayment ability of the Borrower; (ii) the lower loan-to-value ratio for the Extension; (iii) all conditions precedent as stipulated in the Supplemental Deed (except for the delivery to the Lender of an original of the Supplemental Deed) have been fulfilled as at the date of this announcement; and (iv) the stable and higher interest income expected to be generated from the Extension, the Directors consider that the terms and conditions of the Supplemental Deed are fair and reasonable, and the entering into the Supplemental Deed and the grant of the Extension are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest relevant applicable percentage ratio (as defined in the Listing Rules) in respect of the Loan exceeds 5% but is less than 25%, the grant of the Extension constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Board”	the board of Directors from time to time
“Borrower”	Silver Grant International Holdings Group Limited (銀建國際控股集團有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 171), who is the registered and beneficial owner and is otherwise in possession of the Duplex Apartment and the Carpark
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong
“BVI”	the British Virgin Islands

“Carpark”	a car parking space located in Hong Kong which is registered under the name and beneficially-owned by the Borrower
“Chargor”	Silver Grant Hainan Investment (BVI) Limited, a BVI business company incorporated in the BVI and a wholly-owned subsidiary of the Borrower
“Company”	CMBC Capital Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1141)
“Director(s)”	the director(s) of the Company from time to time
“Duplex Apartment”	a duplex apartment located in Hong Kong which is registered under the name and beneficially-owned by the Borrower
“Extension”	the Borrower to repay to the Lender at least HK\$10,000,000 of the Loans on or before 19 June 2023; and the remaining Loans together with all outstanding interest on or before 18 December 2023
“Facility Agreement”	the facility agreement dated 17 December 2021 entered into between the Lender and the Borrower in respect of the Loans
“Group”	the Company and its subsidiaries
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person(s) of the Company
“Lender”	CMBC Capital Finance Limited, a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan(s)”	the secured term loan facility which the Lender made available to the Borrower by way of two drawdowns in the aggregate amount of HK\$180,000,000
“Mortgaged Properties”	the Duplex Apartment, the Carpark and the Office
“Office”	an office located in Hong Kong which is registered under the name and beneficially-owned by the Office Property Holdco
“Office Property Holdco”	Real China Development Limited (泰境發展有限公司), a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Borrower, who is the registered and beneficial owner and is otherwise in possession of the Office
“Share(s)”	ordinary share(s) of the Company with a nominal value of HK\$0.4 each
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Supplemental Deed”

the supplemental deed dated 5 January 2023 entered into between the Lender, the Borrower, the Chargor and the Office Property Holdco in respect of the Extension

“%”

per cent.

By order of the Board
CMBC Capital Holdings Limited
Ding Zhisuo
Executive Director

Hong Kong, 5 January 2023

As at the date of this announcement, the executive directors of the Company are Mr. Ding Zhisuo and Mr. Ng Hoi Kam, the non-executive directors of the Company are Mr. Yang Kunpeng and Mr. Li Wenshi, and the independent non-executive directors of the Company are Mr. Lee, Cheuk Yin Dannis, Mr. Wu Bin and Mr. Wang Lihua.