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## **CHINA BILLION RESOURCES LIMITED**

**中富資源有限公司**

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

**(Stock Code: 274)**

### **DISCLOSEABLE TRANSACTION - EXTENSION OF LOAN FACILITY; AND ANNOUNCEMENT PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES**

On 29 November 2018, the Lender, being a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has advanced to the Borrower the Loan in the principal amount of HK\$85,000,000. On 9 January 2020, the Lender and the Borrower entered into the Loan Amendment Agreement to extend the original maturity date under the Loan Agreement from 28 November 2019 to 25 November 2021.

As one or more of the applicable percentage ratios with respect to the Loan advanced under the Loan Agreement (as amended by the Loan Amendment Agreement) exceed 5% but are less than 25%, the transaction contemplated under the Loan Amendment Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Loan to the Borrower also constitutes an advance to an entity under Rule 13.13 of the Listing Rules and the utilised amount as of the date of this announcement exceeds 8% under the assets ratio based on the latest published consolidated total assets of the Company as defined under Rule 14.07(1) of the Listing Rules, the advance of the Loan to the Borrower is also subject to the disclosure requirement under Rule 13.15 of the Listing Rules.

#### **EXTENSION OF LOAN FACILITY**

On 29 November 2018, the Lender, being a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has advanced to the Borrower the Loan in the principal amount of HK\$85,000,000 at an interest rate of 7.5% per annum. The Loan is guaranteed by the Guarantors and secured by charge granted by the Chargors over in aggregate 96% of the issued share capital of the Borrower in favour of the Lender. Further details of the Loan are set out in the announcement of the Company dated 29 November 2018 (“**Previous Announcement**”).

Under the Loan Agreement, the Loan and all interest accrued thereon were due and payable by the Borrower on the maturity date of 28 November 2019. On 9 January 2020, the Lender, the Borrower, the Guarantors and the Chargors entered into the Loan Amendment Agreement to extend the initial maturity date to 25 November 2021. Consequently, the interest period under the Loan Agreement during which interest will accrue and become due and payable on the last day of such period is also extended for a period commencing on 29 November 2019 and ending on 25 November 2021. As a result, all amounts under the Loan Agreement (including the principal and accrued interest of the Loan) are now due and payable by the Borrower in one lump sum on the extended maturity date of 25 November 2021, unless the Lender exercises its right to demand early repayment of the Loan under the Loan Agreement.

Save for the extension of maturity date and the interest period as set out above, the other terms of the Loan Agreement remain unchanged.

As at the date of the Loan Amendment Agreement, the outstanding principal amount of the Loan is HK\$85,000,000.

### **INFORMATION ON THE BORROWER AND THE GUARANTORS / CHARGORS**

The Borrower is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Guarantors / Chargors are two individuals who, in aggregate, are the ultimate beneficial owners of 96% of the issued share capital of the Borrower.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owners and the Guarantors / Chargors are Independent Third Parties as at the date of this announcement.

### **INFORMATION ON THE GROUP AND THE LENDER**

The Company was incorporated in Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange. The Group is principally engaged in: (i) gold mining, exploration and trading of gold products in the PRC; and (ii) provision of money lending services in Hong Kong.

The Lender is a wholly-owned subsidiary of the Company and a money lender licensed in Hong Kong under the provisions of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in money lending business.

### **REASONS FOR, AND BENEFITS OF, ENTERING INTO THE LOAN AMENDMENT AGREEMENT**

The advance of the Loan was made in the ordinary course of the Group's money lending business, and the terms of the Loan Amendment Agreement were negotiated on an arm's length basis between the Group, the Borrower, the Guarantors and Chargors and on normal commercial terms. Taking into account the creditability of the Borrower, the value of the security package, and the potential interest income to be received by the Group for the extended interest period, the Directors consider that the terms of the Loan Amendment Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios with respect to the Loan advanced under the Loan Agreement (as amended by the Loan Amendment Agreement) exceed 5% but are less than 25%, the transaction contemplated under the Loan Amendment Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Loan to the Borrower constitutes an advance to an entity under Rule 13.13 of the Listing Rules and the utilised amount as of the date of this announcement exceeds 8% under the assets ratio based on the latest published consolidated total assets of the Company as defined under Rule 14.07(1) of the Listing Rules, the advance of the Loan to the Borrower is also subject to the disclosure requirement under Rule 13.15 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Ocean Vision Capital Management Group Limited is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding
“Chargors”	Mr. LI Hai and Ms. YANG Fuyi, being parties to two share charges with respect to an aggregate of 96% issued share capital in the Borrower both dated 29 November 2018 entered into between each of them as chargor and the Lender as chargee in connection with the Loan Agreement
“Company”	China Billion Resources Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“connected person(s)”	with meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Guarantors”	Mr. LI Hai and Ms. YANG Fuyi, being parties to two guarantee agreements both dated 29 November 2018 entered into between each of them as guarantor and the Lender as lender with respect to the Loan Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) who is(are) third party(ies) independent of the Company and its connected persons

“Lender”	GCC Finance Company Limited, a wholly-owned subsidiary of the Company and a limited liability company incorporated in Hong Kong with a money lender license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong)
“Loan”	a secured and guaranteed loan in the principal amount of HK\$85,000,000 advanced by the Lender to the Borrower under the Loan Agreement
“Loan Agreement”	the loan agreement dated 29 November 2018 entered into between the Lender and the Borrower in respect of the Loan
“Loan Amendment Agreement”	the amendment agreement dated 9 January 2020 entered into between the Lender, the Borrower, the Guarantors and the Chargors to amend certain terms in the Loan Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shares”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board of  
**China Billion Resources Limited**  
**Qiao Bingya**  
*Chairman of the Board*

Hong Kong, 9 January 2020

As at the date of this announcement, the Board comprises:

Executive directors:

Mr. Qiao Bingya (*Chairman of the Board*)  
Mr. Zhang Yiwen (*Chief executive officer*)  
Mr. Xie Qiangming

Independent non-executive directors:

Mr. Cai Jianhua  
Mr. Ho Wing Chung  
Mr. Yan Xiaotian