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## **CHINA TANGSHANG HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 674)**

### **DISCLOSEABLE TRANSACTION PROVISION OF GUARANTEE TO AN ENTITY**

#### **THE GUARANTEE AGREEMENTS**

On 13 September 2017, the Guarantors, two indirect non-wholly owned subsidiaries of the Company, entered into the Guarantee Agreements with the Lender respectively, pursuant to which the each of the Guarantors agreed to guarantee the repayment obligations of the Borrower under the Loan Agreement in respect of the Loan Facility provided by the Lender.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the provision of the Guarantee based on the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules at the material time are more than 5% but less than 25%, the transaction contemplated under the Guarantee Agreements constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Thus, the provision of Guarantees by the Guarantors is subject to the reporting and announcement requirements under the Listing Rules.

#### **INTRODUCTION**

The Board announces that on 13 September 2017 the Guarantors, two indirect non-wholly owned subsidiaries of the Company, entered into the Guarantee Agreements with the Lender respectively, pursuant to which each of the Guarantors agreed to guarantee the repayment obligations of the Borrower under the Loan Agreement in respect of the Loan Facility provided by the Lender.

Pursuant to the Loan Agreement, the Lender agreed to grant the Loan Facility to the Borrower for a term of 3 years from 21 September 2017 to 20 September 2020. The Borrower shall pay interest on a monthly basis at a floating rate in accordance with the benchmark lending rate (as announced by the People's Bank of China) plus 4.25%.

As at the date of this announcement, RMB20,000,000 was drawn under the Loan Facility on 8 November 2017 and the outstanding balance of the Loan Agreement is RMB20,000,000.

The principal terms of the Guarantee Agreements are set out below.

## **THE GUARANTEE AGREEMENTS**

Date	13 September 2017
Guarantors	南京垠坤投資實業有限公司 (Nanjing Yinkun Investment Corporation Co., Ltd.*) and 南京創意東八區科技有限責任公司 (Nan Jing Chuang Yi Dong Ba Qu Technology Development Co., Ltd.*), two companies established in the PRC and indirect non-wholly owned subsidiaries of the Company
Lender and the beneficiary of the Guarantee Agreements	Bank of Nanjing, a financial institution in the PRC, an Independent Third Party
Borrower	南京伯泰科技發展有限公司 (Nanjing Bo Tai Technology Development Co., Ltd.*), a company established in the PRC and a potential business partner of the Group  To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower and its ultimate beneficial owner(s) are Independent Third Parties
Guaranteed obligations	each of the Guarantors agreed to guarantee on a joint liability basis the repayment of the Loan Facility under the Loan Agreement by the Borrower, including but not limited to the payment of principal amount, interest, penalty, liquidated damages, compensations and the Lender's expenses in relation to the enforcement of the Loan Agreement
Term	up to 2 years after the due date for the Borrower to perform its repayment obligations under the Loan Agreement

## **INFORMATION OF THE GROUP, THE GUARANTORS AND THE BORROWER**

The Group is principally engaged in licence fee collection and provision of intellectual property enforcement services business, exhibition-related business, property sub-leasing business, property development and investment, sludge and sewage treatment, entertainment business, as well as food and beverages. The Group was also granted with a money lenders licence to conduct money lending business in Hong Kong.

The Guarantors are two companies established in the PRC and indirect non-wholly owned subsidiaries of the Company. 南京垠坤投資實業有限公司(Nanjing Yinkun Investment Corporation Co., Ltd.\*) is principally engaged in the business of property management, exhibition, cultural and creative industries consultation in the PRC, and 南京創意東八區科技有限責任公司(Nan Jing Chuang Yi Dong Ba Qu Technology Development Co., Ltd.\*) is principally engaged in the business of lease of property and supporting facilities, property management, and exhibition.

The Borrower is a company established in the PRC which is principally engaged in the business of electronic technology, technical consulting and development of computer software and hardware.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower and its ultimate beneficial owner(s) are Independent Third Parties.

### **REASONS FOR THE ENTERING INTO THE GUARANTEE AGREEMENTS**

The Loan Facility is guaranteed by the Guarantors under the Guarantee Agreements and is secured by certain properties in the PRC. The Guarantors will receive 1% guarantee fee of the outstanding loan amount under the Loan Agreement from the Borrower on an annual basis as a consideration for providing the Guarantee.

The Directors are of the view that the provision of the Guarantee under the Guarantee Agreements will not have any material adverse effects on the losses and assets and liabilities of the Group.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the provision of the Guarantee based on the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules at the material time are more than 5% but less than 25%, the transactions contemplated under the Guarantee Agreements constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Thus, the provision of Guarantee by the Guarantors is subject to the reporting and announcement requirements under the Listing Rules.

Reference is also made to the announcement of the Company (formerly known as Cultural Landmark Investment Limited) dated 14 June 2016 (the “**Announcement**”), the amount under the loan facility as contemplated under the Announcement has been fully repaid on 21 November 2017.

## DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	南京伯泰科技發展有限公司 (Nanjing Bo Tai Technology Development Co., Ltd.*), a company established in the PRC and an Independent Third Party
“Company”	China Tangshang Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee provided by the Guarantors in favour of the Lender in relation to the Loan Facility under the Guarantee Agreements
“Guarantee Agreements”	the two guarantee agreements both dated 13 September 2017 entered into by the Guarantors respectively in favour of the Lender in relation to the Loan Facility
“Guarantors”	南京創意東八區科技有限責任公司 (Nanjing Chuangyi Dong Ba Qu Technology Co., Ltd.*) and 南京垠坤投資實業有限公司 (Nanjing Yinkun Investment Business Co., Ltd.*), two companies established in the PRC and indirect non-wholly owned subsidiaries of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) independent of the Company and its connected persons as defined under the Listing Rules
“Lender”	a financial institution in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Loan Agreement”	the loan agreement entered into between the Borrower and the Lender in relation to the Loan Facility in 13 September 2017
“Loan Facility”	the loan facility for the principal amount of up to RMB40,000,000 provided by the Lender to the Borrower under the Loan Agreement
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**China Tangshang Holdings Limited**  
**Chen Weiwu**  
*Chairman*

Hong Kong, 27 November 2017

*As at the date of this announcement, the executive Directors are Mr. Chen Weiwu (Chairman), Mr. Chen Gengxian and Mr. Zhou Houjie; and the independent non-executive Directors are Mr. Chen Youchun, Mr. Chan Chien Kwong William and Ms. Lui Mei Ka.*

\* *For identification purpose only*