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BESTWAY INTERNATIONAL HOLDINGS LIMITED
百威國際控股有限公司*
(incorporated in Bermuda with limited liability)
(Stock code: 718)

**GRANT OF FINANCIAL FACILITY BY THE OFFEROR
DURING THE OFFER PERIOD**

THE FACILITY

On 3 March 2016, the Company as borrower and the Offeror as lender entered into the Facility Agreement, pursuant to which the Offeror agreed to make available to the Company an unsecured and revolving loan facility of up to HK\$1,000 million for the general working capital requirement of the Group. The Company intends to utilise the Facility mainly for the commodity trading business of the Group. In the event the Company identifies any suitable opportunity in the areas of money lending or distressed asset investment or other investment, part of the Facility, in any event not exceeding HK\$400 million in total, may be drawn down for funding acquisitions or operations in related areas. Notwithstanding this, as at the date of this announcement, the Company has not identified any such business opportunity.

LISTING RULES IMPLICATIONS

The Offeror is a controlling shareholder (as defined under the Listing Rules) of the Company which owns 481,680,000 Share as at the date of this announcement, representing approximately 32.09% of the entire issued share capital of the Company and it is wholly owned by Mr. Chua, an executive Director. Accordingly, the Offeror is a connected person of the Company pursuant to Chapter 14A of the Listing Rules and the entering into of the Facility Agreement constitutes a connected transaction of the Company. However, as the Facility Agreement relates to the grant of financial assistance from a connected person in favour of the company, and the Directors consider that the Facility is provided on normal commercial terms and the Facility is not secured by any assets of the Group, the entering into of the Facility Agreement is fully-exempted from the shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

Reference is made to the Joint Announcement relating to, among other things, the conditional mandatory general cash offer by Optima Capital Limited on behalf of the Offeror to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

* For identification purposes only

BACKGROUND

The Group is principally engaged in trading of medical equipment and commodities, and mining of tungsten mines in Mongolia, and will embark on the financial services and money lending business in Hong Kong. As set out in the Joint Announcement, the Offeror intends to continue the existing principal businesses of the Group and the proposed businesses as aforesaid, and will explore possible business opportunities in the areas of money lending and distressed asset investment in Hong Kong and the PRC. In order to enable the Company to capture good opportunities that may arise in future, the Offeror will consider providing, or procure financial institutions to provide, necessary finance to the Group in the interim, such that the Group would be in a position to expand its business with critical mass.

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Set out below are the principal terms of the Facility Agreement.

Loan amount	:	A revolving loan facility of up to HK\$1,000,000,000
Term	:	18 Calendar Months from the date on which each drawdown is made
Interest rate	:	4.5% per annum
		Interest on each drawdown shall be accrued on the date of drawdown and payable on the last day of each six-Calendar-Month period from the date of drawdown (the “ Interest Payment Date ”). In the event that any drawdown is repaid before an Interest Payment Date, any unpaid accrued interest on such drawdown shall be payable together with the outstanding principal amount on the date of repayment.
Security	:	Unsecured
Drawdown	:	The Company shall provide a notice of drawdown to the Offeror for each drawdown by 31 July 2016. The Company is allowed to make multiple drawdowns with the amount to be drawn stated on the notice of drawdown. The aggregate principal amount outstanding shall not exceed HK\$1,000,000,000.
Repayment	:	The Company shall repay each drawdown in full together with any accrued and unpaid interest by the date falling 18 Calendar Months after the date of drawdown.

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REASONS FOR ENTERING INTO OF THE FACILITY AGREEMENT

The Group is principally engaged in trading of medical equipment and commodities, and mining of tungsten mines in Mongolia, and will embark on the financial services and money lending business in Hong Kong. As stated in the announcement of the Company dated 29 January 2016, the Group has extended its trading portfolio to commodities. The commodities currently traded by the Group are mainly in nickel and copper. The Board expects that the scale of commodity trading will increase. Recognizing the characteristics of commodity trading of high volumes and large dollar amounts, and to ensure that the Company is capable of facilitating the growth of the commodity business, the Company has secured the Facility from the Offeror mainly for the working capital requirement for the commodity trading business that may arise along with the growth of the business. In the event the Company identifies any suitable opportunity in the areas of money lending or distressed asset investment or other investment, part of the Facility, in any event not exceeding HK\$400 million in total, may be drawn down for funding acquisitions or operations in related areas. Notwithstanding this, as at the date of this announcement, the Company has not identified any such business opportunity.

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DEFINITIONS

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

“Board”	the board of Directors
“Calendar Month”	30 days

“Company”	Bestway International Holdings Limited, a company incorporated in the Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 718)
“Director(s)”	director(s) of the Company from time to time
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
“Facility”	an unsecured and revolving loan facility of up to HK\$1,000 million provided by the Offeror to the Company under the Facility Agreement
“Facility Agreement”	an agreement entered into between the Company and the Offeror dated 3 March 2016 in respect of the Facility
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Announcement”	the joint announcement issued by the Offeror and the Company dated 15 February 2016 in relation to, among other things, the Offer
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mr. Chua”	Mr. Chua Hwa Por, the executive Director, and the sole beneficial owner of the Offeror
“Offer”	the conditional mandatory general cash offer to be made by Optima Capital Limited on behalf of the Offeror to acquire all the Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on the terms and conditions set out in the Joint Announcement and in compliance with the Takeovers Code
“Offeror”	Tai He Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, the sole shareholder and beneficial owner of which is Mr. Chua
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary shares of HK\$0.05 each in the share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“%”	per cent

By Order of the Board
Bestway International Holdings Limited
Dr. Liu Hua
Acting Chief Executive Officer

Hong Kong, 3 March 2016

As at the date of this announcement, the Board comprises Mr. Chua Hwa Por, Mr. Hu Yebi, and Dr. Liu Hua as executive Directors, and Mr. Mao Kangfu, Dr. Gao Bin and Ms. Liu Yan as independent non-executive Directors.