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TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00093)

ANNOUNCEMENT DISCLOSEABLE TRANSACTION LOAN TRANSACTION

The Board wishes to announce that on 6 August 2021, Zero Finance, a wholly-owned subsidiary of the Company, as lender and the Borrowers as borrowers entered into the New Loan Agreement, pursuant to which, Zero Finance agreed to, among other things, make available to the Borrowers the New Loan on the terms and subject to the conditions therein.

Prior to the entering into of the New Loan Agreement, Zero Finance as lender, had entered into the Previous Loan Agreement to grant the Previous Loan to the Borrowers for the principal amount of HK\$21,500,000. Details of the Previous Loan were set out in the announcement of the Company dated 4 May 2021.

The transactions contemplated under the New Loan Agreement constitute a discloseable transaction for the Company as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the New Loan Agreement is 5% or more but all are less than 25%. Therefore, the transactions contemplated under the New Loan Agreement are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE NEW LOAN AGREEMENT

Parties

Lender: Zero Finance, a wholly-owned subsidiary of the Company

Borrower: the Borrowers

The Company confirms that to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrowers are third parties independent of the Company and its connected persons.

Date

6 August 2021

Principal terms

The principal terms of the New Loan Agreement are as follows:

Principal Loan Amount:	HK\$23,000,000 (of which HK\$21,500,000 was to re-finance the principal amount of the Previous Loan), the drawdown of which will take place on 6 August 2021
Maturity Date:	6 August 2041
Repayment Date:	The outstanding principal amount of the New Loan shall be repaid in 240 monthly installments, with the first installment on 6 September 2021 and the last installment on 6 August 2041
Interest:	12% per annum and payable in arrears in 240 monthly installments, with the first installment on 6 September 2021
Security for the Loan:	A legal charge/mortgage in respect of a residential property and two car parking spaces located in Hong Kong which was executed by the Mortgagor in favour of Zero Finance on 6 August 2021

The provision of the New Loan (both the portion of HK\$21,500,000 for re-financing the principal amount of the Previous Loan and the remaining portion of HK\$1,500,000) will be funded by the internal resources of the Group.

IMPLICATIONS UNDER THE LISTING RULES

The transactions contemplated under the New Loan Agreement constitute a discloseable transaction for the Company as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the New Loan Agreement is 5% or more but all are less than 25%. Therefore, the transactions contemplated under the New Loan Agreement are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW LOAN AGREEMENT

The terms of the New Loan Agreement, including the interest rates applicable, were arrived at after arm's length negotiations between Zero Finance and the Borrowers having taken into account the prevailing market interest rates and practices. The New Loan Agreement was entered into by Zero Finance having regard to (i) the costs of borrowing in providing the New Loan to the Borrowers; (ii) the interest income to be generated by providing the New Loan; and (iii) the securities provided by the Mortgagor for the New Loan. In addition, the transactions contemplated under the New Loan Agreement are part of the ordinary and usual course of business of Zero Finance. In view of the above, the Directors are of the view that the terms of the New Loan Agreement are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

GENERAL

The Group is principally engaged in property development and investment, and money lending business.

Zero Finance is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. Zero Finance is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the provision of loans as money lending.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Borrowers”	three individuals, namely Ms. Cheung Chen, Mr. Wat Shiu Hung and Mr. Wat Carson Tat-Shing, who are the borrowers under the New Loan Agreement and the Previous Loan Agreement
“Company”	Termbray Industries International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company together with its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mortgagor”	Ms. Cheung Chen who, as security for the New Loan, executed a legal charge/mortgage in respect of a residential property and two car parking spaces located in Hong Kong in favour of Zero Finance on 6 August 2021
“New Loan”	the term loan in the amount of HK\$23,000,000 granted by Zero Finance to the Borrowers pursuant to the terms of the New Loan Agreement
“New Loan Agreement”	the loan agreement entered into between Zero Finance and the Borrowers on 6 August 2021 in respect of the New Loan, the particulars of which are set out in the section headed “The New Loan Agreement” in this announcement

“Previous Loan”	the term loan in the amount of HK\$21,500,000 granted by Zero Finance to the Borrowers pursuant to the terms of the Previous Loan Agreement
“Previous Loan Agreement”	the loan agreement dated 4 May 2021 entered into between Zero Finance and the Borrowers in respect of the Previous Loan, the details of which were set out in the announcement of the Company dated 4 May 2021
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zero Finance”	Zero Finance Hong Kong Limited, a wholly-owned subsidiary of the Company and also the lender under the New Loan Agreement and the Previous Loan Agreement
“%”	per cent

By order of the Board
Termbray Industries International (Holdings) Limited
Lee Lap
Chairman

Hong Kong, 6 August 2021

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

Executive Directors:

Mr. Lee Lap (*Chairman*)

Mr. Tommy Lee (*Vice Chairman & Chief Executive Officer*)

Mr. Chau Hau Shing

Independent Non-Executive Directors:

Mr. Lo Yiu Hee

Mr. Tong Hin Wor

Mr. Ching Yu Lung