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**Earthasia International Holdings Limited**  
**泛亞環境國際控股有限公司**

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

**(Stock Code: 6128)**

**DISCLOSEABLE TRANSACTION**  
**PROVISION OF REVOLVING LOAN**

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On 24 November 2015, the Company entered into the Loan Agreement with the Borrower pursuant to which the Lender agreed to provide a revolving loan facility in the amount of HK\$14,000,000 (or JPY210,000,000 in equivalent at the time of entering into the Loan Agreement) at an interest rate of 30% per annum during the availability period of 14 months from 24 November 2015 to 23 January 2017. Subject to the terms and conditions, the Revolving Loan Facility can be drawn down at any time for one year during the availability period.

**LISTING RULES IMPLICATION**

As none of the applicable percentage ratios (as defined in the Listing Rules) exceeded 5%, the initial entering into of the Loan Agreement on 24 November 2015 in relation to the provision of the Revolving Loan Facility did not constitute a notifiable transaction pursuant to Chapter 14 of the Listing Rules.

As one of the latest applicable percentage ratios (as defined in the Listing Rules) for the Revolving Loan Facility already utilized together with the accrued interest up to the date of this announcement, in aggregate, exceed 5% but are less than 25%, the provision of the Revolving Loan Facility constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules but exempt from the shareholders' approval requirement.

As the amount of the advance granted to the Borrower does not exceed 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules, the provision of the Revolving Loan Facility is not subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

## **PROVISION OF REVOLVING LOAN FACILITY**

On 24 November 2015, the Company entered into the Loan Agreement with the Borrower pursuant to which the Lender agreed to provide a revolving loan facility in the amount of HK\$14,000,000 (or JPY210,000,000 in equivalent at the time of entering into the Loan Agreement) at an interest rate of 30% per annum during the availability period of 14 months from 24 November 2015 to 23 January 2017. Subject to the terms and conditions, the Revolving Loan Facility can be drawn down at any time for one year during the availability period.

### **THE LOAN AGREEMENT**

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

Date:	24 November 2015
Lender:	The Company
Borrower:	Earthasia Worldwide Holdings Limited, a company incorporated in Hong Kong with limited liability.

The Borrower is a company incorporated in Hong Kong with limited liability and is owned as to 30% by the Group and 5% by Mr. Chan, which has been accounted for as an investment in joint venture. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the holder of the remaining 65% issued share capital of the Borrower and its ultimate beneficial owners and the directors of the Borrower and its subsidiaries are third parties independent of and not connected with the Company and its connected persons.

Amount of the Revolving Loan Facility:	Up to HK\$14,000,000 (or JPY210,000,000 in equivalent at the time of entering into the Loan Agreement) which is revolving in nature in which any part of the Revolving Loan Facility that is repaid or prepaid may be re-borrowed by the Borrower, subject to the terms and conditions of the Loan Agreement.
Repayment Term:	One year from the date of drawdown, subject to further written agreement between the Lender and the Borrower on any possible extension.

- Repayment:** Subject to the Lender's overriding right of repayment on demand, the Borrower shall repay the Revolving Loan Facility in full in one lump sum together with all interest accrued thereon and all other monies payable under the Loan Agreement on the maturity date. In addition, the Lender shall have the right from time to time in its absolute and sole discretion require or demand any collateral which is with a value equivalent or over the outstanding amount from the Borrower.
- Prepayment:** The Borrower may prepay all or any part of a drawdown prior to the maturity date without penalty. Any prepayment of a drawdown will refresh the available amount of the Revolving Loan Facility for drawing.
- Interest:** Interest shall accrue on the outstanding balance of any drawdown at the rate of 30% per annum.
- Conditions:** The Lender shall have absolute discretion as to whether to make available any sum for any drawdown under the Loan Agreement.

## **INFORMATION OF THE GROUP**

The principal activity of the Company is investment holding and the principal activities of the Group is engaged in the provision of a wide range of landscape architecture services covering landscape assessment, planning, design and other related advisory services.

## **INFORMATION ON THE BORROWER**

The Borrower and its subsidiaries are principally engaged in the trading of Japanese goods which includes foods, cosmetics, groceries, daily necessities etc. between Japan, Hong Kong and the PRC.

The Borrower is a company incorporated in Hong Kong with limited liability and is owned as to 30% by the Group and 5% by Mr. Chan, which has been accounted for as an investment in joint venture. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the holder of the remaining 65% issued share capital of the Borrower and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. The Borrower is not a commonly held entity of the Group within the meaning of Rule 14A.27 of the Listing Rules and the Loan is not a connected transaction under Chapter 14A of the Listing Rules.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF THE REVOLVING LOAN FACILITY**

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower.

Having considered the background of the Borrower and the interest income to be earned by the Group, the Directors consider that it is beneficial to enter into the Loan Agreement. The Directors consider that the provision of the Revolving Loan Facility will result in a reasonable income and interest return to the Group. The Directors believe that the terms of the Revolving Loan are on normal commercial terms, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

The revolving loan will be funded by internal resources of the Group and financing from the other lending institutions and will be recorded as loan receivable of the Group.

As at the date of this announcement, the Borrower has utilized JPY160,557,705 of the Revolving Loan Facility with an accrued interest payable to the Lender of JPY7,314,476 under the Loan Agreement.

## **LISTING RULES IMPLICATIONS**

As none of the applicable percentage ratios (as defined in the Listing Rules) exceeded 5%, the initial entering into of the Loan Agreement on 24 November 2015 in relation to the provision of the Revolving Loan Facility did not constitute a notifiable transaction pursuant to Chapter 14 of the Listing Rules.

As one of the latest applicable percentage ratios (as defined in the Listing Rules) for the Revolving Loan Facility already utilized together with the accrued interest up to the date of this announcement, in aggregate, exceed 5% but are less than 25%, the provision of the Revolving Loan Facility constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules but exempt from the shareholders' approval requirement.

As the amount of the advance granted to the Borrower does not exceed 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules, the provision of the Revolving Loan Facility is not subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the otherwise stated:–

“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Borrower”	Earthasia Worldwide Holdings Limited (泛亞國貿有限公司)
“Company”	Earthasia International Holdings Limited (泛亞環境國際控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“independent third party(ies)”	has the meaning ascribed thereto under the Listing Rules
“JPY”	Japanese Yen, the lawful currency of Japan
“Lender”	the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 24 November 2015 entered into between the Lender and the Borrower in relation to the provision of the Revolving Loan Facility
“Mr. Chan”	Chan Yick Yan Andross (陳奕仁), an executive Director and a Controlling Shareholder
“PRC”	the People’s Republic of China

“Revolving Loan Facility”	the revolving loan facility of up to HK\$14,000,000 (or JPY210,000,000 in equivalent at the time of entering into the Loan Agreement) provided by the Lender to the Borrower pursuant to the terms and conditions of the Loan Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

By order of the Board  
**Earthasia International Holdings Limited**  
**Lau Hing Tat Patrick**  
*Chairman*

Hong Kong, 20 September 2016

*As at the date of this announcement, the executive Directors are Mr. Lau Hing Tat Patrick, Mr. Chan Yick Yan Andross and Mr. Tian Ming; the non-executive Directors are Mr. Michael John Erickson, Mr. Ma Lida and Ms. Huang Yaping; and the independent non-executive Directors are Ms. Tam Ip Fong Sin, Mr. Wong Wang Tai and Mr. Wang Yuncai.*

\* *For identification purpose only*