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China Soft Power Technology Holdings Limited

中國軟實力科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 139)

DISCLOSEABLE TRANSACTION: GRANT OF LOAN FACILITY

GRANT OF LOAN FACILITY

The Board announces that, after trading hours on 24 January 2019, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower a loan in the principal amount of USD\$5,000,000 (equivalent to approximately HK\$39,000,000), bearing interest at a rate of 6.5% per annum for fourteen (14) days.

LISTING RULES IMPLICATION

As an applicable percentage ratio for the Loan exceeds 5% but is less than 25%, the grant of the Loan 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.

THE LOAN AGREEMENT

The Board announces that, after trading hours on 24 January 2019, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower a loan in the principal amount of USD\$5,000,000 (equivalent to approximately HK\$39,000,000).

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

Date of the Loan Agreement: 24 January 2019 (after trading hours)

Lender: Top Billion Finance Limited, a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company, which is a licensed money lender in Hong Kong under the Money Lenders Ordinance

Borrower:	The Borrower is a limited company incorporated in Hong Kong. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower and its ultimate beneficial owner are Independent Third Parties
Principal amount:	USD\$5,000,000 (equivalent to approximately HK\$39,000,000)
Final repayment date:	the date falling fourteen (14) days from the date of drawdown
Repayment:	The Borrower shall repay the aggregate principal amount of the loan and interest thereon and all other sums for the time being outstanding to the Lender on or before the final repayment date
Early repayment:	The Borrower may prepay all or any part of the loan without penalty provided that the Borrower shall have given the Lender prior written notice one (1) Business Day in advance specifying the amount and date of prepayment
Interest:	The interest at a rate of 6.5 % per annum is to be charged by the Lender on the outstanding amount of the Loan. Interest shall accrue day to day and be calculated on a 365-day per year basis. All accrued and unpaid interest shall be repaid by the borrower on the final repayment date.

Funding of the Loan

The provision of the Loan was funded by internal resources of the Group.

INFORMATION ON THE GROUP AND THE LENDER

The Group is principally engaged in securities and futures dealing business, financial investments, property investments and money lending business. The Lender, being an indirect wholly-owned subsidiary of the Company, is a licensed money lender in Hong Kong under the Money Lenders Ordinance. The Lender conducts money lending business solely in Hong Kong through the provision of unsecured loans and secured loans to customers, including individuals and corporations.

INFORMATION ON THE BORROWER

The Borrower is a limited company incorporated in Hong Kong. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower and its ultimate beneficial owner are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE GRANT OF THE LOAN FACILITY

The granting of the Loan is in the Lender's ordinary and usual course of business. The Directors are of the view that money lending business is one of the potential sectors for the future development of the Group's business. The Directors will explore further business opportunities in the money lending sector and develop the Group's customer's base as and

when appropriate. Having considered the Borrower's financial background and the interest income to be earned by the Group, the Directors consider that the terms of the Loan Agreement are on normal commercial terms and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

As an applicable percentage ratio for the Loan exceeds 5% but is less than 25%, the grant of the Loan 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.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	a limited company incorporated in Hong Kong. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower and its ultimate beneficial owner are Independent Third Parties
“Business Day(s)”	day(s) (excluding Saturday) on which banks in Hong Kong are open for business
“Company”	China Soft Power Technology Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 139)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	a third party(ies) independent of the Company and the connected persons (as defined in the Listing Rules) of the Company
“Lender”	Top Billion Finance Limited, a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company, which is a licensed money lender in Hong Kong under the Money Lenders Ordinance

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Money Lenders Ordinance”	Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong)
“Loan”	a loan in the principal amount of USD\$5,000,000 (equivalent to approximately HK\$39,000,000) granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	a loan agreement dated 24 January 2019 and entered into between the Lender and the Borrower in relation to the provision of the Loan
“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States Dollar, the lawful currency of the United States of America

On behalf of the Board
China Soft Power Technology Holdings Limited
Chen Xiaodong
Chairman

Hong Kong, 24 January 2019

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

Executive Directors

Mr. Chen Xiaodong (*Chairman*)
Mr. Xu Ke (*Chief Executive Officer*)
Mr. Yu Qingrui
Ms. Lam Hay Yin

Independent non-executive Directors

Mr. Kwok Chi Kwong
Mr. Chen Youchun
Mr. Wu Ming