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## **SUSTAINABLE FOREST HOLDINGS LIMITED**

**永保林業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 723)**

### **VOLUNTARY ANNOUNCEMENT LOAN FACILITY FROM SHAREHOLDER**

The Board is pleased to announce that on 26 March 2018, the Company entered into the Loan Facility Agreement with Champion Alliance, the substantial shareholder of the Company, pursuant to which Champion Alliance agreed to grant to the Company the Loan Facility in the aggregate principal amount of up to HK\$200,000,000. The Loan Facility is unsecured, interest-free and repayable in full on the Maturity Date.

#### **REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN FACILITY AGREEMENT**

The Company is an investment holding company. The Group is principally engaged in the businesses of money lending, sustainable forest management, sales of timber products and leasing of properties. In order to cope with the increased business scale of the Group in recent months and the continual business development of the Group, Alliance Champion is willing to grant the Loan Facility to the Company for its imminent working capital requirements, in particular, to meet the working capital requirements of its money lending and timber trading businesses resulting from their recent business expansion and development.

The Board considers that the provision of the Loan Facility from Champion Alliance is conducted on terms better than normal commercial terms and is beneficial to the continual expansion and development of the Group's businesses and thus the entering into the Loan Facility Agreement is in the interests of the Company and its shareholders as a whole.

#### **DEFINITIONS**

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

“Board”	Board of Directors
“Champion Alliance”	Champion Alliance Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, a substantial shareholder of the Company

*\* For identification purpose only*

“Company”	Sustainable Forest Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“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”	Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facility”	revolving loan facility granted by Champion Alliance to the Company in accordance with the terms and conditions of the Loan Facility Agreement
“Loan Facility Agreement”	loan facility agreement entered into between the Company and Champion Alliance on 26 March 2018
“Maturity Date”	date falling twelve (12) months from the date of the Loan Facility Agreement, extendable for another twelve (12) months and subsequent twelve (12) month period(s) at the request of the Company and agreed by Champion Alliance in writing, or such other date agreed by Champion Alliance in writing
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meanings ascribed to it under the Listing Rules

By Order of the Board  
**Sustainable Forest Holdings Limited**  
**Wang Jingyu**  
*Chairlady*

Hong Kong, 26 March 2018

*As at the date of this announcement, the Board comprises Ms. Wang Jingyu (Chairlady), Mr. Lai Ming Wai (Chief Executive Officer), Ms. Lai Yin Ling and Ms. Chan Yuk Yee as Executive Directors and Mr. Yam Kwong Chun, Mr. Chiang Bun and Mr. Chai Chi Keung as Independent Non-executive Directors.*