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## **FIRST SHANGHAI INVESTMENTS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 227)**

### **DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES**

FSSL (a wholly-owned subsidiary of the Company) has made the Advance of approximately HK\$557 million to the Client for the Client to subscribe for the IPO Shares in the CGN IPO.

This announcement is made pursuant to Rules 13.13 and 13.15 of the Listing Rules as the principal amount of the Advance exceeds 8% of the latest published unaudited total assets of the Group as at 30th June 2014.

#### **INFORMATION ON THE ADVANCE**

First Shanghai Investments Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), is principally engaged in securities investment, corporate finance, stockbroking, property development, property investment, hotel operation, direct investment, investment holding and management.

First Shanghai Securities Limited (“**FSSL**”), a wholly-owned subsidiary of the Company, has made an advance (the “**Advance**”) of approximately HK\$557 million to a client (the “**Client**”) for the Client to subscribe for a portion of the offer shares (the “**IPO Shares**”), amounting to approximately HK\$620 million (the “**Application Amount**”), in the global offering of CGN Power Co., Ltd. (中國廣核電力股份有限公司) (the “**CGN IPO**”), the H shares of which are expected to be listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 10th December 2014.

To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Client is an independent third party of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The Client opened its securities account at FSSL in November 2014 and is a professional investor defined under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). To the best knowledge of FSSL, the ultimate beneficial owner of the Client is a high net worth individual who has been an active securities investor in Hong Kong. As at the date of this announcement, FSSL has no record of default in payment on the part of the Client or its ultimate beneficial owner.

The Advance was made in the ordinary and usual course of business of the Group after taking into account, among other factors, the credit assessments made by the Group on the financial strength and the repayment ability of the Client, the cash deposit placed by the Client and the securities collateral provided by the Client. The Group has also considered the popularity and the liquidity of the IPO Shares and the short term nature of the Advance, where the financing period of the Advance is from the closing date of the CGN IPO on 2nd December 2014 to the allotment date of the CGN IPO on 9th December 2014. The Client has placed a cash deposit of approximately

HK\$63 million, representing approximately 10% of the Application Amount, at FSSL for the subscription of the IPO Shares. The full value of the IPO Shares, when allotted to the Client, is collateralised against the Advance. Any collateral provided by the Client will not be released by FSSL unless the outstanding amount of the Advance continues to be fully covered by the remaining collateral. The Advance was made at an interest rate lower than the prevailing prime lending rate of 5% quoted by the Hong Kong and Shanghai Banking Corporation Limited. The principal terms, including the applicable interest rate, of the Advance are no less favourable than those charged by the Group to other clients of similar financial standing. After taking into account the aforementioned factors in assessing the risks of the Advance, particularly the receipt of the cash deposit which represents approximately 10% of the Application Amount, the Company considers that the risks involved in the Advance are low.

## **LISTING RULES IMPLICATIONS**

With reference to the unaudited financial figures disclosed in the interim report of the Company for the six months ended 30th June 2014, the principal amount of the Advance of approximately HK\$557 million represents (i) approximately 10% of the total assets of the Group of approximately HK\$5,848 million; and (ii) approximately 20% of the net assets of the Group of approximately HK\$2,721 million as at 30th June 2014. The principal amount of the Advance represents approximately 16% of the total loan portfolio (including margin and loan for initial public offering) of FSSL as at 1st December 2014.

Given the amount of the Advance exceeds 8% of the latest published unaudited total assets of the Group of approximately HK\$5,848 million as at 30th June 2014, the Company is under a general obligation to disclose certain details of the Advance under Rules 13.13 and 13.15 of the Listing Rules.

The Company has applied for and has been granted the waiver from the Stock Exchange to exclude the disclosure of the identity of the Client and the actual interest rate of the Advance required under Rule 13.15 of the Listing Rules.

By Order of the Board  
**First Shanghai Investments Limited**  
**Lo Yuen Yat**  
*Chairman*

Hong Kong, 3rd December 2014

*As at the date of this announcement, the board of the Company comprises three executive directors, being Mr. Lo Yuen Yat, Mr. Xin Shulin and Mr. Yeung Wai Kin; one non-executive director, Mr. Kwok Lam Kwong, Larry, B.B.S., J.P.; and four independent non-executive directors, being Prof. Woo Chia-Wei, Mr. Liu Ji, Mr. Yu Qihao and Mr. Zhou Xiaohe.*