

Client: Chi Med
Source: The Daily Telegraph (Web)
Date: 12 December 2011

Chi-Med unit granted loan of up to HK\$210m

Hutchison China MediTech's wholly owned subsidiary, Hutchison China MediTech Finance Holdings, has been granted a term loan of up to HK\$210m by an independent financial institution for three years.

The loan facility agreement was made between HCMFH, Hutchison Whampoa Limited, a substantial shareholder of Chi-Med, and the lender on 9 December.

HCMFH will pay a quarterly guarantee fee to HWL in consideration of HWL guaranteeing the entire repayment obligations of HCMFH under the loan agreement.

The guarantee fee is of an amount equivalent to 1.75% per annum of the amount of the facility.

In addition to the guarantee fee agreement, Chi-Med has issued a letter of indemnity to HWL whereby Chi-Med agrees to indemnify HWL against all or any of its damages and losses arising from the provision of the guarantee under the loan agreement and any breach of the guarantee fee agreement by HCMFH.

Chi-Med chief executive Christian Hogg said: "The loan facility we have arranged represents, in our view, the most practical, cost efficient and non-dilutive financing option for Chi-Med."

At 9:35am: (LON:HCM) share price was +8p at 279p

[sourcelink]

<http://c.moreover.com/click/here.pl?z5598706276&z=1550248680>

[/sourcelink]