

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MIN XIN HOLDINGS LIMITED

閩信集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 222)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

SUPPLEMENTAL LOAN AGREEMENT

The Board announces that on 26 June 2014, (a) the Company and Min Xin (Suzhou) entered into the Supplemental Loan Agreement pursuant to which the Company agreed to extend the repayment date of the Outstanding Loan for six months from 30 June 2014 to 31 December 2014; and (b) the Purchaser issued the New Guarantee pursuant to which it agreed to guarantee the payment obligations of Min Xin (Suzhou) under the Loan Agreement as amended by the Supplemental Loan Agreement and the term of the New Guarantee shall expire on 31 December 2016.

LISTING RULES IMPLICATIONS

The Extension constitutes a financial assistance by the Company under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) in respect of the Extension is more than 5% but less than 25%, such financial assistance constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

Reference is made to the announcement of Min Xin Holdings Limited (the “**Company**”) dated 14 January 2013 (the “**Announcement**”) and the circular of the Company dated 8 February 2013 (the “**Circular**”) in relation to, among others, the Outstanding Loan. Unless otherwise defined herein or the context otherwise requires, terms defined in the Circular shall have the same meanings when used in this announcement.

As disclosed in the Announcement and the Circular, the Company provided a shareholder advance of approximately RMB92.14 million (equivalent to approximately HK\$114.6 million) to Min Xin (Suzhou) which remained outstanding as at the date of the Sale and Purchase Agreement. Pursuant to the Loan Agreement, the outstanding shareholder advance was carried forward and it shall carry an interest of (i) 4% per annum from the date of the Loan Agreement to the date on which the Equity Interest was transferred to the Purchaser and (ii) 8% per annum from the date immediately after the Equity Interest was transferred to the Purchaser until 30 June 2014. Under the Loan Agreement, the Outstanding Loan and all interests accrued thereon shall be repaid in full on 30 June 2014. The Purchaser agreed to guarantee the payment of the Outstanding Loan and the interests accrued thereon. The term of such guarantee (the “**Guarantee**”) shall commence from the date on which the Equity Interest was transferred to the Purchaser and shall expire on 30 June 2016.

As at the date of this announcement, the entire Outstanding Loan and the interests accrued thereon have remained unpaid.

PROVISION OF FINANCIAL ASSISTANCE

The Board announces that on 26 June 2014, (a) the Company and Min Xin (Suzhou) entered into a supplemental loan agreement (the “**Supplemental Loan Agreement**”) in relation to the Outstanding Loan; and (b) the Purchaser issued a new guarantee in favour of the Company (the “**New Guarantee**”).

SUPPLEMENTAL LOAN AGREEMENT

Date:

26 June 2014

Parties:

- (i) The Company, as lender; and
- (ii) Min Xin (Suzhou), as borrower.

Extension of repayment date:

Pursuant to the Supplemental Loan Agreement, the Company agreed to extend the repayment date of the Outstanding Loan for six months (the “**Extended Tenure**”) from 30 June 2014 to 31 December 2014 (the “**Extension**”).

Principal amount of the Outstanding Loan:

RMB92,139,277.50 (equivalent to approximately HK\$114,344,843.38)

Interest rates:

Interests shall be paid on the Outstanding Loan at the rate of 8% per annum for the Extended Tenure.

Repayment:

The amount of interests accrued on the Outstanding Loan as at 30 June 2014 will be approximately RMB9,899,853.48 (equivalent to approximately HK\$12,285,718.17). The net amount of such interests (after deducting therefrom the relevant tax payable thereon) of approximately RMB8,355,476.34 (equivalent to approximately HK\$10,369,146.14) shall be paid by Min Xin (Suzhou) to the Company on 30 June 2014.

The amount of interests accrued on the Outstanding Loan for the Extended Tenure will be approximately RMB3,767,472.70 (equivalent to approximately HK\$4,675,433.62). Upon the expiry of the Extended Tenure on 31 December 2014, Min Xin (Suzhou) shall repay to the Company the Outstanding Loan and all interests accrued thereon for the Extended Tenure (after deducting therefrom the relevant tax payable on such interests), which in aggregate will amount to approximately RMB95,319,024.45 (equivalent to approximately HK\$118,290,909.34).

If Min Xin (Suzhou) fails to make payments on 30 June 2014 and/or 31 December 2014 (as the case may be), interests at the rate of 18% per annum shall be paid on the unpaid interests (in the case of non-payment on 30 June 2014) for the period from 1 July 2014 and/or the unpaid Outstanding Loan and interests (in the case of non-payment on 31 December 2014) for the period from 1 January 2015 (as the case may be) until the date of actual payment by Min Xin (Suzhou).

The Company should accept reasonable and legitimate request(s) from Min Xin (Suzhou) for early repayment (the “**Prepayment Amount**”) and in such case, Min Xin (Suzhou) shall pay to the Company the Prepayment Amount (after deducting therefrom the relevant tax payable on the interests accrued) within 5 business days of the day when the acceptance notice is received or deemed to be received by Min Xin (Suzhou) from the Company (the “**Prepayment Date**”). If Min Xin (Suzhou) fails to pay the Prepayment Amount on the Prepayment Date, interest at the rate of 18% per annum shall be paid on the Prepayment Amount for the period from the day immediately after the Prepayment Date until the date of actual payment by Min Xin (Suzhou).

Repayment of the Outstanding Loan and all accrued interests remains to be made to the bank account of the Fuzhou Representative Office of the Company in Fuzhou, the PRC as agreed under the Loan Agreement.

The Purchaser issued the New Guarantee in favour of the Company on 26 June 2014. Pursuant to the New Guarantee, the Purchaser agreed to guarantee the payment obligations of Min Xin (Suzhou) under the Loan Agreement as amended by the Supplemental Loan Agreement and the term of the New Guarantee shall expire on 31 December 2016.

FUNDING OF THE OUTSTANDING LOAN

The Company financed the Outstanding Loan by way of its internal resources.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL LOAN AGREEMENT

The Extension was made pursuant to a request raised by Min Xin (Suzhou) to the Company to extend the repayment date of the Outstanding Loan from 30 June 2014 to 31 December 2014. The terms of the Supplemental Loan Agreement were agreed by the Company and Min Xin (Suzhou) after arm's length negotiations. The terms of the New Guarantee were agreed by the Company and the Purchaser after arm's length negotiations. The terms of the Supplemental Loan Agreement and the New Guarantee, including the interest rate charged for the Extended Tenure and the interest rate charged on Min Xin (Suzhou) in the case of default of repayment on 30 June 2014 and/or 31 December 2014, were determined with reference to, among others, the prevailing market interest rates and the commercial practices of other companies engaged in similar businesses. The Company may benefit from additional interest income for the Extended Tenure and it is expected that such cash inflow can increase the general working capital of the Group subsequently, whereas the possibility of early repayment by Min Xin (Suzhou) provides flexibility to the Company to accelerate the cash inflow.

As disclosed in the Circular, it was a commercial agreement between the Company and the Purchaser that the Guarantee would be effective for a period of two years after the repayment due date under the Loan Agreement. In light of the Extension, the Purchaser agreed to extend the term of the Guarantee for six months from expiring on 30 June 2016 to expiring on 31 December 2016, which is two years after the due date of the Outstanding Loan as extended by the Supplemental Loan Agreement.

The Directors (including the independent non-executive Directors) consider that the terms of the Supplemental Loan Agreement are on normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

GENERAL INFORMATION

The Company is an investment holding company and the Group is principally engaged in banking investment, micro credit business, insurance, property development and investment, and investment holdings.

Min Xin (Suzhou) is a limited liability company established and operating in the PRC. The principal activity of Min Xin (Suzhou) is property development and sale. Following completion of the Disposal, Min Xin (Suzhou) had ceased to be an indirect wholly-owned subsidiary of the Company. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Min Xin (Suzhou) is a third party independent of the Group and connected persons of the Group.

The principal business activities of the Purchaser are property development and the manufacturing and distribution of enamelled wire in the PRC. The shares of the Purchaser are listed on the Shanghai Stock Exchange. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser is a third party independent of the Group and connected persons of the Group.

LISTING RULES IMPLICATIONS

The Extension constitutes a financial assistance by the Company under Chapter 14 of the Listing Rules. As one or more of the relevant percentage ratio(s) in respect of the Extension is more than 5% but less than 25%, such financial assistance constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

By Order of the Board
Min Xin Holdings Limited
Li Jin Hua
Executive Director and General Manager

Hong Kong, 26 June 2014

As at the date of this announcement, the Executive Directors of the Company are Messrs Weng Ruo Tong (Chairman), Peng Jin Guang (Vice Chairmen), Li Jin Hua and Zhang Rong Hui; the Non-Executive Director is Mr Liu Cheng; and the Independent Non-Executive Directors are Messrs Ip Kai Ming, Sze Robert Tsai To and So Hop Shing.

Translation of Renminbi into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 = HK\$1.241. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amount in RMB has been, could have been or may be converted at such or any other rate at all.