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## **MIN XIN HOLDINGS LIMITED**

**閩信集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 222)

**(1) PROPOSED RIGHTS ISSUE OF 137,828,596 RIGHTS SHARES  
AT HK\$6 PER RIGHTS SHARE  
ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY TEN EXISTING  
SHARES HELD ON THE RECORD DATE**

**(2) APPLICATION FOR WHITEWASH WAIVER  
AND**

**(3) CLOSURE OF REGISTER OF MEMBERS**

**Underwriter to the Rights Issue**

**VIGOUR FINE COMPANY LIMITED**

### **PROPOSED RIGHTS ISSUE**

The Company proposes to raise gross proceeds of not less than approximately HK\$827 million before expenses by way of a rights issue of 137,828,596 Rights Shares at a price of HK\$6 per Rights Share on the basis of three (3) Rights Shares for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders. Pursuant to the Rights Issue, the Qualifying Shareholders will be provisionally allotted three (3) Rights Shares in nil-paid form for every ten (10) existing Shares held on the Record Date.

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be provisionally allotted (in nil-paid form) to the Company or its nominee/agent, and the Company or its nominee/agent will use reasonable endeavours to sell or procure the sale of those aggregated nil-paid Rights Shares in the market for the benefit of the Company if a premium (net of expenses) can be obtained.

Assuming no new Shares (other than the Rights Shares) are allotted and issued on or before completion of the Rights Issue, the aggregate number of Rights Shares proposed to be allotted and issued pursuant to the terms of the Rights Issue represents 30% of the Company's total number of issued Shares as at the date of this announcement and will represent approximately 23.08% of the Company's total number of issued Shares as enlarged by the issue of the Rights Shares immediately after completion of the Rights Issue.

The Rights Shares (when allotted, issued and fully paid) will rank pari passu with the then existing Shares in issue in all respects. Holders of fully paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares.

#### **UNDERWRITING AGREEMENT**

Pursuant to the Underwriting Agreement, Vigour Fine has undertaken to the Company that it will fully underwrite the subscription of the Underwritten Shares on and subject to the terms and conditions of the Underwriting Agreement.

The obligations of the Underwriter to underwrite the Underwritten Shares are conditional on (i) the satisfaction of the conditions referred to in the paragraph headed "Conditions of the Rights Issue and the Underwriting Agreement" under the section headed "Underwriting Arrangement" in this announcement, which cannot be waived in whole or part, and (ii) the Underwriting Agreement not being terminated by the Underwriter in accordance with its terms. If the conditions are not fulfilled or the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed.

#### **IRREVOCABLE UNDERTAKING**

Pursuant to the Vigour Fine Irrevocable Undertaking, Vigour Fine has irrevocably undertaken to the Company (i) to accept and/or procure the acceptance of the Vigour Fine Committed Shares; and (ii) that the 222,006,600 Shares owned by it (either directly or indirectly through Samba) will remain so owned by it and Samba from the date of the Vigour Fine Irrevocable Undertaking up to the Record Date.

## **REASONS FOR THE PROPOSED RIGHTS ISSUE AND USE OF PROCEEDS**

The Company entered into the capital contribution agreement with XIB (an associated company of the Company) on 21 June 2016 pursuant to which the Company had subscribed for 140,000,000 XIB Shares (representing approximately 1.6694% of the issued share capital of XIB as enlarged by the issue of the XIB Shares) at the issue price of RMB4.8 per XIB Shares. The consideration of the capital contribution was RMB672,000,000 (equivalent to approximately HK\$794,976,000). The subscription of XIB Shares was approved in December 2016 and the capital contribution of XIB had been completed. As a result, the equity interest of the Group in XIB was decreased from approximately 10.6289% to approximately 9.7635%. As disclosed in the announcement of the Company on 21 June 2016, the Company might raise funds through rights issue upon completion of the capital contribution of XIB. As disclosed in the announcement of the Company on 23 June 2016, the Company entered into a facility agreement with banks in Hong Kong for bank loan facilities in the aggregate amount of up to HK\$800 million. Such bank loan facilities shall be used for the capital contribution to XIB. Pursuant to the facility agreement, a tranche of the bank loan facilities in the aggregate amount of up to HK\$600 million will become mature and payable in twelve months from the date of drawdown. The repayment of such tranche of bank loan facilities should be funds raised through a rights issue of the Company. Directors consider that the Rights Issue offers all Qualifying Shareholders the opportunity to participate and grasp the benefit of the future development of the Group. The Directors are of the view that the Rights Issue not only provides greater financial flexibility for the Company, but also offers all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company. The net proceeds from the Rights Issue will be used to repay the loan facilities and as the general working capital of the Group.

## **TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR WHITEWASH WAIVER**

As at the date of this announcement, Vigour Fine (either directly or indirectly through Samba, its subsidiary) is interested in 222,006,600 Shares, representing approximately 48.32% of the entire issued Shares of the Company.

Pursuant to the Underwriting Agreement, Vigour Fine has undertaken to the Company that it will fully underwrite the Underwritten Shares.

Assuming no acceptance by the Qualifying Shareholders under the Rights Issue, Vigour Fine will be required to take up the Underwritten Shares and the total shareholding of the Concert Group upon completion of the Rights Issue would amount to approximately 60.25% of the then issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares. Under such circumstance, the Concert Group would be required to make a mandatory general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

Vigour Fine will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll. If the Whitewash Waiver is not granted or not approved by the Independent Shareholders, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed. As at the date of this announcement, the Company does not believe that the Rights Issue, the Underwriting Agreement, the Whitewash Waiver and the transaction contemplated thereunder gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the circular. The Company notes that the Executive may not grant the Whitewash Waiver if the Rights Issue and the transaction contemplated thereunder does not comply with other applicable rules and regulations.

#### **LISTING RULES IMPLICATIONS**

Vigour Fine is a controlling shareholder and a connected person of the Company as defined under the Listing Rules. Accordingly, the transactions between the Company and Vigour Fine as contemplated under the Underwriting Agreement constitute a connected transaction of the Company. Pursuant to Rule 14A.92(2)(b) of the Listing Rules, as arrangements have been made in relation to excess applications in compliance with Rule 7.21 of the Listing Rules and given that no underwriting commission is payable to Vigour Fine, the Underwriting Agreement is exempted from all reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

## **TRADING ARRANGEMENTS**

The last day for dealing in the Shares on a cum-rights basis is expected to be Tuesday, 2 May 2017. The Shares are expected to be dealt in on an ex-rights basis from Thursday, 4 May 2017. The Rights Shares are expected to be dealt with in their nil-paid form from Wednesday, 17 May 2017 to Wednesday, 24 May 2017 (both days inclusive).

To qualify for the Rights Issue, a Shareholder's name must appear on the register of members of the Company on the Record Date, which is currently expected to be Friday, 12 May 2017 and such Shareholder must not be a Non-Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, any transfer of Shares (together with the relevant share certificate(s)) must be lodged with the share registrar for registration by 4:30 p.m. on the Last Day for Transfer. The register of members of the Company will be closed from Monday, 8 May 2017 to Friday, 12 May 2017, both days inclusive.

The Latest Time for Acceptance is expected to be 4:00 p.m. on the Final Acceptance Date. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. Please refer to the section headed "Expected Timetable" in this announcement for further details.

## **GENERAL**

Under the Takeovers Code, the Whitewash Waiver is conditional on, among other matters, approval by the Independent Shareholders at the EGM. The resolution proposed to be voted at the EGM will be conducted by way of poll.

Pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code, as the Concert Group is interested in the Whitewash Waiver, it is required to abstain from voting on the resolution to be proposed at the EGM in relation to the Whitewash Waiver. Save for the Concert Group, no Shareholder is involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver which requires him/her/it to abstain from voting on the relevant resolution at the EGM.

The Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver are fair and reasonable and in the interest of the Company and the Shareholders as a whole as far as the Independent Shareholders are concerned and to advise the Independent Shareholders on how to vote at the EGM. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver. The Company will make an announcement in relation to the appointment of independent financial adviser in due course.

A circular containing, among other matters, further details of (i) the Rights Issue and the Whitewash Waiver; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue, the Underwriting Agreement and the Whitewash Waiver; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Whitewash Waiver, the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder; and (iv) a notice of the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Takeovers Code.

Upon the approval by the Independent Shareholders of the Whitewash Waiver at the EGM having obtained and the granting of the Whitewash Waiver by the Executive, the Rights Issue Documents will be despatched to the Qualifying Shareholders as soon as practicable. The Prospectus, without the Provisional Allotment Letter and the Excess Application Form, will be sent to the Non-Qualifying Shareholders (if any) for their information only.

#### **WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM**

**The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated. Please refer to the paragraph headed “Conditions of the Rights Issue and the Underwriting Agreement” under the section headed “Underwriting Arrangements” in this announcement for further details. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate their obligations on the occurrence of certain events including force majeure. Please refer to the paragraph headed “Termination of the Underwriting Agreement” under the section headed “Underwriting Arrangements” in this announcement for further details. If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.**

**Any Shareholder or other person dealing in the Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Monday, 15 May 2017 to Wednesday, 24 May 2017 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders, and other persons contemplating dealing in securities of the Company and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.**

## **PROPOSED RIGHTS ISSUE**

### **Issue Statistics**

Basis of the Rights Issue	: three (3) Rights Shares for every ten (10) existing Shares held on the Record Date
Subscription Price	: HK\$6 per Rights Share
Number of existing Shares in issue as at the date of this announcement	: 459,428,656 Shares
Number of Rights Shares	: 137,828,596 Rights Shares
Amount to be raised before expenses	: approximately HK\$827 million before expenses (based on the number of existing Shares in issue as at the date of this announcement, and assuming no Shares have been allotted and issued on or before the Record Date)
Underwriter	: Vigour Fine
Total number of Shares in issue as enlarged by the Rights Shares upon completion of the Rights Issue	: 597,257,252 Shares

Assuming no new Shares (other than the Rights Shares) are allotted and issued on or before completion of the Rights Issue, the aggregate number of Rights Shares proposed to be allotted and issued pursuant to the terms of the Rights Issue represents 30% of the Company's total number of issued Shares as at the date of this announcement and will represent approximately 23.08% of the Company's total number of issued Shares as enlarged by the issue of the Rights Shares immediately after completion of the Rights Issue.

As at the date of this announcement, the Company had no outstanding convertible securities, options or warrants in issue which would otherwise confer any right to subscribe for, convert or exchange into the existing Shares.

### **Qualifying Shareholders**

To qualify for the Rights Issue, a Shareholder's name must appear on the register of members of the Company on the Record Date, which is currently expected to be Friday, 12 May 2017 and such Shareholder must not be a Non-Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, any transfer of Shares (together with the relevant share certificate(s)) must be lodged with the share registrar of the Company for registration by 4:30 p.m. on the Last Day for Transfer. The register of members of the Company will be closed from Monday, 8 May 2017 to Friday, 12 May 2017, both days inclusive.

The share registrar of the Company is Tricor Standard Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. The last day of dealings in the Shares on a cum-rights basis is Tuesday, 2 May 2017. The Shares will be dealt with on an ex-rights basis from Thursday, 4 May 2017.

The Latest Time for Acceptance is expected to be 4:00 p.m. on the Final Acceptance Date.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

The Company expects to send the Rights Issue Documents to the Qualifying Shareholders on or before the Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdiction(s) and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any PAL or EAF to them. A copy of the Prospectus will also be made available on the respective websites of the Company ([www.minxin.com.hk](http://www.minxin.com.hk)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

### **Closure of Register of Members**

For the purpose of determining entitlements to the Rights Issue, the register of members of the Company will be closed from Monday, 8 May 2017 to Friday, 12 May 2017, both days inclusive. No transfer of Shares will be registered during this period.

### **Non-Qualifying Shareholders**

The Rights Issue Documents are not intended to be registered or filed under the applicable securities legislation or equivalent legislation of any jurisdictions other than Hong Kong.

The Company is in the process of making enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. The Company notes the requirements specified in section 140 of the Companies Ordinance and Rule 13.36(2)(a) of the Listing Rules and will only exclude from the Rights Issue the Overseas Shareholders whom the Directors, after making enquiries, consider it necessary or expedient to exclude on account of either the legal restrictions under the laws of the relevant jurisdictions or any requirements of the relevant regulatory bodies or stock exchanges in such jurisdictions. The basis of exclusion of the Non-Qualifying Shareholders from the Rights Issue, if any, will be disclosed in the Prospectus. The Company will not offer the Rights Shares to the Non-Qualifying Shareholders. Accordingly, no provisional allotment of Rights Shares will be sent to the Non-Qualifying Shareholders. The Company will, subject to the advice of the Company's legal advisers in the relevant jurisdiction(s) where the Non-Qualifying Shareholders are located and to the extent reasonably practicable, send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send any PAL and EAF to them.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders had they been Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event before dealings in the nil-paid Rights Shares end, if a premium in excess of all expenses of sale can be obtained. The aggregate net proceeds of such sale will be distributed by the Company to the Non-Qualifying Shareholders (pro-rata to their respective shareholdings on the Record Date) in Hong Kong dollars, provided that if any of such Non-Qualifying Shareholders would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders under the EAFs.

Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue pursuant to section 140 of the Companies Ordinance and Rule 13.36(2)(a) of the Listing Rules subject to the results of the enquiries made by the Board. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

## **TERMS OF THE RIGHTS ISSUE**

### **Subscription Price**

The Subscription Price of HK\$6 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or application for excess Rights Shares or when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for the Rights Shares. The Subscription Price represents:

- (i) a discount of approximately 11.37% to the Last Closing Price;
- (ii) a discount of approximately 11.35% to the average closing price of approximately HK\$6.768 per Share as quoted on the Stock Exchange for the 5 consecutive trading days ending on and including the Last Trading Day;

- (iii) a discount of approximately 12.15% to the average closing price of approximately HK\$6.83 per Share as quoted on the Stock Exchange for the 10 consecutive trading days ending on and including the Last Trading Day;
- (iv) a discount of approximately 8.98% to the theoretical ex-right price of approximately HK\$6.592 based on the Last Closing Price;
- (v) a discount of approximately 45.75% to the audited consolidated net asset value per Share attributable to equity holders of the Company of approximately HK\$11.06 as at 31 December 2015; and
- (vi) a discount of approximately 44.85% to the net asset value per Share attributable to the equity holders of the Company of approximately HK\$10.88 as at 30 June 2016.

Each Rights Share has no par value.

The Subscription Price was determined by the Directors with reference to the market price of the Shares prior to and including the Last Trading Day, the net asset value per Share as at 31 December 2015 of the Company, and the prevailing market conditions.

#### **Basis of Provisional Allotments**

The basis of the provisional allotment shall be three (3) Rights Shares for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the share registrar of the Company on or before the Latest Time for Acceptance.

## **Fractional Entitlements to the Rights Shares**

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. No odd-lot matching services will be provided. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be provisionally allotted (in nil-paid form) to the Company or its nominee/agent, and the Company or its nominee/agent will use reasonable endeavours to sell or procure the sale of those aggregated nil-paid Rights Shares in the market for the benefit of the Company if a premium (net of expenses) can be obtained, and the Company will retain the proceeds from such sale. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders under the EAFs.

## **Status of the Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank pari passu with the then existing Shares in issue in all respects. Holders of fully paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares.

## **Application for Excess Rights Shares**

Qualifying Shareholders may apply, by way of excess application, for:

- (i) any unsold entitlements to the Rights Shares of the Non-Qualifying Shareholders had they been Qualifying Shareholders;
- (ii) any unsold Rights Shares created by adding together fractions of the Rights Shares; and
- (iii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of nil-paid Rights Shares.

Applications for excess Rights Shares can be made only by Qualifying Shareholders and only by completing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares (if any) at their discretion on a pro rata basis in proportion to the number of excess Rights Shares being applied for under each application. No reference will be made to the Rights Shares subscribed through applications by a PAL or the existing number of Shares held by Qualifying Shareholders. No preference will be given to top up odd lots to whole board lots.

Investors whose Shares are held by a nominee (or which are held in CCASS) should note that the Board will regard the nominee (including HKSCC Nominees Limited) whose name appears on the register of members of the Company (“Registered Nominee”) as a single Shareholder under the aforesaid arrangement in relation to the allocation of excess Rights Shares. Beneficial owners who hold Shares through a Registered Nominee are advised to consider whether they would like to arrange for the registration of their Shares in their own names prior to 4:30 p.m. on the Last Day for Transfer.

Investors whose Shares are held by a Registered Nominee and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the share registrar of the Company for completion of the relevant registration by 4:30 p.m. on the Last Day for Transfer. The register of members of the Company will be closed from Monday, 8 May 2017 to Friday, 12 May 2017, both dates inclusive.

Qualifying Shareholders who wish to apply for excess Rights Shares in addition to their provisional allotment must complete and sign an EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the share registrar of the Company on or before the Latest Time for Acceptance.

### **Share Certificates and Refund Cheques for the Rights Issue**

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for fully paid Rights Shares are expected to be posted to those who have accepted and (where applicable) applied for, and paid for, the Rights Shares by ordinary post at their own risk on or before Friday, 9 June 2017. Each Shareholder will receive one share certificate for all allotted Rights Shares. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted to the applicants by ordinary post at their own risk on or before Friday, 9 June 2017.

## **Application for Listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the securities of the issuer is listed, or dealt in, or for which listing or permission to deal is being or is proposed to be sought, on any other stock exchange. Nil-paid Rights Shares are expected to be traded in board lots of 2,000 (as the Shares are currently traded on the Stock Exchange in board lots of 2,000).

## **Rights Shares will be Eligible for Admission into CCASS**

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day after the date of the transaction. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **STAMP DUTY AND OTHER APPLICABLE FEES AND CHARGES**

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty, Stock Exchange trading fee, the Securities and Futures Commission transaction levy and other applicable fees and charges in Hong Kong.

## **UNDERWRITING ARRANGEMENTS**

### **Principal Terms of the Underwriting Agreement**

Date : 17 March 2017

Issuer : The Company

- Underwriter : Vigour Fine, a controlling shareholder of the Company, is principally engaged in investment holding and provision of financial services.
- Total number of Underwritten Shares : 71,226,616 Rights Shares
- Commission: : No underwriting commission is payable to the Underwriter.

Vigour Fine is a controlling shareholder and a connected person of the Company as defined under the Listing Rules. Accordingly, the transactions between the Company and Vigour Fine as contemplated under the Underwriting Agreement constitute a connected transaction of the Company. Pursuant to Rule 14A.92(2)(b) of the Listing Rules, as arrangements have been made in relation to excess applications in compliance with Rule 7.21 of the Listing Rules and given that no underwriting commission is payable to Vigour Fine, the Underwriting Agreement is exempted from all reporting, announcement and independent shareholders' approval requirements under the Listing Rules. It is not in the ordinary course of business of Vigour Fine to underwrite shares.

### **Conditions of the Rights Issue and the Underwriting Agreement**

The obligations of the Underwriter under the Underwriting Agreement are conditional on the following, none of which can be waived, whether in whole or in part:

- (a) the passing at the EGM of necessary resolution(s) by the Independent Shareholders to approve the Whitewash Waiver, the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder, at which the voting shall be taken on a poll and in accordance with the Listing Rules and the Takeovers Code;
- (b) the granting of the Whitewash Waiver to Vigour Fine by the Executive and the fulfillment of all conditions (if any) attached to it;
- (c) the registration of the Rights Issue Documents (with all the documents required to be attached thereto by Section 38D of the Companies (WUMP) Ordinance) (all having been duly authorised for registration by the Stock Exchange and signed by or on behalf of all Directors) by the Registrar of Companies in Hong Kong in compliance with the Companies (WUMP) Ordinance by no later than the Posting Date;
- (d) the posting of the Rights Issue Documents to the Qualifying Shareholders on or before the Posting Date;

- (e) all necessary approvals, permits, waivers, consents and authorisations having been obtained for the provisional allotment and allotment of the Rights Shares from the Stock Exchange as well as for the Rights Issue generally;
- (f) the Listing Committee of the Stock Exchange having granted (subject only to provisional allotment and/or allotment of the Rights Shares, the posting of the Prospectus and despatch of certificates in respect of the Rights Shares and any other matters which are agreed between the Company and the Underwriter) the listing of and permission to deal in the Rights Shares (both nil-paid and fully-paid) on the Stock Exchange, in each case by no later than 12 May 2017 and such listing and permission to deal not being revoked prior to 4.00 p.m. on the third Business Day after the Final Acceptance Date;
- (g) the Underwriting Agreement not being terminated by the Underwriter pursuant to its terms prior to the latest time for termination;
- (h) none of the undertakings and obligations of the Company under the Underwriting Agreement having been breached; and
- (i) the warranties given by the Company under the Underwriting Agreement remaining true, accurate and not misleading in all material respects.

If any of the above conditions are not fulfilled at or before 5:00 p.m. on 2 June 2017, or shall become incapable of being fulfilled on or before such time or date, the Underwriting Agreement may be terminated by the Underwriter by written notice to the Company, and no party to the Underwriting Agreement shall have any claim against any other party thereto for compensation, costs, damages or otherwise.

#### **Termination of the Underwriting Agreement**

If at any time between the date of the Underwriting Agreement and 5:00 p.m. on the third Business Day following the Final Acceptance Date one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, or exist:

- (a) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that, any of the warranties given by the Company under the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or

- (b) (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
- (ii) there is any change in local, national or international financial, political, industrial or economic conditions;
- (iii) there is any change of an exceptional nature in local, national or international equity securities or currency markets;
- (iv) there is any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
- (v) there is any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
- (vi) there is any suspension in the trading of the Shares on the Stock Exchange for a continuous period of ten (10) Business Days;
- (vii) there is any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which will or may materially and adversely affect the Group or a material proportion of the Shareholders in their capacity as such,

which event or events is or are in the reasonable opinion of the Underwriter:

- (1) likely to have a material adverse effect on the business or financial or trading position or prospects of the Group taken as a whole; or
- (2) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be Taken Up; or
- (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue; or

(c) there is a breach by the Company of the Underwriting Agreement,

then the Underwriter may, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing to the Company terminate the Underwriting Agreement forthwith.

**If the Underwriter exercises such right of termination, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed. Further announcement will be made if the Underwriting Agreement is terminated by the Underwriter.**

## **IRREVOCABLE UNDERTAKING**

As at the date of this announcement, Vigour Fine (either directly or indirectly through Samba, its subsidiary) is interested in 222,006,600 Shares, representing approximately 48.32% of the entire issued Shares of the Company.

### **Vigour Fine Irrevocable Undertaking**

Pursuant to the Vigour Fine Irrevocable Undertaking, Vigour Fine has irrevocably undertaken to the Company (i) to accept and/or procure the acceptance of the Vigour Fine Committed Shares; and (ii) that the 222,006,600 Shares owned by it (either directly or indirectly through Samba, its subsidiary) will remain so owned by it and Samba from the date of the Vigour Fine Irrevocable Undertaking up to the Record Date.

Vigour Fine has also undertaken that it will not, and Samba will not, without first having obtained the prior written consent of the Company:

- (1) transfer or otherwise dispose of (including without limitation the agreement to dispose of, or the creation of any option or derivative) or acquire any Share or any interest therein between the date of the Vigour Fine Irrevocable Undertaking and the Record Date; or
- (2) transfer or otherwise dispose of (including without limitation the agreement to dispose of, or the creation of any option or derivative) or acquire (except the acceptance of and procuring the acceptance of the Vigour Fine Committed Shares under the Rights Issue pursuant to the Vigour Fine Irrevocable Undertaking or pursuant to the Underwriting Agreement) any Share or any interest therein between the Record Date and the Final Acceptance Date.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

Assuming no Shares (other than the Rights Shares) are allotted and issued on or before the completion of the Rights Issue, the changes in the shareholding structure of the Company arising from the Rights Issue are as follows:

	As at the date of this announcement		Shareholding upon completion of the Rights Issue			
			Assuming all Rights Shares are taken up by the Qualifying Shareholders and the Underwriter is not required to underwrite any Underwritten Shares		Assuming no Rights Shares are taken up by the Qualifying Shareholders except Vigour Fine and the Underwriter is required to underwrite the Underwritten Shares	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
<b>Concert Group</b>						
Vigour Fine (Note 1)	77,121,600	16.78	100,258,080	16.78	171,484,696	28.71
Samba (Note 2)	144,885,000	31.54	188,350,500	31.54	188,350,500	31.54
Sub Total	222,006,600	48.32	288,608,580	48.32	359,835,196	60.25
<b>Substantial Shareholder</b>						
JPMorgan Chase & Co.	55,522,000	12.09	72,178,600	12.09	55,522,000	9.30
<b>Director</b>						
Ip Kai Ming	666,000	0.14	865,800	0.14	666,000	0.11
<b>Public Shareholders</b>	181,234,056	39.45	235,604,272	39.45	181,234,056	30.34
<b>Total</b>	<u>459,428,656</u>	<u>100.00</u>	<u>597,257,252</u>	<u>100.00</u>	<u>597,257,252</u>	<u>100.00</u>

Notes:

- Vigour Fine is a wholly owned subsidiary of FIDG. An aggregate of 40,850,000 Shares held by Vigour Fine were pledged in favour of The Hongkong and Shanghai Banking Corporation Limited on 28 December 2016 as security for a loan. Such loan is not related to the Rights Issue.*
- Samba is a 97.39% owned subsidiary of Vigour Fine.*

## EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

2017

Despatch of circular with notice of EGM.....	Friday, 7 April
Latest time for return of proxy form for the EGM.....	3:00 p.m. on Wednesday, 26 April
Expected time of the EGM .....	3:00 p.m. on Friday, 28 April
Announcement of poll results of the EGM.....	Friday, 28 April
Last day of dealings in the Shares on a cum-rights basis .....	Tuesday, 2 May
Commencement of dealings in the Shares on an ex-rights basis .....	Thursday, 4 May
Latest time for lodging transfer of the Shares in order to be qualified for the Rights Issue .....	4:30 p.m. on Friday, 5 May
Register of members closes for determining entitlements under the Rights Issue .....	from Monday, 8 May to Friday, 12 May (both days inclusive)
Record Date for determining entitlements under the Rights Issue .....	Friday, 12 May
Register of members re-opens .....	Monday, 15 May
Despatch of Rights Issue Documents.....	Monday, 15 May
First day of dealings in nil-paid Rights Shares.....	9:00 a.m. on Wednesday, 17 May
Latest time for splitting nil-paid Rights Shares .....	4:30 p.m. on Friday, 19 May
Last day of dealings in nil-paid Rights Shares .....	4:00 p.m. Wednesday, 24 May

Latest time for acceptance of, and payment for,  
the Rights Shares and application and payment  
for excess Rights Shares ..... 4:00 p.m. on Monday, 29 May

Latest time and date for terminating  
the Underwriting Agreement ..... 5:00 p.m. on Friday, 2 June

Rights Issue expected to become unconditional ..... 5:00 p.m. on Friday, 2 June

Announcement of results of the Rights Issue to  
be published in the respective websites of the  
Stock Exchange and the Company on or before ..... Thursday, 8 June

Refund cheques in respect of wholly or partially  
unsuccessful applications for excess Rights  
Shares expected to be posted on or before ..... Friday, 9 June

Certificates for the Rights Shares expected  
to be despatched on or before ..... Friday, 9 June

Dealings in fully-paid Rights Shares commence ..... 9:00 a.m. Monday, 12 June

*Note:*

*All times and dates in this announcement refer to Hong Kong times and dates or deadlines specified in this announcement are indicative only and may be varied by agreement between the Company and the Underwriter. Any consequential changes to the expected timetable will be published or notified to Shareholders and the Stock Exchange appropriately.*

**EFFECT OF BAD WEATHER ON LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES**

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning issued by the Hong Kong Observatory:

- (1) in force in Hong Kong at any time before 12:00 noon and no longer in force after 12:00 noon on the Final Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or

- (2) in force in Hong Kong at any time between 12:00 noon and 4:00 p.m. on the Final Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on the currently scheduled date for the Final Acceptance Date, the dates mentioned in the section headed “Expected Timetable” in this announcement may be affected. The Company will notify the Shareholders by way of announcements of any change to the expected timetable as soon as practicable in this regard.

## **REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

The Group is principally engaged in banking investment, provision of micro credit business, insurance, trading in motor vehicles, property development and investment, and strategic investment.

XIB is an associated company of the Company and the Company holds approximately 9.7635% equity interest in XIB as at the date of the announcement. As at the date of this announcement, XIB is not a Shareholder of the Company. As disclosed in the announcement of the Company on 21 June 2016, XIB and its subsidiaries (“XIB Group”) contributed more than 90% of the Group’s profit after tax in the ordinary course of business for the year ended 31 December 2012, 2013, 2014 and 2015 respectively and 55% of the Group’s total assets contributed from the investment in XIB at 31 December 2015. The Company entered into the capital contribution agreement with XIB on 21 June 2016 to minimise the dilution effect on the shareholding percentage in XIB after the completion of the capital contribution of XIB considering the track records of operating results and future prospects of banking business of XIB Group. Pursuant to the capital contribution agreement, the Company had subscribed for 140,000,000 shares of XIB Shares (representing approximately 1.6694% of the issued share capital of XIB as enlarged by the issue of the XIB Shares) at the issue price of RMB4.8 per XIB Share. The consideration of the capital contribution was RMB672,000,000 (equivalent to approximately HK\$794,976,000) and was financed by bank loan facilities.

The subscription of XIB Shares by the Company was subsequently approved in December 2016 and the capital contribution of XIB had been completed accordingly. As a result, the equity interest of the Group in XIB was decreased from approximately 10.6289% to approximately 9.7635%. As disclosed in the announcement of the Company on 21 June 2016, the Company might raise funds through rights issue upon completion of the capital contribution of XIB. As disclosed in the announcement dated 23 June 2016, the Company entered into a facility agreement with banks in Hong Kong for bank loan facilities in the

aggregate amount of up to HK\$800 million. Such bank loan facilities shall be used for the capital contribution to XIB. Pursuant to the facility agreement, a tranche of the facilities in the aggregate amount of up to HK\$600 million will become mature and payable in twelve months from the date of drawdown. The repayment of such tranche of bank loan facilities should be funds raised through a rights issue of the Company. In addition, the facility agreement is conditional upon, among other things, a letter of comfort duly signed by FIDG, the controlling shareholder of the Company, pursuant to which FIDG agreed and confirmed that it should underwrite the rights shares of the Rights Issue which were not subscribed by other shareholder of the Company.

The Group has expanded into and developed the business of trading in motor vehicles through a wholly owned subsidiary in Fujian Province since December 2016. As disclosed in the announcement of the Company dated 29 December 2016, Fujian Minxin Investments Co., Ltd., a wholly owned subsidiary of the Company incorporated in Fujian Province, the PRC, entered into a contract with an independent third party to acquire an aggregate of 50 motor vehicles at a total consideration of approximately RMB20.25 million. The Group had started the trading in motor vehicles business in December 2016 and the growth of the new business meets our expectations.

The Directors consider that the Rights Issue offers all Qualifying Shareholders the opportunity to participate and grasp the benefit of the future development of the Group. The Directors are of the view that the Rights Issue not only provides greater financial flexibility for the Company, but also offers all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company. Unlike borrowings or issuance of debt securities, the Directors consider that the rights issue would be a preferred means for the Company to raise long-term funds to finance long-term investments and new business potentials without subjecting itself to interest burden or additional debt. The net proceeds of the Rights Issue will be used to repay the bank loan facilities (including the bank loan facilities obtained for financing the capital contribution of XIB mentioned above) and as the general working capital of the Group, so that the gearing ratio and interest expenses of the Company will be reduced to improve the rate of return of the Company in the long-term. Furthermore, the capital base of the Company will be strengthened after completion of the Rights Issue and the improved financial position provided sufficient internal resources and financing capacity for the Company to meet its future expansion needs.

The Directors (excluding the non-executive Director who has no direct or indirect interest in the Rights Issue and the independent non-executive Directors who will form their views after consulting the independent financial adviser to be appointed by the Independent Board Committee) believe that the Rights Issue is in the best interests of the Company and the Shareholders as a whole.

The Company's controlling shareholder, Vigour Fine, holding approximately 48.32% interest in the Company as at the date of this announcement, has given its full support on the Company's future development prospects by entering into an irrevocable undertaking to take up, or to procure its subsidiary to take up, all their entitlements under the Rights Issue.

## **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS**

Save for the Rights Issue, the Company has not engaged in any equity fund raising activities or any rights issue exercise during the past 12 months immediately before the date of this announcement.

## **TAXATION**

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

## **TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR WHITEWASH WAIVER**

As at the date of this announcement, Vigour Fine (either directly or indirectly through Samba, its subsidiary) is interested in 222,006,600 Shares, representing approximately 48.32% of the entire issued Shares of the Company.

Pursuant to the Underwriting Agreement, Vigour Fine has undertaken to the Company that it will fully underwrite the Underwritten Shares.

Assuming no acceptance by the Qualifying Shareholders under the Rights Issue, Vigour Fine will be required to take up the Underwritten Shares and the total shareholding of the Concert Group upon completion of the Rights Issue would amount to approximately 60.25% of the then issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares. Under such circumstance, the Concert Group would be required to make a mandatory general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

Vigour Fine will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll. If the Whitewash Waiver is not granted or not approved by the Independent Shareholders, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed.

## **INFORMATION ON FIDG, VIGOUR FINE, SAMBA AND THE CONCERT GROUP**

FIDG is a state-owned enterprise under the supervision and administration of the Fujian State-owned Assets Supervision and Administration Commission and a controlling shareholder of the Company. FIDG, through Vigour Fine (its wholly owned subsidiary) and Samba (its indirectly 97.39% owned subsidiary), is interested in 222,006,600 Shares, representing approximately 48.32% of the entire issue Shares of the Company as at the date of this announcement.

Vigour Fine is principally engaged in investment holding and provision of financial services. Vigour Fine is not engaged in the business of underwriting. Vigour Fine is a wholly owned subsidiary of FIDG set up in Hong Kong for the principal purpose of holding the equity interest in the Company. It is more feasible for Vigour Fine to act as the Underwriter as FIDG is established in the PRC.

It is the intention of Vigour Fine to continue to carry on the businesses of the Group and to continue the employment of the employees of the Group. Vigour Fine has no intention to introduce any changes to the businesses of the Group including redeployment of the fixed assets of the Group.

Samba is a 97.39% owned subsidiary of Vigour Fine. The Company confirmed that the remaining 2.61% equity interest of Samba is held by third party independent of Vigour Fine and FIDG.

As at the date of this announcement, the Concert Group has not received any irrevocable commitment to vote for or against the proposed resolution approving the Whitewash Waiver at the EGM. Save for the transactions contemplated under the Underwriting Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) under Note 8 to Rule 22 of the Takeovers Code in relation to the Shares entered into by the Concert Group and which might be material to the Rights Issue, the Underwriting Agreement and the Whitewash Waiver.

At the date of this announcement, other than approximately 48.32% interests in the issued share capital of the Company owned by the Concert Group, the Concert Group does not hold or has control or direction over any other shares, rights over shares, convertible securities, warrants or options of the Company, or any outstanding derivative in respect of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

None of the members of the Concert Group has any dealings in any securities of the Company in the six-month period preceding the date of this announcement.

As at the date of this announcement, save for the Underwriting Agreement, there is no arrangement or agreement to which the Concert Group is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Rights Issue, the Underwriting Agreement and the Whitewash Waiver. There is no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Concert Group has borrowed or lent as at the date of this announcement.

## **GENERAL**

Under the Takeovers Code, the Whitewash Waiver is conditional on, among other matters, approval by the Independent Shareholders at the EGM. The resolution proposed to be voted at the EGM will be conducted by way of poll.

Pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code, as the Concert Group is interested in the Whitewash Waiver, it is required to abstain from voting on the resolution to be proposed at the EGM in relation to the Whitewash Waiver. Save for the Concert Group, no Shareholder is involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver which requires him/her/it to abstain from voting on the relevant resolution at the EGM. As at the date of this announcement, the Company does not believe that the Rights Issue, the Underwriting Agreement, the Whitewash Waiver and the transaction contemplated thereunder gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the circular. The Company notes that the Executive may not grant the Whitewash Waiver if the Rights Issue and the transaction contemplated thereunder does not comply with other applicable rules and regulations.

The Independent Board Committee (comprising Mr. Hon Hau Chit, Mr. Ip Kai Ming, Mr. Sze Robert Tsai To and Mr. So Hop Shing, being the only non-executive Director who has no direct or indirect interest in the Rights Issue and independent non-executive Directors) has been established to advise the Independent Shareholders as to whether the terms of the

Rights Issue, the Underwriting Agreement and the Whitewash Waiver are fair and reasonable and in the interest of the Company and the Shareholders as a whole as far as the Independent Shareholders are concerned and to advise the Independent Shareholders on how to vote at the EGM. Mr. Liu Lun, being a non-executive Director and an employee of FIDG, is not considered to be independent in respect of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver. As such, Mr. Liu Lun is excluded from being a member of the Independent Board Committee. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver. The Company will make an announcement in relation to the appointment of independent financial adviser in due course.

A circular containing, among other matters, further details of (i) the Rights Issue and the Whitewash Waiver; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue, the Underwriting Agreement and the Whitewash Waiver; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Whitewash Waiver; and (iv) a notice of the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Takeovers Code.

Pursuant to Rule 7.19(6) of the Listing Rules, since the Rights Issue would increase the number of issued Shares of the Company by not more than 50%, the Rights Issue is not conditional on approval by the Shareholders.

Reference is made to the announcement of the Company dated 14 February 2017. Pursuant to Rule 10 of the Takeovers Code, the profit warning statement (the “**Profit Warning Statement**”) sets out in such announcement constitutes a profit forecast and must be reported on by the Company’s financial advisers and auditor. As the Profit Warning Statement has been made before this announcement, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the requirements set out in Rule 10.4 of the Takeovers Code. The Company would like to draw the attention of the Shareholders and potential investors that the Profit Warning Statement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. The Profit Warning Statement will be reported on by the Company’s financial adviser and its auditor as soon as possible in accordance with the Takeovers Code and such reports will be contained in the next document to be issued by the Company to the Shareholders. As it is expected that the Company will publish its annual results announcement for the year ended 31 December 2016 prior to the issue of the circular relating to the Rights Issue, and include such annual results together with the notes to the financial statements in the circular, the inclusion of such a report by its financial adviser and its auditor in the circular is no longer required.

## **WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM**

**The last day for dealing in the Shares on a cum-rights basis is expected to be Tuesday, 2 May 2017. The Shares are expected to be dealt in on an ex-rights basis from Thursday, 4 May 2017. The Rights Shares are expected to be dealt with in their nil-paid form from Wednesday, 17 May 2017 to Wednesday, 24 May 2017 (both days inclusive).**

**The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate their obligations on the occurrence of certain events including force majeure. If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.**

**Any Shareholder or other person dealing in Shares of the Company up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Wednesday, 17 May 2017 to Wednesday, 24 May 2017 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders, and other persons contemplating dealing in securities of the Company and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.**

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	For the purpose of the Underwriting Agreement, a day (excluding Saturdays) on which banks are generally open for business in Hong Kong; and for all other purposes, a day on which the Stock Exchange is open for transaction of business

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	Min Xin Holdings Limited (stock code: 222), a company incorporated under the laws of Hong Kong and the shares of which are listed on the Main Board
“Concert Group”	Vigour Fine, Samba, FIDG and parties acting in concert with any of them
“controlling shareholder”	shall have the meaning as ascribed to it under the Listing Rules
“Directors”	directors of the Company
“EAF(s)”	the form(s) of application for excess Rights Shares to be issued in connection with the Rights Issue
“EGM”	the extraordinary general meeting of the Company to be convened and held at which resolution(s) will be proposed to consider, and, if thought fit, approve the Whitewash Waiver, the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s)
“FIDG”	福建省投資開發集團有限責任公司(Fujian Investment & Development Group Co., Ltd.), a company established in the PRC and a controlling shareholder of the Company

“Final Acceptance Date”	the last date for acceptance and payment in respect of provisional allotments under the Rights Issue and for application and payment for excess Rights Shares, which is currently scheduled to be on Monday, 29 May 2017 or such later date as the Company and the Underwriter may agree
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Independent Board Committee”	an independent committee of the Board (comprising Mr. Hon Hau Chit, Mr. Ip Kai Ming, Mr. Sze Robert Tsai To and Mr. So Hop Shing, being the only non-executive Director who has no direct or indirect interest in the Rights Issue and independent non-executive Directors) established to advise the Independent Shareholders on the Rights Issue, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than the Concert Group and those who are involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver
“Irrevocable Undertaking”	Vigour Fine Irrevocable Undertaking
“Last Closing Price”	the closing price of HK\$6.77 per Share as quoted on the Stock Exchange on the Last Trading Day
“Last Day for Transfer”	Friday, 5 May 2017, being the last date for lodging transfer of Shares prior to the closure of register of members of the Company
“Last Trading Day”	Thursday, 16 March 2017, being the last full trading day for the Shares before the release of this announcement

“Latest Time for Acceptance”	a time which is currently expected to be 4:00 p.m. on the Final Acceptance Date
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board of the Stock Exchange
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal advice provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient to exclude from the Rights Issue, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued in connection with the Rights Issue
“Posting Date”	Monday, 15 May 2017 or such other date as the Underwriter may agree in writing with the Company for the despatch of the Rights Issue Documents
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	Friday, 12 May 2017, the record date to determine entitlements to the Rights Issue

“Rights Issue”	the issue of 137,828,596 Rights Shares at the Subscription Price on the basis of three (3) Rights Shares for every ten (10) existing Shares held as at the close of business on the Record Date payable in full on acceptance
“Rights Issue Documents”	the Prospectus, PAL and EAF
“Rights Share(s)”	new Share(s) to be allotted and issued in respect of the Rights Issue
“Samba”	Samba Limited, a 97.39% owned subsidiary of Vigour Fine
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$6 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Taken Up/take up/taking up”	those Rights Shares and/or Underwritten Shares in respect of which the relevant provisional allotment letters and/or forms of application for excess Rights Shares have been lodged and accompanied by cheques or other remittances for the full amount payable in respect thereof
“Underwriter”	Vigour Fine
“Underwriting Agreement”	the underwriting agreement dated Friday, 17 March 2017 entered into between the Company and the Underwriter in relation to the Rights Issue

“Underwritten Shares”	means the Rights Shares (other than the Vigour Fine Committed Shares) underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement, and the total number of which is 71,226,616 Rights Shares
“Vigour Fine”	Vigour Fine Company Limited, a company incorporated under the laws of Hong Kong
“Vigour Fine Committed Shares”	66,601,980 Rights Shares which Vigour Fine has irrevocably undertaken to accept and/or procure the acceptance thereof as rights entitlement under the Rights Issue pursuant to the Vigour Fine Irrevocable Undertaking
“Vigour Fine Irrevocable Undertaking”	the irrevocable undertakings given by Vigour Fine in favour of the Company pursuant to which Vigour Fine has irrevocably undertaken to the Company, among others, that it will subscribe, and will procure Samba to subscribe, an aggregate of 66,601,980 Rights Shares which will be provisionally allotted to it and Samba (as the case may be) as the holder of 222,006,600 existing Shares
“Whitewash Waiver”	a waiver to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligation of Vigour Fine to make a general offer for all the issued Shares not already owned or agreed to be acquired by Vigour Fine and Samba which may otherwise arise as a result of the subscription of the Rights Shares by Vigour Fine pursuant to the Underwriting Agreement
“XIB”	Xiamen International Bank Co., Ltd
“XIB Share(s)”	Share(s) of XIB
“%”	per cent

By order of the Board  
**MIN XIN HOLDINGS LIMITED**  
**LIU Cheng**  
*Executive Director and General Manager*

Hong Kong, 17 March 2017

*As at the date of this announcement, the Executive Directors of the Company are Messrs Peng Jin Guang (Chairman), Wang Fei (Vice Chairman) and Liu Cheng; the Non-executive Director are Messrs. Liu Lun and Hon Hau Chit; and the Independent Non-executive Directors are Messrs Ip Kai Ming, Sze Robert Tsai To and So Hop Shing.*

*The Directors of the Company jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*