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China Minsheng Financial Holding Corporation Limited

中國民生金融控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 245)

DISCLOSEABLE TRANSACTION: PROVISION OF TERM LOAN

THE LOAN AGREEMENT

The Board announces that on 29 April 2016, CM Wealth Holdings Limited, a subsidiary of the Company, (as the Lender) entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to provide the Term Loan in the amount of up to HK\$240,000,000 to the Borrower, bearing an annualised interest rate of 8.5% per annum for a term of 12 months.

LISTING RULES IMPLICATION

As certain applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the provision of the Term Loan exceed 5% but are less than 25%, the entering into of the Loan Agreement and the provision of the Term Loan constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

THE LOAN AGREEMENT

Date

29 April 2016

Parties to the Loan Agreement

- (a) the Lender; and
- (b) the Borrower;

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Borrower and its respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Amount of the Term Loan

The Term Loan is in the principal amount of HK\$240,000,000.

Term

The term of the Term Loan will be 12 months from the Date of Advance.

Interest rate

The interest rate of the Term Loan is at 8.5% per annum. If no prepayment is made under the Loan Agreement, the Borrower shall pay to the Lender interest in the aggregate amount of HK\$20,400,000. The interest rate was determined after arm's length negotiation between the parties taking into account the prevailing market interest rates and practices.

Source of funding

The Term Loan will be financed by internal resources available to the Group.

Security

The Term Loan is to be secured by the Corporate Guarantee and the Personal Guarantees.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the guarantor of the Personal Guarantees, the Corporate Guarantee and their respective ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

Repayment

The Borrower shall repay all the Term Loan, all unpaid interest accrued thereon and any other amounts due but unpaid under the Loan Agreement in full on the Maturity Date.

Prepayment

The Borrower may, if it gives the Lender prior written notice, prepay the whole or any part of the Term Loan at any time.

INFORMATION ON THE GROUP

The Group is currently principally engaged in securities brokerage, money lending, principal and strategic investments, trading of chemical materials, provision of consultancy services and provision of insurance agency services in the PRC.

INFORMATION ON THE BORROWER

The Borrower is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The terms of the Loan Agreement were agreed by the parties after arm's length negotiations having taken into account the prevailing market interest rates and practices.

The Term Loan will provide interest income to the Company. The Directors consider that the provision of the Term Loan will result in a reasonable income and interest return to the Group. The Directors believe that the terms of the Term Loan are on normal commercial terms, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATION

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DEFINITIONS

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

“Advance”	means the principal amount of the advance made or to be made under the Loan Agreement or the principal amount of the advance outstanding under the Loan Agreement from time to time
“Board”	board of the Directors
“Borrower”	The borrower under the Loan Agreement, a company incorporated in Hong Kong with limited liability
“Company”	China Minsheng Financial Holding Corporation Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Date of Advance”	6 May 2016, being the date on which the Advance is to be made
“Director(s)”	the director(s) of the Company
“Corporate Guarantee”	the PRC law governed guarantee by a corporate guarantor, being a limited company incorporated in PRC with limited liability and is principally engaged in property development, in favour of the Lender
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC

“Lender”	CM Wealth Holdings Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company
“Loan Agreement”	the loan agreement dated 29 April 2016 entered into between the Lender and the Borrower in relation to the Term Loan
“Listing Rules”	the Rules Governing the Listing of Securities of the Stock Exchange
“Maturity Date”	the date falling 12 months from the Date of Advance
“Personal Guarantees”	the PRC law governed guarantees by each of two individuals in favour of the Lender
“PRC”	the People’s Republic of China
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term Loan”	term loan in the principal sum of HK\$240,000,000 under the Loan Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board
China Minsheng Financial Holding Corporation Limited
Zhang Sheng
Chairman

Hong Kong, 29 April 2016

As at the date of this announcement, the Board comprises (1) Mr. Liu Tianlin, Mr. Wang Sing, Ms. Feng Xiaoying and Mr. Zhao Hongbo as executive directors of the Company; (2) Mr. Zhang Sheng and Mr. Ni Xinguang as non-executive directors of the Company; and (3) Mr. Chen Johnny, Mr. Beczak Thaddeus Thomas, Mr. Lyu Wei and Mr. Ling Yu Zhang as independent non-executive directors of the Company.