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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 FACILITY AGREEMENT**

The Board announces that on 21 November 2016, the Company entered into the Facility Agreement with the Borrower, pursuant to which the Company has agreed to provide the Term Loan in the principal amount of up to HK\$250,000,000 to the Borrower, bearing an interest rate of 10% per annum for a term of 24 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 Facility Agreement and the provision of the Term Loan constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

#### **THE FACILITY AGREEMENT**

##### **Date**

21 November 2016

##### **Parties to the Facility Agreement**

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

##### **Amount of the Term Loan**

The Term Loan is in the principal amount of up to HK\$250,000,000.

##### **Term**

The term of the Term Loan will be 24 months from the last day of the Availability Period.

## **Arrangement fee**

The Borrower shall pay to the Company an arrangement fee in the amount of HK\$2,500,000 on the Date of Advance by way of deducting the arrangement fee from the proceeds of the Advance.

## **Interest rate**

The interest of the Term Loan is at 10% per annum payable quarterly in advance. The interest for the first quarter which starts from the Date of Advance shall be payable on the Date of Advance by way of deducting from the proceeds of the Advance.

## **Source of funding**

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

## **Guarantee & Security**

The Term Loan is to be guaranteed or secured by:

- (a) a charge over the account granted by the Borrower;
- (b) a charge over 220,000,000 shares held by the Borrower in a company listed in Hong Kong and granted by the Borrower; and
- (c) a personal guarantee granted by the Personal Guarantor.

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

## **Repayment**

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

## **Prepayment**

The Borrower may, if it gives the Company one month's prior written notice, voluntarily prepay the whole or any part of the Term Loan at any time.

If the Term Loan is prepaid in full or in part within 12 months from the Date of Advance, the Borrower shall pay a make-whole amount equivalent to the interest on the principal amount of the Advance for the period from the prepayment date to the date falling 12 months from the Date of Advance.

Further, mandatory prepayment obligations will arise if, among other conditions, the Personal Guarantor and its associate collectively cease to control the Borrower or beneficially, directly or indirectly, cease to hold 100% of the issued share capital of the Borrower.

## **INFORMATION ON THE COMPANY**

The Company is a company incorporated in Hong Kong with limited liability and the shares of the Company have been listed on the Stock Exchange since 25 August 1972. The Company is an investment holding company. The principal activities of its principal subsidiaries include investment holding, provision of asset management services, consultancy services, financing services, insurance agency services, securities advisory and securities brokerage services.

## **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 Facility 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**

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 Facility Agreement and the provision of the Term Loan constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Advance”	the principal amount of the advance made or to be made under the Facility Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Availability Period”	the period from and including the date of the Facility Agreement to and including the date falling 14 days from the date of the Facility Agreement (or such longer period as the Company may agree)
“Board”	the board of Directors
“Borrower”	the borrower under the Facility Agreement, being 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”	the date on which the Advance is to be made
“Director(s)”	the director(s) of the Company
“Facility Agreement”	the facility agreement dated 21 November 2016 entered into between the Company and the Borrower in relation to the Term Loan
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities of the Stock Exchange
“Maturity Date”	the date falling 24 months from last day of the Availability Period
“Personal Guarantor”	a PRC resident and a shareholder of the Borrower
“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 amount of up to HK\$250,000,000 under the Facility Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board  
**China Minsheng Financial Holding Corporation Limited**  
**Wong Choi Chak**  
*Company Secretary*

Hong Kong, 21 November 2016

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