

*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.*

**民商創科**

**Minshang Creative Technology Holdings Limited**

**民商創科控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1632)**

**CONTINUING CONNECTED TRANSACTIONS  
PROVISION OF LOANS**

**PROVISION OF LOANS**

The Board hereby announces that after trading hours on 8 October 2021, (i) Lender 1 as lender entered into the Loan Agreement 1 with Borrower 1 as borrower and Guarantor as guarantor, pursuant to which Lender 1 agreed to provide a revolving loan in an aggregate principal amount of up to RMB 8.2 million to Borrower 1; and (ii) Lender 2 as lender entered into the Loan Agreement 2 with Borrower 2 as borrower, pursuant to which Lender 2 agreed to provide a revolving loan to Borrower 2 in an aggregate principal amount of up to HK\$10 million.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, Minsheng E-Commerce is a controlling shareholder indirectly holding approximately 64.75% of the total issued share capital of the Company. Hence, the provision of the Loans to the Borrowers, being wholly-owned subsidiaries of Minshang E-Commerce, constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As all applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of the Loans are more than 0.1% but are less than 5%, the provision of the Loans is subject to the reporting, announcement and annual review requirements but is exempt from the circular and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board hereby announces that after trading hours on 8 October 2021, (i) Lender 1 as lender entered into the Loan Agreement 1 with Borrower 1 as borrower and Guarantor as guarantor, pursuant to which Lender 1 agreed to provide a revolving loan in an aggregate principal amount of up to RMB 8.2 million (equivalent to approximately HK\$10 million) to Borrower 1; and (ii) Lender 2 as lender entered into the Loan Agreement 2 with Borrower 2 as borrower, pursuant to which Lender 2 agreed to provide a revolving loan to Borrower 2 in an aggregate principal amount of up to HK\$10 million.

## **THE LOAN AGREEMENT 1**

The principal terms of the Loan Agreement 1 are summarised below:

<b>Date:</b>	8 October 2021 (after trading hours)
<b>Lender:</b>	Lender 1
<b>Borrower:</b>	Borrower 1
<b>Guarantor:</b>	Guarantor
<b>Principal amount of Loan 1:</b>	Up to RMB8.2 million (equivalent to approximately HK\$10 million) (“ <b>Credit Line 1</b> ”)
<b>Adjustments to the Credit Line 1:</b>	<p>Lender 1 shall have the right to adjust the amount of Credit Line 1 or terminate the use of Credit Line 1 or cancel the unutilised Credit Line 1 if any of the following events take place:</p> <ol style="list-style-type: none"><li>(1) Borrower 1 has material difficulties in its operation or material adverse changes in its financial status;</li><li>(2) Borrower 1 is involved any material major litigations or arbitrations or has a material breach of its contract with creditors;</li></ol>

- (3) during Loan Term 1, Borrower 1 indicates that it will not perform its obligations under the Loan Agreement 1;
- (4) the person in charge of Borrower 1 has involved in criminal offence or the properties of Borrower 1 being seized;
- (5) Borrower 1 has transferred its assets, evacuated its funds or evaded debts which affect Lender 1's rights and interests;
- (6) Borrower 1 has losen its ability to perform its obligations under the Loan Agreement 1; or
- (7) Lender 1 at its absolute discretion determines that Guarantor's ability to repay has been reduced.

**Term:** 8 October 2021 to 7 October 2024 (“**Loan Term 1**”)

**Drawdown:** During Loan Term 1, subject to Credit Line 1, the Borrower may request for multiple drawdowns. Lender 1 shall have the absolute discretion to determine the timing for the release of funds and the amount of each drawdown. If Borrower 1 does not agree with the change in the amount of drawdown, the relevant drawdown shall be cancelled.

**Conditions Precedent:** Each drawdown is conditional upon the fulfillment of the following conditions (unless otherwise waived by Lender 1 in writing):

- (1) there having no event of default and no event which may adversely affect the interests of Lender 1, and all warranties provided by Borrower 1 under the Loan Agreement 1 remain true, accurate and complete; and

(2) Borrower 1 having provided to Lender 1 the proposed use of the drawdown.

**Undertaking:** Save with the written consent of Lender 1, Loan 1 shall be used by Borrower 1 for general working capital only.

**Interest:** Interest shall be payable by Borrower 1 to Lender 1 on the date on maturity date of each drawdown at an interest rate of 8% per annum.

**Repayment Date:** The maturity date of each drawdown shall be determined by Borrower 1 and Lender 1, and in any event, the maturity date of each drawdown shall not be a date falls beyond the expiry date of Loan Term 1. The principal and the interests of the drawdown shall be repaid on the maturity of each drawdown.

**Prepayment:** Borrower 1 may prepay all or part of the outstanding principal amount of the drawdown together with the interest after obtaining the Lender 1's prior written consent.

**Guarantee:** Guarantor irrevocably and unconditionally, as primary obligor, guarantees the performance of Borrower 1 under the Loan Agreement 1 and undertakes to repay all outstanding sum and compensate Lender 1 on all losses suffered by Lender 1 arising from any non-compliances of Borrower 1.

## **LOAN AGREEMENT 2**

The principal terms of Loan Agreement 2 are summarised below:

**Date:** 8 October 2021 (after trading hours)

**Lender:** Lender 2

**Borrower:** Borrower 2

- Principal amount of Loan 2:** Up to HK\$10 million (“**Credit Line 2**”)
- Term:** 8 October 2021 to 7 October 2024 (“**Loan Term 2**”)
- Drawdown:** During Loan Term 2, subject to Credit Line 2, Borrower 2 may request for multiple drawdowns on the conditions that:
- (1) all outstanding drawdowns shall not exceed Credit Line 2;
  - (2) the maturity date of each drawdown shall not fall on a date beyond the expiry date of Loan Team 2;
  - (3) Lender 2 shall have the absolute discretion to determine the timing for the release of funds and the amount of each drawdown. If Borrower 2 does not agree with the change in the amount of drawdown, the relevant drawdown shall be cancelled;
  - (4) One business day before the proposed drawdown date, Borrower 2 has submitted an irrevocable drawdown notice to Lender 2;
  - (5) there is no event default on or before the drawdown date or the drawdown will not trigger any event of default; and
  - (6) all warranties provided by Borrower 2 shall remain true, complete and accurate.
- Conditions Precedent:** Each drawdown is conditional upon the fulfillment of the following conditions (unless otherwise waived by Lender 2 in writing):
- (i) Borrower 2 having provided to Lender 2 its most recent financial information;

- (ii) Borrower 2 having provided to Lender 2 such other documents and/or information which Lender 2 considered to be necessary for the execution and performance of Loan Agreement 2 and the transactions contemplated thereunder, in such form and content satisfactory to Lender 2; and
- (iii) relevant third parties (including government, authorities or creditors) having granted all necessary consents, approvals and authorizations in relation to the grant of Loan 2 and the transactions contemplated under Loan Agreement 2 and those relevant consents, approvals and authorizations not having been revoked.

**Interest:**

Interest shall be payable by Borrower 2 to Lender 2 on maturity date of each drawdown at an interest rate of 8% per annum.

In the event that Borrower 2 fails to make timely repayment of any outstanding drawdown amount (including the principal, interest and/or other expenses, if any), Lender 2 is entitled to charge Borrower 2 an overdue daily interest for such outstanding amount calculated from the due date to the date on which Lender 2 receives the outstanding payment at an interest rate of 15% per annum.

**Undertakings:**

During the subsistence of the Loan Agreement 2 and as long as there is any borrowing(s) or payable(s) under the Loan Agreement 2, Borrower 2 undertakes that, among other things:

- (iv) unless with the prior written consent of Lender 2, Borrower 2 shall not carry out any form of financing including but not limited to issue or allot any share or loan capital to any person; and

- (v) Borrower 2 shall not sell any of its assets unless such sale is in ordinary course of business of Borrower 2 at a selling price not less than the fair market value, and such sale proceed shall only be used to repay any outstanding drawdown amount under the Loan Agreement 2 or used as the general working capital of Borrower 2.

**Repayment Date:**

The maturity date of each drawdown shall be determined by Borrower 2 and Lender 2, and in any event, the maturity date of each drawdown shall not be a date fall beyond the expiry date of Loan Term 2.

**Prepayment:**

Borrower 2 may prepay all or part of the outstanding principal amount of the drawdown together with the interest thereon by serving 1 day prior written notice to Lender 2 and after obtaining Lender 2's prior written consent.

The terms of the Loan Agreements (including but not limited to the interest rate) were arrived at after arm's length negotiations between the Lenders and the Borrowers with reference to the prevailing market interest rate.

The Company will finance the Loans under the Loan Agreements with its internal resources.

## **PROPOSED ANNUAL CAPS OF THE LOAN AGREEMENTS**

The annual cap represents the maximum amount of Loans that can be advanced by the Lenders to the Borrowers under the Loan Agreements for each financial year during the Loan Term. The maximum amount of Loans to be granted by the Lenders to the Borrowers under the Loan Agreements for each financial year during the Loan Term shall not exceed HK\$20 million. The proposed annual caps were determined by reference to the maximum amount of the Loans to be granted by the Lenders to the Borrowers pursuant to the Loan Agreements which was determined by the funding requirement of the Borrowers and idle cash available to the Lenders.

The finance department of the Company will monitor and ensure that the transactions under the Loan Agreements are conducted in accordance with their respective terms and the Loans to be provided under will be the Loan Agreements during each financial year of the Loan Term will not exceed the annual caps. The Board will also continue to review on a regular basis the Group's internal control system and its effectiveness. In addition, the Company will appoint an external auditor pursuant to the Listing Rules to conduct annual reviews of the transactions under the Loan Agreements and the above annual caps.

## **INFORMATION ON THE LENDERS**

The Company (i.e. Lender 2) is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) the operation of restaurant chains under the “Viet’s Choice” (越棧) brands and “Five Spice (5越)” brands in Hong Kong; and (ii) trading business in the PRC.

Lender 1, is a company established in the PRC which is principally engaged in information technology services and a wholly-owned subsidiary of the Company.

## **INFORMATION ON THE BORROWERS AND THE GUARANTOR**

Borrower 1 is a company established in the PRC with limited liability and is principally engaged in data services. Borrower 1 is an indirect wholly-owned subsidiary of Minsheng E-Commerce.

Borrower 2 is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding (including the holding of the entire issued share capital of MSEC Holding, a company which holds approximately 64.75% of the total issued share capital of the Company as at the date of this announcement) and investment in logistics sector. Borrower 2 is an indirect wholly-owned subsidiary of Minsheng E-Commerce.

Guarantor is a company established in the PRC with limited liability and is principally engaged in financing guarantee business. Guarantor is a non- wholly owned subsidiary of Minsheng E-Commerce.

As at the date of this announcement, Minsheng E-Commerce has 13 shareholders which are PRC established corporations and organisations. The single largest shareholder, Minsheng Royal Asset Management Co., Ltd. (民生加銀資產管理有限公司), a company principally engaged in asset management and a subsidiary of China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司) (a national joint stock commercial bank whose A shares and H shares are listed on Shanghai Stock Exchange and the Stock Exchange respectively), holds approximately 24.83% of the shareholding of Minsheng E-Commerce. The second largest shareholders, 南方希望實業有限公司 (South Hope Industry Co., Ltd.\*) (“**South Hope**”) and Orient Group Commercial Investment Co., Ltd. (東方集團商業投資有限公司) (“**Orient Commercial**”), each holds approximately 18.18% of the shareholding of Minsheng E-Commerce, respectively. South Hope is a subsidiary of New Hope Group Co., Ltd. (新希望集團有限公司) which is in turn owned by, among others, Ms. Liu Chang and Mr. Liu Yonghao as to approximately 36.35% and 62.34% and mainly engages in modern agricultural and food production. Orient Commercial is wholly owned by Orient Group Co., Ltd. (東方集團股份有限公司), a company listed on the Shanghai Stock Exchange which is mainly involved in finance, trading, ports, industrial businesses. The third largest shareholder is 深圳民商創業投資中心(有限合夥)(Shenzhen Minshang Chuangye Investment Center (Limited Partnership) \*) (“**Minshang Chuangye**”), a limited partnership established in the PRC which holds approximately 11.29% of Minsheng E-commerce. Minshang Chuangye is owned by 深圳民商發展投資管理有限公司 (Shenzhen Minshang Development Investment Management Co., Ltd.\*) (“**Shenzhen Minshang**”) as to 98.4% and each of Mr. Wu Jiangtao (“**Mr. Wu**”), an executive Director, Mr. Liang Di (“**Mr. Liang**”) and Mr. Zeng Wei (“**Mr. Zeng**”) as to 0.8%, 0.4% and 0.4% respectively. Mr. Wu, Mr. Liang and Mr. Zeng are all directors of Borrower 2. Shenzhen Minshang is owned by Mr. Wu, Mr. Liang and Mr. Zeng as to 76.92%, 11.54% and 11.54% respectively. Each of Minshang Chuangye and Shenzhen Minshang is principally engaged in investment holding. The remaining 9 shareholders of Minsheng E-commerce each holds less than 5% shareholding in Minsheng E-commerce.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF THE LOANS**

The Loan will be used primarily by Borrowers as its working capital and to enhance its short term liquidity. Given that the Group has yet to identify suitable investment opportunities with profitable return, the provision of the Loans is considered to be favorable to the Group as it enables the Group to earn a reasonable return of 8% per annum which is higher than the interest rate of fixed deposits offered by banks in Hong Kong and that the provision of the Loans can broaden the source of income of the Group. Accordingly, the Directors (including the independent non-executive Directors) consider that the provision of the Loans, although not in the ordinary course of business of the Company, is on normal commercial terms or better and the terms of the Loan Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Wu, an executive Director, who is also a director of Borrower 2 and has indirect shareholding interests in Borrower 2, Mr. Lu Shenghong, an executive Director, who is the CEO of Minsheng E-Commerce and Mr. Tao Jingyuan, an executive Director, who is Legal representative of Borrower 1, have abstained from voting on the Board resolution(s) in relation to approving the Loan Agreements and the transactions contemplated thereunder. Save as aforementioned, no Director has a material interest or is required to abstain from voting on the said Board resolution(s).

## **LISTING RULE IMPLICATIONS**

As at the date of this announcement, Minsheng E-Commerce is a controlling shareholder indirectly holding approximately 64.75% of the total issued share capital of the Company. Hence, the provision of the Loans to the Borrowers, being wholly-owned subsidiaries of Minshang E-Commerce, constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As all applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of the Loans are less than 5%, the provision of the Loans is subject to the reporting, announcement and annual review requirements but is exempt from the circular and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

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

“Board”	board of Directors
“Borrower 1”	深圳泰睿金融服務有限公司 (Shenzhen Tai Rui Financial Services Company Limited*), a company established in the PRC
“Borrower 2”	RUNMING International Limited (潤銘國際有限公司), a company incorporated in Hong Kong with limited liability
“Borrowers”	Borrower 1 and Borrower 2
“Company” or “Lender 2”	Minshang Creative Technology Holdings Limited (民商創科控股有限公司), a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1632)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	泉州市民商融資擔保有限公司 (Quanzhou Minshang Financing Guarantee Company Limited*), a company established in the PRC with limited liability, and a non-wholly owned subsidiary of Minsheng E-Commerce.
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lender 1”	前海民商創科數字科技(深圳)有限公司 (Qianhai Minshang Creative Technology (Shenzhen) Company Limited*), a company established in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Lenders”	Lender 1 and Lender 2
“Loan 1”	the revolving loan to be provided by Lender 1 to Borrower 1 in an aggregate principal amount of up to RMB8.2 million pursuant to the Loan Agreement 1
“Loan 2”	the revolving loan to be provided by Lender 2 to Borrower 2 in an aggregate principal amount of up to HK\$10 million pursuant to the Loan Agreement 2
“Loans”	Loan 1 and Loan 2
“Loan Agreement 1”	the loan agreement dated 8 October 2021 entered into between the Lender 1, Borrower 1 and Guarantor in relation to the provision of the Loan 1
“Loan Agreement 2”	the loan agreement dated 8 October 2021 entered into between the Lender 2 and Borrower 2 in relation to the provision of the Loan 2
“Loan Agreements”	Loan Agreement 1 and Loan Agreement 2
“Loan Term”	Loan Term 1 or Loan Term 2 (as the case may be)
“Minshang E-Commerce”	Minshang E-Commerce Holdings (Shenzhen) Limited, a company incorporated in the PRC with limited liability and a controlling shareholder, directly holding approximately 64.75% of the total issued share capital of the Company as at the date of this announcement

“PRC”	the People’s Republic of China, which shall for the purpose of this announcement exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

*Unless otherwise indicated, in this announcement, translation of amounts in RMB into HK\$ have been made at the rate of HK\$1.2 to RMB1 for illustration purpose only. No representation is made that any amount in HK\$ could have been or could be converted at such respective rates or at all.*

\* For identification purposes only

By Order of the Board  
**Minshang Creative Technology Holdings Limited**  
**WU Jiangtao**  
*Chairman*

Hong Kong, 8 October 2021

*As at the date of this announcement, the executive Directors are Mr. Wu Jiangtao, Mr. Lu Sheng Hong, Ms. Li Jia and Mr. Tao Jingyuan; and the independent non-executive Directors are Mr. Choi Tze Kit, Sammy, Mr. Cheung Miu and Mr. Cheung Pak To, Patrick.*