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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)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF CAPITAL SECURITIES OF CYB**

The Board wishes to announce that on 19 October 2022 (after trading hours), the Company subscribed to the Capital Securities to be issued by CYB in the subscription amount of US\$3 million (equivalent to approximately HK\$23.55 million).

During the period from 15 August 2022 to 15 September 2022, the Group, through Fujian Minxin, made several deposits known as Structured Deposits with CYB with a maximum amount of exposure at the relevant time of RMB85 million (equivalent to approximately HK\$93.68 million).

As both the Subscription and the Structured Deposits were issued by and made with CYB, the Company has aggregated such transactions in accordance with the relevant requirements to Rule 14.22 of the Listing Rules. As one or more of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceed 5% but are less than 25% when aggregated with the maximum amount of exposure of the Structured Deposits, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

The Board wishes to announce that on 19 October 2022 (after trading hours), the Company subscribed to the Capital Securities to be issued by CYB in the subscription amount of US\$3 million (equivalent to approximately HK\$23.55 million).

The order to subscribe

Subscription date:	19 October 2022
Principal amount subscribed:	US\$3 million (equivalent to approximately HK\$23.55 million)
Issuer:	CYB

The Company currently holds approximately 8.85% of the equity capital of XIB and XIB is classified as an associate of the Company. FIDG, a controlling shareholder of the Company, is currently beneficially interested in approximately 13.13% of the equity capital of XIB. XIB currently holds approximately 69.63% of the equity capital of CYB.

Principal terms of the Capital Securities

Issue date:	26 October 2022
Coupon rate and payment date:	(i) in respect of the period from, and including, the Issue Date to, but excluding, 26 October 2027 (the “ First Call Date ”), expected to be 8% per annum on the outstanding principal amount (subject to any adjustment which may be announced by CYB on the date of confirmation of the Subscription and adjustments following the occurrence of any Non-Viability Event); and (ii) in respect of the Reset Period, the relevant Reset Rate, and

payable semi-annually in arrear on 26 April and 26 October in each year (each a “**Payment Date**”).

Redemption:

The Capital Securities are perpetual securities in respect of which there is no fixed redemption date.

Redemption at the option of the Issuer:

The Issuer may, having given not less than 15 nor more than 45 days’ notice (which notice shall be irrevocable), redeem all but not some only of the Capital Securities then outstanding on the First Call Date or any Payment Date thereafter, together with any interest accrued to (but excluding) the date of redemption, subject to adjustment following the occurrence of a Non-Viability Event, as further detailed in the Terms and Conditions.

Redemption for Tax Reasons:

The Capital Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (which notice shall be irrevocable), at their outstanding principal amount together with any interest accrued to (but excluding) the date of redemption, subject to adjustment following the occurrence of a Non-Viability Event, in the event of certain changes in the relevant laws and regulations in Hong Kong which will result in additional taxes to be paid by the Issuer, as further detailed in the Terms and Conditions.

Redemption for Tax Deduction reasons:

The Capital Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (which notice shall be irrevocable), at their outstanding principal

amount together with any interest accrued to (but excluding) the date of redemption, subject to adjustment following the occurrence of a Non-Viability Event, in the event of certain changes in the relevant laws and regulations in Hong Kong which will result in the Issuer no longer entitling to claim a deduction in its taxation liability in Hong Kong, as further detailed in the Terms and Conditions.

Redemption for Regulatory Reasons:

The Capital Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice (which notice shall be irrevocable), at their outstanding principal amount together with any interest accrued to (but excluding) the date of redemption, subject to adjustment following the occurrence of a Non-Viability Event, in the event that the Capital Securities, after having qualified as such, will no longer qualify (in whole or in part) as Additional Tier 1 Capital (or equivalent) of the Issuer or certain changes in the relevant laws and regulations in Hong Kong which will result in the Capital Securities cease to be included in the calculation of the Issuer's capital adequacy ratio, as further detailed in the Terms and Conditions.

Conditions for Redemption:

The Issuer shall not redeem any of the Capital Securities unless (i) the prior written consent of the Monetary Authority shall have been obtained, to the extent such consent is required under the relevant laws, regulations or monetary guidance in Hong Kong, and (ii) the relevant redemption conditions as required by the CBIRC are satisfied.

Non-Viability Events and Non-Viability loss absorption:

If a Non-Viability Event (as defined below) occurs and is continuing, CYB shall, upon or prior to the provision of a notice, irrevocably (without the need for the consent of the holders of the Capital Securities) reduce the then outstanding principal amount of, and cancel any accrued but unpaid distribution in respect of, each Capital Security (in each case in whole or in part) by an amount equal to the Non-Viability Event write-off amount per Capital Security.

A Non-Viability Event means the earlier of any notification by a relevant authority (including the Monetary Authority, the CBIRC, the State Council, the Ministry of Finance and the People's Bank of China) that it is of the opinion that a write-off or conversion is necessary or that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.

Funding of the Subscription

The Subscription will be funded by the internal cash resources of the Company.

Reasons for and Benefits of the Subscription

XIB is a joint-stock limited liability city commercial bank established in the PRC and an associate of the Company. CYB is a subsidiary of XIB which conducts banking business and provides a full range of commercial banking services in Hong Kong. As a major investment of XIB, CYB has a solid track record of financial performance in the ordinary course of business and has a good record of distribution payments on capital securities issued in prior years. The Board considers that the Subscription will strengthen the comprehensive cooperation between the Company and CYB in the future.

The Subscription provides a good investment opportunity to utilise certain internal cash resources in expanding the investment portfolio of the Company for satisfactory return

and meanwhile, it is beneficial to the enhancement of efficiency of capital utilisation of the Group.

The Board are of the view that the Subscription will not cause any adverse effects on the Group's working capital. The Board considers that the terms and conditions of the Capital Securities are determined on normal commercial terms and are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

THE STRUCTURED DEPOSITS

During the period from 15 August 2022 to 15 September 2022, the Group, through Fujian Minxin, made several deposits known as Structured Deposits with CYB with a maximum amount of exposure at the relevant time of RMB85 million (equivalent to approximately HK\$93.68 million).

A summary of the Structured Deposits is set out as follows:

On 15 August 2022, the Group, through Fujian Minxin, made a deposit as Structured Deposit at the principal amount of RMB20 million (equivalent to approximately HK\$22.04 million) for a period of 92 days with rate of return of 2.8% per annum. The Structured Deposit will be redeemed on 16 November 2022.

On 31 August 2022, the Group, through Fujian Minxin, made a deposit as Structured Deposit at the principal amount of RMB34 million (equivalent to approximately HK\$37.47 million) for a period of 91 days with rate of return of 2.9% per annum. The Structured Deposit will be redeemed on 1 December 2022.

On 15 September 2022, the Group, through Fujian Minxin, made a deposit as Structured Deposit at the principal amount of RMB31 million (equivalent to approximately HK\$34.17 million) for a period of 91 days with rate of return of 2.9% per annum. The Structured Deposit will be redeemed on 16 December 2022.

Principal terms of the Structured Deposits

The major terms of the agreements for the Structured Deposits entered into by Fujian Minxin with CYB are generally the same, which are set out below:

Name of Structured Deposits: Corporate Structured Deposit Products (Linked to Gold) (“公司結構性存款產品(掛鉤黃金)”)

- Risk Classification:**
1. Principals were guaranteed by CYB;
 2. Expected return based on contract terms;
 3. The Group does not have a right of early termination;
 4. CYB shall pay the relevant principal and the return to the Group in a lump sum at the expiry date of the term.

Underlying Portfolio: The principal shall be managed by CYB while the interest on principal is invested in derivative products. The return of the products is linked to the closing price of Gold as quoted on the Shanghai Gold Exchange at the observation date.

Expected rate of return: 2.8% to 2.9%

Reasons for and Benefits of the Structured Deposits

In order to maximise the utilisation of the surplus cash balances without affecting the operational liquidity, Fujian Minxin utilised its bank balances to make several deposits known as Structured Deposits with CYB with a view to achieving higher interest yields whilst maintaining high liquidity and relatively low risk exposure.

The Board considers that the terms and conditions of the Structured Deposits are determined on normal commercial terms and are fair and reasonable and the Structured Deposits are in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

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

INFORMATION OF CYB

CYB is a limited liability company incorporated in Hong Kong and is a licensed commercial bank in Hong Kong. XIB currently holds approximately 69.63% of the equity capital of CYB. The Company currently holds approximately 8.85% of the equity capital of XIB and XIB is classified as an associate of the Company. FIDG, a controlling

shareholder of the Company, is currently beneficially interested in approximately 13.13% of the equity capital of XIB.

IMPLICATIONS UNDER THE LISTING RULES

As both the Subscription and the Structure Deposits were issued by and made with CYB, the Company has aggregated such transactions in accordance with the relevant requirements to Rule 14.22 of the Listing Rules. As one or more of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceed 5% but are less than 25% when aggregated with the maximum amount of exposure of the Structured Deposits, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Additional Tier 1 Capital”	any instrument or other obligation issued, entered into or guaranteed by the Issuer that constitutes or qualifies as Additional Tier 1 capital of the Issuer pursuant to the Banking (Capital) Rules (Cap. 155L) of Hong Kong
“Board”	the board of Directors of the Company
“Capital Security(ies)”	the US\$200 million 8 per cent. undated non-cumulative subordinated Additional Tier 1 capital securities of CYB to be issued on 26 October 2022
“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 of the Stock Exchange
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)

“CYB” or “Issuer”	Chiyu Banking Corporation Limited, a limited liability company incorporated in Hong Kong
“Director(s)”	the director(s) of the Company
“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
“Fujian Minxin”	Fujian Minxin Investments Co., Ltd., a wholly-owned subsidiary of the Company incorporated in the PRC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Date”	the date on which the Capital Securities are issued, which is 26 October 2022
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Reset Date”	the First Call Date and each anniversary falling five years thereafter
“Reset Period”	each of the period from, and including, a Reset Date to, but excluding, the immediately following Reset Date

“Reset Rate”	in relation to a Reset Period, a fixed rate per annum (expressed as a percentage) equal to the aggregate of (i) the then-prevailing U.S. Treasury Rate (as further detailed in the Terms and Conditions) and (ii) 8% per annum
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit(s)”	the deposits made by the Group known as structured deposits, which are the principal-guaranteed structured bank deposits issued by CYB Fuzhou Branch in the PRC
“Subscription”	the subscription of the Capital Securities by the Company in the subscription amount of US\$3 million (equivalent to approximately HK\$23.55 million)
“Terms and Conditions”	the terms and conditions of the Capital Securities
“US\$”	United States dollars, the lawful currency of the United States of America
“XIB”	Xiamen International Bank Co., Ltd., a limited liability company incorporated in the PRC
“%”	per cent

By Order of the Board
Min Xin Holdings Limited
CHEN Yu
Executive Director and General Manager

Hong Kong, 20 October 2022

As at the date of this announcement, the executive directors of the Company are Messrs YAN Zheng (Chairman), CHEN Jie (Vice Chairman) and CHEN Yu; the non-executive directors are Messrs HON Hau Chit and YANG Jingchao; the independent non-executive directors are Messrs IP Kai Ming, CHEUNG Man Hoi and LEUNG Chong Shun.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the exchange rate of US\$1.00 to HK\$7.85 and amounts quoted in RMB have been converted into HK\$ at the exchange rate of RMB1.00 to HK\$1.1021. Such exchange rates have been used, where applicable, for the purpose of illustration only and do not constitute a representation that any amount in US\$ and RMB have been, could have been or may be converted at such or any other rate at all.