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## **RUIXIN INTERNATIONAL HOLDINGS LIMITED**

**瑞鑫國際集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 724)**

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RESPECT OF PROPOSED COOPERATION**

This announcement is made by Ruixin International Holdings Limited on a voluntary basis. The purpose of this announcement is to keep the Shareholders and potential investors informed of the latest business plans and development of the Group.

The Board is pleased to announce that on 22 August 2016 (after trading hours), Ruixin Universal, an indirect wholly-owned subsidiary of the Company, entered into the MOU with SAIC MAXUS in relation to the Proposed Cooperation. Under the MOU, it is proposed that Ruixin Universal and SAIC MAXUS will cooperate to develop the automotive business in Vietnam. Salient terms of the MOU are set out below.

#### **THE MOU**

Date: 22 August 2016 (after trading hours)

Parties: (a) Ruixin Universal; and  
(b) SAIC MAXUS

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, SAIC MAXUS is independent and not connected with the Company and its connected persons.

## **Salient terms of the MOU**

### *Subject Matter*

Under the MOU, it is proposed that Ruixin Universal and SAIC MAXUS will cooperate in conducting the sale of two models of multi-purpose vehicles of SAIC MAXUS (i.e. Maxus V80 and Maxus G10) in Hanoi, Ho Chi Minh City and Haiphong in Vietnam.

### *Feasibility Study*

Under the MOU, Ruixin Universal will conduct a feasibility study to evaluate the Proposed Cooperation. SAIC MAXUS will use its best endeavour to provide assistance to Ruixin Universal to facilitate the conduct of the feasibility study.

### *Formal agreement*

It is agreed that, subject to the completion of and both parties to the MOU being satisfied with the results of the aforementioned feasibility study, Ruixin Universal and SAIC MAXUS shall use their best endeavours to negotiate and enter into a separate written and legally binding agreement which may include, without limitation, terms in relation to: (i) the setting up of retail stores in Hanoi, Ho Chi Minh City and Haiphong for the sale of Maxus V80 and Maxus G10 by Ruixin Universal; (ii) sales targets for each of the years from 2017 to 2020 in relation to the sale of Maxus V80 and Maxus G10 for Ruixin Universal; (iii) the provision of service support by SAIC MAXUS including but not limited to the after-sale warranty program and personnel training; and (iv) the setting up of a warehouse for spare parts in Hanoi and Ho Chi Minh City by Ruixin Universal.

### *Expiry*

The MOU will expire upon the earlier of (i) 30 December 2016; and (ii) the date on which a formal agreement is entered into in respect of the Proposed Cooperation.

### *Exclusivity*

Unless with the prior consent of the other party, each of the parties to the MOU agrees that it will not enter into any agreements with third parties, apart from any existing distributor(s) of SAIC MAXUS whom SAIC MAXUS has informed Ruixin Universal about prior to entering into the MOU, in relation to the sale and manufacturing of Maxus V80 and Maxus G10 in Hanoi, Ho Chi Minh City and Haiphong before the expiry of the MOU.

### *Legal Effect*

The MOU, save for the clauses relating to exclusivity, confidentiality, governing law and dispute resolution, creates no legally binding obligations on the parties thereto.

### **Information of SAIC MAXUS**

Based on the information available to the Company, SAIC MAXUS is a wholly-owned subsidiary of SAIC Motor Corporation Limited (a company listed on the Shanghai Stock Exchange, stock code: 600104) which is an automotive design and manufacturing enterprise in the PRC. It focuses on research and development, manufacturing and sales of automobiles (including passenger vehicles and commercial vehicles) and automobile spare parts, as well as service, trading and financial investment related to automobiles.

### **Reasons for the Proposed Cooperation**

The Group is principally engaged in the manufacturing and trading of electronic and electrical parts and components. The Board believes that the Proposed Cooperation would provide the Group with opportunities to tap into the automotive business in Vietnam and broaden the Group's business spectrum, with the support from an established PRC brand. Hence, the Directors are of the view that the Proposed Cooperation is in the interest of the Group and the Shareholders as a whole.

### **General**

The MOU creates no legally binding obligations on the parties thereto save as otherwise specified therein. The Proposed Cooperation is subject to the execution and completion of a legally binding agreement. The Board wishes to highlight that no binding agreement in relation to the Proposed Cooperation has been entered into as at the date of this announcement. If the Proposed Cooperation materialises, it may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. In this regard, the Company will comply with the applicable reporting, disclosure and/or Shareholders' approval requirements under the Listing Rules. Further announcement(s) in respect of the Proposed Cooperation will be made by the Company as and when appropriate in compliance with the Listing Rules.

**The Board wishes to emphasise that the Proposed Cooperation may or may not materialise. Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Ruixin International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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 on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding dated 22 August 2016 and entered into between Ruixin Universal and SAIC MAXUS in relation to the Proposed Cooperation
“Proposed Cooperation”	the proposed cooperation between Ruixin Universal and SAIC MAXUS in relation to the sale of two models of multi-purpose vehicles of SAIC MAXUS (i.e. Maxus V80 and Maxus G10) in Hanoi, Ho Chi Minh City and Haiphong in Vietnam
“PRC”	the People's Republic of China
“Ruixin Universal”	Ruixin Universal Limited (瑞鑫環球有限公司), a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company

“SAIC MAXUS”	SAIC MAXUS Automotive Co., Ltd. (上汽大通汽車有限公司) which is a wholly-owned subsidiary of SAIC Motor Corporation Limited (上海汽車集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600104)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Ruixin International Holdings Limited**  
**Huang Hanshui**  
*Executive Director*

Hong Kong, 22 August 2016

*As at the date of this announcement, the Board comprises Mr. Wang Zhaofeng (Chairman), Mr. Lam Yat Keung and Mr. Huang Hanshui as executive Directors; and Mr. Ho Chi Fai, Ms. Liu Yanfang and Mr. Zhang Jue as independent non-executive Directors.*