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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)

ENTERING INTO OF MEMORANDUM OF UNDERSTANDING

This announcement is made by Ruixin International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that on 27 August 2018 (after trading hours), a memorandum of understanding (the “**MOU**”) was entered into between (1) Ruixin Universal Limited, being an indirect wholly-owned subsidiary of the Company; (2) PowerChina International Group Limited* (中國電建集團國際工程有限公司); and (3) Metallurgical Corporation of China Ltd.* (中國冶金科工股份有限公司) (together, the “**Parties**”) for the purposes of, among others, the formation of a consortium (the “**Consortium**”) between the Parties in relation to the bidding for the Build-Operate-Transfer project for a portion of the northern part of the North-South Highway in Vietnam (the “**Project**”). The MOU does not create legally binding obligations on the Parties, save for the provisions concerning, among others, preliminary expenses, confidentiality, term of the MOU, termination, exclusivity and applicable law.

* *For identification purpose only*

Principal terms of the MOU

Date: 27 August 2018

Parties:

- (1) Ruixin Universal Limited (“**Party A**”)
- (2) PowerChina International Group Limited* (中國電建集團國際工程有限公司)
 (“**Party B**”)
- (3) Metallurgical Corporation of China Ltd.* (中國冶金科工股份有限公司)
 (“**Party C**”)

It is contemplated under the MOU that as soon as possible after the signing of the MOU and before the tendering of the bid for the Project, the Parties will enter into a formal legally binding consortium agreement (the “**Formal Agreement**”) governing, among others, the responsibilities of the Parties in relation to the bidding process, the responsibilities of the Parties in relation to the construction and operation of the Project, and the detailed terms of the project company (the “**Project Company**”) to be set up by the Parties which will be the entity responsible for the construction and operation of the Project.

Responsibilities

The Parties intend that Party A will be the leading party responsible for the coordination between the Parties regarding their participation in the bidding and the implementation of the Project including, among other things: (a) handling and coordinating works related to the Parties’ participation in the bidding process; (b) liaising and coordinating with the relevant governments, consulates and financial institutions; (c) conducting relevant market research and feasibility study; (d) obtaining the requisite licenses and permits of the Project Company; and (e) assisting Party B in the fund-raising activities.

Party B and Party C shall, among other things: (a) assist Party A in obtaining the requisite licenses, approvals and permits for the Project; (b) assist Party A in completing all other relevant procedures in relation to the implementation of the Project and providing the tendering qualification; (c) provide expert and technical support for the implementation of the Project; (d) organise teams to implement the relevant engineering process of the Project; and (e) (as regards Party B) be responsible for the fund-raising for the Project or (as regards Party C) assist Party B in the fund-raising.

The aforementioned responsibilities of the Parties will be subject to the terms as set out in the Formal Agreement.

* *For identification purpose only*

Preliminary Expenses

Prior to a successful bid, the Parties will be responsible for their respective preliminary expenses incurred, save for any substantial preliminary expenses such as the bid bond which will be divided amongst the Parties according to an agreed proportion.

In the event of a successful bid, the Project Company will be responsible for all the expenses incurred on the Project. Any reasonable preliminary expenses incurred prior to the successful bid can also be reimbursed by the Project Company accordingly.

Confidentiality

The Parties shall keep confidential all the technical materials and business information obtained from the execution of the MOU and such responsibility shall not be terminated by the termination of the MOU thereafter.

Term of the MOU

The MOU is effective for a term of one year unless early terminated and is extendable by mutual agreement of the Parties.

Termination

The MOU will be terminated: (i) in the event of an unsuccessful bid; or (ii) upon early termination as may be agreed in writing by the Parties; or (iii) upon the expiry of the term of the MOU without further extension; or (iv) upon the entry into of the Formal Agreement.

Exclusivity

During the term of the MOU, none of the Parties shall (whether alone or with any other third party) tender any bid for the Project separately.

INFORMATION OF THE PARTIES

Party A is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It has set up a wholly-owned subsidiary in Vietnam and is in a preliminary stage of studying potential investment opportunities in Vietnam.

Party B is the overseas business headquarter and core enterprise of Power Construction Corporation of China* (中國電力建設集團有限公司), which is a state-owned enterprise established in the People's Republic of China (the "PRC") principally engaged in large-scale offshore engineering and construction projects. Party C is a state-owned enterprise established in the PRC principally engaged in large-scale offshore engineering and construction projects. To the best of the Directors' knowledge, information and belief, Party B and Party C and their respective ultimate beneficial owners are independent of the Company and its connected persons (as defined under the Listing Rules).

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REASONS AND BENEFITS FOR ENTERING INTO THE MOU

The Group has been seeking and exploring business opportunities in Vietnam. The Board is of the view that there is business potential in the Project and intends to, by way of formation of the Consortium, enter a tender bid for the Project to diversify and improve the prospects of the Company.

GENERAL

The Company will make further announcement(s) in relation to the progress of the negotiation of the Formal Agreement as and when appropriate in compliance with the Listing Rules.

The Board wishes to highlight that the signing of the Formal Agreement and the bidding for the Project by the Consortium as contemplated under the MOU may or may not materialise and whether the bid if made will be successful is not guaranteed. Potential investors and shareholders of the Company should exercise caution when dealing in the securities of the Company.

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

Hong Kong, 27 August 2018

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.