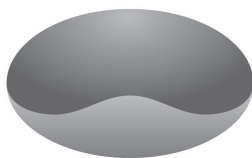

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Huirong Financial Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



CHINA HUIRONG FINANCIAL HOLDINGS LIMITED

中國匯融金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1290)

PROPOSED RE-ELECTION OF DIRECTORS AND PROPOSED GRANTING OF GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of China Huirong Financial Holdings Limited to be held at the meeting room of the Company, 22/F, Cultural and Creative Building, No. 345 Baodai East Road, Suzhou, Jiangsu Province, PRC on Thursday, 28 May 2020 at 10:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 26 May 2020) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cnhuirong.com>).

References to time and dates in this circular are to Hong Kong time and dates.

22 April 2020

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DEFINITIONS

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

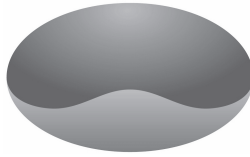
“Annual General Meeting”	The annual general meeting of the Company to be held at the meeting room of the Company, 22/F, Cultural and Creative Building, No. 345 Baodai East Road, Suzhou, Jiangsu Province, PRC on Thursday, 28 May 2020 at 10:00 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing the resolutions as set out in the notice convening the Annual General Meeting on pages 16 to 19 of this circular
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“Company”	China Huirong Financial Holdings Limited 中國匯融金融控股有限公司, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	the general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the ordinary resolution No. 9 contained in the notice of Annual General Meeting
“Latest Practicable Date”	15 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	the general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the ordinary resolution No. 8 contained in the notice convening the Annual General Meeting on pages 16 to 19 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Codes”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission as amended from time to time
“Wuzhong Group”	Jiangsu Wuzhong Group Co. Limited* (江蘇吳中集團有限公司)

* For identification purpose only

LETTER FROM THE BOARD



CHINA HUIRONG FINANCIAL HOLDINGS LIMITED

中國匯融金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1290)

Executive Directors:

Wu Min

Zhang Changsong

Non-executive Directors:

Zhuo You

Zhang Cheng

Zhang Shu

Ling Xiaoming

Independent Non-executive Directors:

Zhang Huaqiao

Feng Ke

Tse Yat Hong

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal Place of Business in
the PRC and Head Office:*

22/F, 345 Baodai East Road,
Suzhou, Jiangsu Province, PRC

*Principal Place of Business in
Hong Kong:*

23/F, No. 238 Des Voeux Road
Central, Hong Kong

Hong Kong, 22 April 2020

To the Shareholders,

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

According to Articles 84(1) and (2) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at the annual general meeting at least once every three years. Any Directors so to retire shall be those of the Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with the Articles of Association and in the opinion of the Board, Mr. Zhuo You, Mr. Feng Ke and Mr. Tse Yat Hong will retire as Directors at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Mr. Feng Ke and Mr. Tse Yat Hong, both as an independent non-executive Director, have actively attended the meetings of the Board and the Board committees held in the past years and the current financial year. Details of the attendance records are set out in the Corporate Governance Report contained in the 2019 Annual Report of the Company. Mr. Feng Ke and Mr. Tse Yat Hong also actively participated in the meetings of the Board committees of the Company held during the past six years. Throughout the past few years, Mr. Feng Ke and Mr. Tse Yat Hong have been holding the directorship in other listed companies, while they remained responsible for the performance of their functions and discharged their duties to the Company.

Mr. Feng Ke and Mr. Tse Yat Hong have confirmed that they will continue to devote sufficient time for the discharge of their functions and responsibilities as an independent non-executive Director of the Company. With their background and experience, Mr. Feng Ke and Mr. Tse Yat Hong are fully aware of the responsibilities and expected time involvements in the Company. Based on the foregoing, the Board believes that the positions of Mr. Feng Ke and Mr. Tse Yat Hong held outside of the Company will not affect them in maintaining their current roles in, and their functions and responsibilities for, the Company. With reference to the qualifications and working experience of Mr. Feng Ke and Mr. Tse Yat Hong as set out in Appendix I to this circular, the Board is of the view that Mr. Feng Ke and Mr. Tse Yat Hong can bring technical knowledge and business insights to the Board and contribute to the Board's diversity.

The nomination committee of the Company (the “**Nomination Committee**”) has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors including the abovementioned independent non-executive Directors who are due to retire at the Annual General Meeting. The Company considers that the retiring independent non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its operational efficiency and diversity.

LETTER FROM THE BOARD

Details of the Directors who are proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 28 May 2019, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. Therefore, in order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the ordinary resolution No. 8 contained in the notice of the Annual General Meeting (i.e. 108,776,900 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting).

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 28 May 2019, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. Therefore, in order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the ordinary resolution No. 9 contained in the notice of Annual General Meeting (i.e. 217,553,800 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the aggregate number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting to be held at the meeting room of the Company, 22/F, Cultural and Creative Building, No. 345 Baodai East Road, Suzhou, Jiangsu Province, PRC on Thursday, 28 May 2020 at 10:00 a.m. is set out on pages 16 to 19 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, *inter alia*, the re-election of Directors, granting of the Share Buy-back Mandate and the Issuance Mandate and the extension of the Issuance Mandate.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cnhuirong.com>). To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 26 May 2020) or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting in person if you so wish.

6. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, granting of the Share Buy-back Mandate and the Issuance Mandate and the extension of the Issuance Mandate are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By Order of the Board
China Huirong Financial Holdings Limited
Wu Min
Chairman of the Board

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Zhuo You (“Mr. Zhuo”)

Position and Experience

Mr. Zhuo You (卓有), aged 51, was appointed as a non-executive Director of the Company on 17 May 2012. Mr. Zhuo is currently the director and vice president of Wuzhong Group, responsible for the strategic investment and overall management of Wuzhong Group. Mr. Zhuo is also Secretary of the Committee of the Communist Party of Wuzhong Group. He graduated from Suzhou Vocational University (蘇州市職業大學) in July 1990, where he completed a secretarial course. Mr. Zhuo was a reporter and editor of Suzhou Wuxian Radio Station (蘇州吳縣市廣播電台) from August 1990 to February 1995. Since 1995, he has held various positions including the positions of planning director, manager of the administration and management department, office director, assistant general manager and deputy managing director of Wuzhong Group and general manager of Suzhou Taihu Construction Investment Company (蘇州太湖建設投資公司), a subsidiary of Wuzhong Group.

Mr. Zhuo did not hold any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of Service

Mr. Zhuo entered into a service contract with the Company on 18 May 2018 for a term of three years, unless terminated by not less than two calendar months’ notice in writing served by either party on the other. He is also subject to retirement by rotation and be eligible for re-election at the annual general meeting in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Zhuo does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Zhuo was interested in the following shares or underlying shares or registered capital of the Company and its associated corporations within the meaning of Part XV of the SFO:

- (i) 39,000,000 shares of the Company (representing 3.59% of the issued share capital of the Company) were held by Assyria Babylon Investment Co., Ltd, a company which is wholly owned by Mr. Zhuo.

- (ii) 791,000 share options of the Company (attaching rights to subscribe for 791,000 shares of the Company, representing 0.07% of the issued share capital of the Company) were held by Mr. Zhuo personally.
- (iii) RMB57,000,000 of registered capital of the Company's associated corporation, Jiangsu Wuzhong Jiaye Group Co., Ltd.* (江蘇吳中嘉業集團有限公司) (representing 6% of the registered capital of such associated corporation), were held by Mr. Zhuo personally.
- (iv) RMB12,000,000 of registered capital of the Company's associated corporation, Suzhou Xinqu Hengyue Management Consulting Co., Ltd.* (蘇州新區恒悅管理諮詢有限公司) (representing 6% of the registered capital of such associated corporation), were held by Mr. Zhuo personally.

Save as disclosed above, Mr. Zhuo was not interested or deemed to be interested in any shares or underlying shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Director's Emoluments

Mr. Zhuo will not receive any emolument from the Company in his capacity as a Director.

Other Information and Matters that Need to Be Disclosed and Brought to the Attention of the Shareholders

There is no other information which is discloseable nor is Mr. Zhuo involved in any other matters required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there are no other matters concerning Mr. Zhuo that need to be brought to the attention of the Shareholders.

(2) Mr. Feng Ke (“Mr. Feng”)

Position and Experience

Mr. Feng Ke (馮科), aged 48, was appointed as an independent non-executive Director of the Company on 6 October 2013. Mr. Feng graduated from Guangdong University of Finance (廣東金融學院) majoring in international finance in July 1993; from Guangdong Academy of Social Sciences (廣東省社會科學院) with a master's degree in economics in July 1999; and from Peking University School of Economics (北京大學經濟學院) with a doctor's degree in political economics in July 2002. Mr. Feng has been an associate professor at School of Economics of Peking University from 2010. Mr. Feng was the assistant manager of Golden Eagle Asset Management Co., Ltd (金鷹基金管理有限公司) from November 2002 to January 2006.

Mr. Feng currently holds directorships as follows:

- independent non-executive director of Asian Capital Resources (Holdings) Limited (亞洲資產(控股)有限公司) (the shares of which are listed on the Growth Enterprise Market Board of the Stock Exchange (Stock Code: 08025)), since October 2008, re-designated as executive director on 1 September 2013;
- independent non-executive director of Zhuguang Holdings Group Co., Ltd. (珠光控股集團有限公司) (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01176)), since June 2015;
- independent director of Shenzhen Yushun Electronic Limited (深圳市宇順電子股份有限公司) (the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 002289)), since December 2015; and
- independent director of Tianjin Guangyu Development Co., Ltd. (天津廣宇發展股份有限公司) (the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000537)), since June 2018.

In addition, Mr. Feng held the following directorships in various listed companies in the last 3 years:

- independent non-executive director of Yingde Gases Group Company Limited (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 02168) and the listing of shares was withdrawn subsequently on 21 August 2017), from November 2016 to March 2017; and
- independent director of China Greatwall Technology Group Co., Ltd. (中國長城科技集團股份有限公司) (formerly known as China Great Wall Computers Shenzhen Co. Ltd (中國長城計算機深圳股份有限公司) (the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000066)), from August 2010 to April 2018.

Save as disclosed above, Mr. Feng did not hold any other directorships in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of Service

Mr. Feng entered into a letter of appointment with the Company on 7 October 2019 for a term of three years, unless terminated by not less than two calendar months' notice in writing served by either party on the other. He is also subject to retirement by rotation and be eligible for re-election at the annual general meeting in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Feng does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Feng personally held share options of the Company to subscribe for 982,000 shares of the Company, representing 0.09% of the issued share capital of the Company.

Save as disclosed above, Mr. Feng was not interested or deemed to be interested in any Shares or underlying Shares and debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's Emoluments

According to the letter of appointment entered between the Company and Mr. Feng, the basic emoluments for Mr. Feng is HK\$330,000 per annum. The Director's emoluments are recommended by the remuneration committee of the Company with reference to salaries paid by comparable companies, his time commitment and responsibilities and performance of Group, and determined based on the remuneration and compensation packages of the Directors and senior management of the Company.

Other Information and Matters that Need to Be Disclosed and Brought to the Attention of the Shareholders

There is no other information which is discloseable nor is Mr. Feng involved in any other matters required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there are no other matters concerning Mr. Feng that need to be brought to the attention of the Shareholders.

(3) Mr. Tse Yat Hong ("Mr. Tse")*Position and Experience*

Mr. Tse Yat Hong (謝日康), aged 50, was appointed as an independent non-executive Director of the Company on 6 October 2013. Mr. Tse is a Fellow of the Hong Kong Institute of Certified Public Accountants and a FCPA of CPA Australia. Mr. Tse graduated from Monash University in Australia in April 1992 with a bachelor's degree in science. From June 2000 to May 2019, Mr. Tse served as the chief financial officer of Shenzhen International Holdings Limited (the shares of which are listed on the Stock Exchange (Stock code: 00152)). From August 2000 to March 2008, Mr. Tse was also the company secretary of Shenzhen

International Holdings Limited. Mr. Tse served as the joint company secretary of Shenzhen Expressway Company Limited from September 2004 to September 2007. Prior to that, Mr. Tse worked in the audit profession in one of the international accounting firms for years.

Mr. Tse currently has served as an independent non-executive director of Sky Light Holdings Limited (the shares of which are listed on the main board of Stock Exchange (Stock code: 03882)) since December 2017. In addition, Mr. Tse had served as a non-executive director of Shenzhen Expressway Company Limited (the shares of which are listed on the Stock Exchange (Stock code: 00548)) from January 2009 to December 2017.

Save as disclosed above, Mr. Tse did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of Service

Mr. Tse entered into a letter of appointment with the Company on 7 October 2019 for a term of three years, unless terminated by not less than two calendar months' notice in writing served by either party on the other. He is also subject to retirement by rotation and be eligible for re-election at the annual general meeting in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Tse does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Tse personally held share options of the Company to subscribe for 1,582,000 shares of the Company, representing 0.15% of the issued share capital of the Company.

Save as disclosed above, Mr. Tse was not interested or deemed to be interested in any Shares or underlying Shares and debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's Emoluments

According to the letter of appointment entered between the Company and Mr. Tse, the basic emoluments for Mr. Tse is HK\$330,000 per annum. The Director's emoluments are recommended by the remuneration committee of the Company with reference to salaries paid by comparable companies, his time commitment and responsibilities and performance of the Group, and determined based on the remuneration and compensation packages of the Directors and senior management of the Company.

Other Information and Matters that Need to be Disclosed and Brought to the Attention of the Shareholders

There is no other information which is discloseable nor is Mr. Tse involved in any other matters required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there are no other matters concerning Mr. Tse that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,087,769,000 Shares.

Subject to the passing of the ordinary resolution No. 8 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 1,087,769,000 Shares, the Directors would be authorised under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, an aggregate of up to 108,776,900 Shares, representing 10% of the aggregate number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that granting of the Share Buy-back Mandate is in the best interests of the Company and its Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with its memorandum and articles of association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE BUY-BACK

There might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. PRICES OF SHARES

The highest and lowest prices at which Shares were traded on the Stock Exchange during each of the past twelve months are as follows:

Month	Highest HK\$	Lowest HK\$
2019		
April	1.20	1.00
May	1.14	0.90
June	1.09	0.93
July	1.09	0.95
August	1.09	0.98
September	1.08	0.95
October	1.10	0.95
November	1.09	0.97
December	1.19	1.01
2020		
January	1.20	1.05
February	1.23	0.95
March	1.19	0.95
April (<i>as of the Latest Practicable Date</i>)	1.07	1.00

6. GENERAL

None of the Directors and, to the best of their knowledge having made all reasonable enquiries, none of their respective close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that granting of the Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that granting of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

7. TAKEOVERS CODES

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Codes. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Codes), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Zhu Tianxiao ("**Mr. Zhu**"), the controlling shareholder (as defined in the Listing Rules) of the Company, was interested in 325,000,000 Shares (which are held through Xilai Investment Co., Ltd and Xiaolai Investment Co., Ltd, being two companies beneficially owned by Mr. Zhu), representing approximately 29.88% of the issued shares of the Company. In the event that the Directors exercise the power to buy back Shares under the proposed Share Buy-back Mandate in full, the total shareholdings of Mr. Zhu would be increased to approximately 33.20% of the issued shares of the Company, thus giving rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Codes.

The Directors do not consider such increase would reduce the issued share capital in the public to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange).

The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARES BUY-BACK MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



CHINA HUIRONG FINANCIAL HOLDINGS LIMITED

中國匯融金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1290)

Notice is hereby given that the annual general meeting of China Huirong Financial Holdings Limited (the “**Company**”) will be held at the meeting room of the Company, 22/F, Cultural and Creative Building, No. 345 Baodai East Road, Suzhou, Jiangsu Province, PRC on Thursday, 28 May 2020 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditor of the Company for the year ended 31 December 2019;
2. To declare a final dividend of HK\$0.0130 per share for the year ended 31 December 2019;
3. To re-elect Mr. Zhuo You as a non-executive director of the Company;
4. To re-elect Mr. Feng Ke as an independent non-executive director of the Company;
5. To re-elect Mr. Tse Yat Hong as an independent non-executive director of the Company;
6. To authorise the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorise the board of directors of the Company to fix its remuneration;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares which may be bought back by the Company pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or other applicable laws to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

(a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers under all applicable laws, rules and regulations during or after the Relevant Period (as defined below);

(b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities which carry rights to subscribe for or are convertible into shares of the Company;

(iii) the exercise of options under a share option scheme of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

- (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or other applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

- 10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions No. 8 and 9 contained in the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution No. 9 as contained in the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate number of shares bought back by the Company pursuant to the mandate referred to in the resolution No. 8 as contained in the Notice, provided that such amount shall not exceed 10% of the

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aggregate number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
China Huirong Financial Holdings Limited
Wu Min
Chairman of the Board

Hong Kong, 22 April 2020

Notes:

1. All resolutions at the annual general meeting (the “**Meeting**”) (except those relate purely to the procedural or administrative matters, which should be taken by a show of hands as the chairman of the Meeting may decide, in good faith) will be taken by a poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend the Meeting and vote on a poll on his/her behalf. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the form of proxy shall specify the number of shares in respect of which each such proxy is so appointed. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power of attorney or authority, must be deposited at the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the Meeting (i.e. not later than 10:00 a.m. on Tuesday, 26 May 2020) or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from Monday, 25 May 2020 to Thursday, 28 May 2020 (both dates inclusive) and from Wednesday, 3 June 2020 to Thursday, 4 June 2020 (both dates inclusive), during which periods no transfer of shares will be registered. In order to qualify for attending and voting at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration by 4:30 p.m. on Friday, 22 May 2020. In order to qualify for the proposed final dividend (subject to the approval by shareholders at the forthcoming Meeting), all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at the abovementioned address for registration by 4:30 p.m. on Tuesday, 2 June 2020.
5. References to time and dates in this notice are to Hong Kong time and dates.