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**華融國際金融控股有限公司**

**HUARONG INTERNATIONAL FINANCIAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 993)**

**VOLUNTARY ANNOUNCEMENT  
ISSUE OF UNSUBORDINATED PERPETUAL SECURITIES TO CHIH**

This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on 30 June 2020, the Company entered into the Subscription Agreement with CHIH, a controlling shareholder of the Company. Pursuant to the Subscription Agreement, CHIH will subscribe for 5.905% unsubordinated perpetual securities in the principal amount of US\$200,000,000 to be issued by the Company.

As at the date of this announcement, CHIH indirectly holds approximately 51% of the issued share capital of the Company and is a controlling shareholder of the Company. Accordingly, CHIH is a connected person of the Company, and the Subscription constitutes a financial assistance to the Company and a connected transaction of the Company under Chapter 14A of the Listing Rules.

As (i) the Subscription Agreement has been entered into after arm's length negotiations between the Company and CHIH and is on normal commercial terms or better and (ii) the Securities are not secured by any asset of the Group, the Subscription is fully exempt from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.90 of the Listing Rules.

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## THE SUBSCRIPTION AGREEMENT

Date:	30 June 2020
Issuer:	the Company
Subscriber:	CHIH
Securities:	5.905% unsubordinated perpetual securities
Principal Amount:	US\$200,000,000
Issue Price:	100% of the principal amount of the Securities
Issue Date:	30 June 2020
Closing Date:	30 June 2020, or such later date not being later than 50 days after the proposed issue date, as the Company and CHIH may agree
Payment:	Against delivery of the Securities, CHIH will pay to the Company the subscription moneys for the Securities that is equal to the issue price on the closing date.
Distribution:	Subject to the relevant terms and conditions of the Securities, the Securities confer a right to receive distributions from 30 June 2020 at the applicable distribution rate. Distributions shall be payable on the Securities semi-annually in arrear in equal instalments on the Distribution Payment Date in US dollars.
Distribution Rate:	The distribution rate applicable to the Securities shall be:  (i) in respect of each Distribution Payment Date, the period from, and including, the issue date to, but excluding, the First Call Date, 5.905% per annum; and  (ii) in respect of the First Period and the Following Period, being a rate per annum equal to the sum of (a) 5.905% per annum (in the case of the First Period) or the prevailing distribution rate at the time applicable to the Securities (in the case of the Following Period) and (b) a margin of 5.00% per annum.
Maturity Date:	There is no maturity date.

Status of the Securities: The Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves.

Redemption at the Option of the Company: The Securities are perpetual securities and have no fixed redemption date.

The Company may at its option, on giving not more than 60 nor less than 30 days' irrevocable notice to CHIH in accordance with the terms of conditions of the Securities, redeem in whole, but not in part, the Securities on or before the fifth (5th) business day prior to the First Call Date or any Distribution Payment Date after the First Call Date, at their principal amount (together with any distribution accrued to the date fixed for redemption (including any arrears of distribution and any additional distribution amount payable according to the terms and conditions of the Securities)).

## **LISTING RULES IMPLICATIONS**

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## **DEFINITIONS**

The following expressions have the following meanings in this announcement unless the content requires otherwise:

“Board” the board of Directors

“CHIH” China Huarong International Holdings Limited (中國華融國際控股有限公司), a company incorporated in Hong Kong with limited liability, a controlling shareholder of the Company and a wholly-owned subsidiary of China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司)

“Company”	Huarong International Financial Holdings Limited (華融國際金融控股有限公司), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 993)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Distribution Payment Date”	the date falling at the latest on the fifth (5th) business day prior to 25 June and 25 December of each year
“First Call Date”	30 June 2025
“First Period”	the period from, and including, the First Call Date to, but excluding, the Reset Date falling immediately after the First Call Date
“Following Period”	the period from, and including, each Reset Date falling after the First Call Date to, but excluding, the immediately following Reset Date
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Reset Date”	the First Call Date and each date falling every five calendar years after the First Call Date
“Securities”	US\$200,000,000 5.905% unsubordinated perpetual securities to be issued by the Company to CHIH pursuant to the Subscription Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of Securities by CHIH in accordance with the Subscription Agreement

“Subscription Agreement”	the subscription agreement dated 30 June 2020 entered into between the Company as issuer and CHIH as subscriber in respect of the issuance of the Securities
“US\$” or “US dollars”	the lawful currency of the United States of America
“%”	per cent.

By order of the Board  
**Huarong International Financial Holdings Limited**  
**Yu Meng**  
*Chairman*

Hong Kong, 30 June 2020

*As at the date of this announcement, the Board comprises Mr. Yu Meng and Mr. Wang Junlai as executive Directors, Ms. Wang Qi as non-executive Director, and Mr. Hung Ka Hai Clement, Mr. Ma Lishan and Mr. Guan Huanfei as independent non-executive Directors.*