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)

POSITIVE PROFIT ALERT

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

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the financial year ended 31 December 2016 (the "**Relevant Year**") and the information currently available to the Board, the Group is expected to record a significant increase in profit attributable to owners of the Company for the Relevant Year, which would represent not less than 250% increase when comparing to the profit of approximately HK$139.4 million attributable to the owners of the Company for the eight months ended 31 December 2015. The significant increase in the profit for the Relevant Year was mainly due to the following factors:

(i) the increase in operating profit from the asset management and direct investment segment as a result of the expansion of direct investment business and profit arising from fair value change of financial assets at fair value through profit or loss;

(ii) the growth of the fee income and interest income from the securities segment as a result of the expansion of the margin loans portfolio; and

(iii) the increase in financial advisory fees and underwriting commission generated by the corporate finance segment as a result of the increase in financial advisory services and underwriting services provided during the Relevant Year.

As at the date of this announcement, the Company is in the process of finalizing the consolidated annual results of the Group for the Relevant Year. The information contained in this announcement is based on a preliminary review by the management of the Company of information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the independent auditors of the

Company. Shareholders and potential investors are advised to read carefully the announcement of the annual results of the Group for the Relevant Year which is expected to be released in March 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Huarong International Financial Holdings Limited
Liu Xiaodong
Chairman

Hong Kong, 6 February 2017

As at the date of this announcement, the executive directors of the Company are Mr. Liu Xiaodong, Mr. Huang Rui and Ms. Wang Wei, the non-executive director is Mr. Zeng Jianyong, and the independent non-executive directors are Dr. Wong Tin Yau Kelvin, Mr. Ma Lishan and Mr. Yeung Siu Keung.