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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)



華融投資股份有限公司

HUARONG INVESTMENT STOCK CORPORATION LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2277)

JOINT ANNOUNCEMENT

PROPOSED PRIVATIZATION OF HUARONG INVESTMENT STOCK CORPORATION LIMITED BY HUARONG INTERNATIONAL FINANCIAL HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE COMPANIES LAW

- (1) SANCTION OF THE SCHEME AND
CONFIRMATION OF THE CAPITAL REDUCTION;
(2) EXPECTED EFFECTIVE DATE OF THE SCHEME;
AND
(3) PROPOSED WITHDRAWAL OF LISTING OF THE SHARES OF
HUARONG INVESTMENT STOCK CORPORATION LIMITED

Financial Adviser to HRIF



华泰国际

HUATAI INTERNATIONAL

Independent Financial Adviser to the
independent board committee and
the independent shareholders of HRIF

Independent Financial Adviser to
the HRIV Independent Board Committee

 **OPTIMA
CAPITAL**
Optima Capital Limited



SOMERLEY CAPITAL LIMITED

SANCTION OF THE SCHEME AND CONFIRMATION OF THE CAPITAL REDUCTION

The Scheme was sanctioned without modification by the Court at the petition hearing held on Friday, 6 November 2020 (Cayman Islands time). The Capital Reduction was also confirmed by the Court on the same day at the same hearing.

EXPECTED EFFECTIVE DATE OF THE SCHEME

The Scheme is expected to become effective on Tuesday, 10 November 2020 (Cayman Islands time). A further announcement in respect of the Effective Date and the withdrawal of listing of the HRIV Shares on the Stock Exchange is expected to be made on Wednesday, 11 November 2020.

PROPOSED WITHDRAWAL OF LISTING OF THE HRIV SHARES

HRIV has applied to the Stock Exchange for, and the Stock Exchange has approved, the withdrawal of listing of the HRIV Shares on the Stock Exchange with effect from 4:00 p.m. on Thursday, 12 November 2020, subject to the Scheme becoming effective.

INTRODUCTION

References are made to (i) the announcement jointly issued by Huarong International Financial Holdings Limited (“**HRIF**”) and Huarong Investment Stock Corporation Limited (“**HRIV**”) dated 6 July 2020 in relation to, among other things, the proposal for the privatization of HRIV by HRIF by way of a scheme of arrangement under section 86 of the Companies Law, and the proposed withdrawal of listing of HRIV; (ii) the circular dated 25 September 2020 issued by HRIF in relation to, among other things, the Proposal and the Scheme; (iii) the composite scheme document (the “**Scheme Document**”) dated 30 September 2020 jointly issued by HRIF and HRIV in relation to, among other things, the Proposal and the Scheme; and (iv) the announcement dated 27 October 2020 jointly issued by HRIF and HRIV in relation to, among other things, the results of the Court Meeting, the EGM and the HRIF SGM (the “**Poll Results Announcement**”). Unless otherwise defined herein, capitalised terms used herein shall have the same meanings ascribed to them in the Scheme Document.

SANCTION OF THE SCHEME AND CONFIRMATION OF THE CAPITAL REDUCTION

The court hearing of the petitions to sanction the Scheme and to confirm the Capital Reduction was held on Friday, 6 November 2020 (Cayman Islands time). The Scheme was sanctioned without modification by the Court. The reduction of the number of issued HRIV Shares in the share capital of HRIV by cancellation and extinguishment of the Scheme Shares (the “**Capital Reduction**”) was also confirmed by the Court on the same day at the same hearing.

As Monday, 9 November 2020 is a public holiday in the Cayman Islands, an official copy of the order of the Court sanctioning the Scheme and confirming the Capital Reduction is expected to be delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Law on Tuesday, 10 November 2020 (Cayman Islands time).

EXPECTED EFFECTIVE DATE OF THE SCHEME

As at the date of this joint announcement, all of the Conditions of the Scheme as set out in the section headed “3. Conditions of the Proposal and the Scheme” in the explanatory statement forming part of the Scheme Document have been fulfilled, save for (i) the aforesaid delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Court for registration under Condition (d) and (ii) certain Conditions which may only be fulfilled on the Effective Date, namely, Conditions (f), (i) to (k). Subject to such Conditions being fulfilled or waived (as applicable), the Scheme is expected to become effective on Tuesday, 10 November 2020 (Cayman Islands time).

A further announcement in respect of the Effective Date and the withdrawal of listing of the HRIV Shares on the Stock Exchange (the “**Effective Date Announcement**”) is expected to be made on Wednesday, 11 November 2020.

PROPOSED WITHDRAWAL OF LISTING OF THE HRIV SHARES

HRIV has applied to the Stock Exchange for, and the Stock Exchange has approved, the withdrawal of listing of the HRIV Shares on the Stock Exchange with effect from 4:00 p.m. on Thursday, 12 November 2020, subject to the Scheme becoming effective.

EXPECTED TIMETABLE

Save for the expected Effective Date and the expected timing of publication of the Effective Date Announcement, no other change has been made to the expected timetable as disclosed in the Scheme Document and the Poll Results Announcement. The expected timetable for the Scheme is as follows:

Register of members of HRIV closed for determining entitlements to qualify under the Scheme (<i>Note 1</i>)	from Monday, 9 November 2020 onwards
Announcement of the result of the Court hearing, the expected Effective Date and the expected date of withdrawal of listing of the HRIV Shares on the Stock Exchange.	no later than 8:30 a.m. on Monday, 9 November 2020
Scheme Record Date	Monday, 9 November 2020

Effective Date (*Note 2*) Tuesday, 10 November 2020
(Cayman Islands time)

Announcement of the Effective Date and the
withdrawal of listing of the HRIV Shares on
the Stock Exchange Wednesday, 11 November 2020

Matching service to Scheme Shareholders for
odd lots of HRIF Shares begins (*Note 3*) 9:30 a.m. on
Wednesday, 11 November 2020

Expected withdrawal of listing of the HRIV
Shares on the Stock Exchange becomes
effective (*Note 4*). 4:00 p.m. on
Thursday, 12 November 2020

Despatch of share certificates in respect of
new HRIF Shares to be allotted and issued
to the Scheme Shareholders (*Note 5*) Wednesday, 18 November 2020

First day of dealings of the new HRIF Shares
issued to the Scheme Shareholders on the
Stock Exchange 9:00 a.m. on
Thursday, 19 November 2020

Matching service to Scheme Shareholders for
odd lots of HRIF Shares ends (*Note 3*). 4:30 p.m. on
Monday, 11 January 2021

Notes:

- (1) The register of members of HRIV will be closed during such period for the purpose of determining which Scheme Shareholders are qualified for the entitlements under the Scheme.
- (2) The Scheme will become effective upon all the Conditions having been fulfilled or waived (as applicable).
- (3) Details of the odd lot matching service to be provided to the Scheme Shareholders, including without limitation, the contact information of the Odd Lot Trader, are set out in the section headed “Arrangements relating to sale of odd lots of HRIF Shares” of the Poll Results Announcement.
- (4) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the HRIV Shares on the Stock Exchange will be withdrawn at 4:00 p.m. on 12 November 2020.
- (5) Share certificates for the new HRIF Shares to be allotted and issued to the Scheme Shareholders under the Scheme will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the register of members of HRIV as at the Scheme Record Date as soon as possible and in any event within seven (7) business days (as defined in the Takeovers Code) after the Effective Date. None of HRIF, HRIV, Huatai Financial, Somerley, HRIV’s branch share registrar in Hong Kong and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in the despatch of the same.

All references to times and dates in this joint announcement are references to Hong Kong times and dates, except as otherwise specified.

WARNING: The respective shareholders and potential investors of HRIV and HRIF should exercise caution when dealing in the HRIV Shares, the HRIF Shares and any options or other rights in respect of them. The implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank manager, solicitor or other professional advisers.

By order of the board of directors of
**Huarong International Financial
Holdings Limited**
Yang Rungui
Chairman

By order of the board of directors of
**Huarong Investment Stock
Corporation Limited**
Yang Rungui
Chairman

Hong Kong, 9 November 2020

As at the date of this joint announcement, the board of directors of HRIV comprises Mr. Yang Rungui, Mr. Xu Xiaowu and Mr. Chen Qinghua as executive directors, Ms. Wang Qi as non-executive director, and Mr. Chan Kee Huen Michael, Mr. Tse Chi Wai and Dr. Lam Lee G. as independent non-executive directors.

The directors of HRIV jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the HRIF Group and the HRIF Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of HRIF) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the board of directors of HRIF comprises Mr. Yang Rungui 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.

The directors of HRIF jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the HRIV Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of HRIV) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statements in this joint announcement misleading.