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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)

**DISCLOSEABLE TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE**

THE EXCHANGEABLE FACILITY AGREEMENT

The Board announces that on 8 November 2017, Summit Sail (an indirect wholly-owned subsidiary of the Company) (as the Lender) and the Borrower entered into the Exchangeable Facility Agreement pursuant to which the Lender has agreed to make available to the Borrower the Facility in an aggregate amount of up to HK\$800 million (or its equivalent in US dollars) during the Availability Period for a term of twelve (12) months from the Utilisation Date subject to the Extension Option, which shall be secured by the Pledged Assets and whose repayment obligations are guaranteed by the Guarantors.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of Summit Sail's commitment under the Facility exceed(s) 5% but all are less than 25%, Summit Sail's commitment under the Facility constitutes provision of financial assistance by the Group and a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

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THE EXCHANGEABLE FACILITY AGREEMENT

The principal terms of the Exchangeable Facility Agreement are as follows:

Date

8 November 2017

Parties

- (i) Summit Sail Limited, an indirect wholly-owned subsidiary of the Company, as the Lender; and
- (ii) Tinmark Development Limited, as the Borrower

Subject Matter

Pursuant to the Exchangeable Facility Agreement, the Lender has agreed to provide a term loan facility in an aggregate principal amount of up to HK\$800 million (or its equivalent in US dollars), to the extent not cancelled or reduced under the Exchangeable Facility Agreement, which will be financed by internal resources or external financing of the Group.

Purpose of the Facility

The Borrower will apply all amounts borrowed by it under the Facility towards general working capital purposes.

Availability Period

The Facility is made available to the Borrower for the period from and including the date of the Exchangeable Facility Agreement to and including the date falling thirty (30) calendar days after the date of the Exchangeable Facility Agreement (or such longer period as the Borrower and Lender may agree in writing).

Term of the Facility

The Facility will have a term of twelve (12) months from the Utilisation Date. The Borrower may by delivering a notice in writing to the Lender not less than one (1) month before the date falling twelve (12) months from the Utilisation Date (the “**Extension Notice**”), to extend the date for repayment of any outstanding amount for a period of twelve (12) months. If such Extension Notice is delivered to the Lender, the Final Repayment Date of the Facility may be extended at the Lender’s absolute discretion to the date specified in the Extension Notice on substantially the same terms of the Exchangeable Facility Agreement (unless otherwise agreed by the Borrower and the Lender). If the Borrower does not deliver any Extension Notice or if the Lender does not approve the extension of the Final Repayment Date, subject to the other provisions of the Exchangeable Facility Agreement the Borrower shall repay the outstanding principal amount of the loan and all accrued but unpaid interest to the Lender on the Final Repayment Date in accordance with the Exchangeable Facility Agreement. There will be a maximum of only one (1) extension of the Facility’s repayment date for the Facility.

Interest

The Facility is to be provided at an interest rate of 6.50% per annum, payable on each Interest Payment Date.

Default Interest

If an Obligor fails to pay any amount payable by it under the finance documents related to the Facility on its due date, interest shall accrue on the unpaid sum from the due date to the date of actual payment (both before and after judgment) at rate of 10.50% per annum. Such accruing interest shall be immediately payable by an Obligor on demand by the Lender.

Repayment

The Borrower shall repay the loan under the Facility in full on the Final Repayment Date of the loan under the Facility together with all accrued interest and any other amounts payable under the Exchangeable Facility Agreement.

Voluntary Prepayment

The Borrower may, subject to one (1) month written notice, prepay the whole or any part of the outstanding amount of the loan under the Facility, provided, however, that if such prepayment occurs on a date falling within six (6) months following the initial Utilisation Date, the Borrower shall be liable to pay six (6) months of interest on such prepaid portion.

Conditions Precedent

The Facility will be made available by the Lender in one (1) lump sum to the Borrower on the Utilisation Date upon satisfaction, among others, of the following conditions precedent:

- (i) the Lender having received all documents and other evidence in the form and substance satisfactory to the Lender in its absolute discretion;
- (ii) no event of default under the Exchangeable Facility Agreement is continuing or would result from the proposed loan under the Facility;
- (iii) the representations to be made by each Obligor in the Exchangeable Facility Agreement are true and correct in all respects; and
- (iv) in the view of the Lender, no adverse change has occurred in the general financial, economic or political conditions or exchange controls.

Security

Pursuant to a deed of debenture dated 8 November 2017 entered into between the Borrower and the Lender, the Facility is secured by a debenture over the assets of the Borrower, including (i) a fixed charge over 6,300,000,000 shares of China Goldjoy (the “**Pledged Assets**”) in favour of the Lender, representing 28.44% of the issued share capital of China Goldjoy as at the date of this announcement, which are owned by the Borrower and are held in a custodian securities account maintained in the name of Huarong International Securities Limited (華融國際證券有限公司) (or such other custodian or nominee of the Lender as

notified to the Borrower by the Lender from time to time), being the custodian of the custodian securities account ; and (ii) a floating charge over the whole of the undertaking and assets of the Borrower, present and future (other than the Pledged Assets).

Each of the Guarantors guarantees the punctual performance by the Borrower of all its obligations under the Exchangeable Facility Agreement and related finance documents pursuant to the terms set out in the respective Guarantees.

Option to Exchange

Pursuant to the Exchangeable Facility Agreement, upon the occurrence of an event of default relating to (i) non-payment to the extent related to payment of principal amount of the loan and interest thereon or (ii) failure to pledge additional security in the manner set out in the Exchangeable Facility Agreement, the Lender shall have the option to exchange any amounts payable under the finance documents relating to the Facility (including principal of the loan under the Facility) into any or all of the Pledged Assets in accordance with the exchange mechanism set out in the Exchangeable Facility Agreement.

INFORMATION OF THE LENDER AND THE GROUP

The Lender is a company incorporated under the laws of the BVI and an indirect wholly owned subsidiary of the Company. It is principally engaged in the business of investment holding.

The Group is principally engaged in brokerage and dealing of securities, futures and options contracts, margin financing, loan financing, financial advisory, investment, provision of management and consultancy services.

INFORMATION OF THE BORROWER AND THE GUARANTORS

The Borrower is a company incorporated under the laws of the BVI. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is principally engaged in investment holding, the shares of which are 100% owned by the Personal Guarantor as at the date of this announcement and the Personal Guarantor is a merchant.

The Corporate Guarantor is a company incorporated under the laws of the Cayman Islands who is principally engaged in the business of investment holding, the shares of which are owned as to 80% by an Independent Third Party and 20% by the Borrower as at the date of this announcement.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Obligors and their respective ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The terms of the Exchangeable Facility Agreement (including the interest rates and securities and guarantees provided) were arrived upon arm's length negotiations between the Lender and the Borrower and have been carefully considered by the Group having taken into account the prevailing market interest rates and practices.

Taking into account the satisfactory financial background of the Borrower and the security provided, and the revenue and cash flow that can be generated from the Facility, the Directors consider that the terms of the Exchangeable Facility Agreement are normal commercial terms and such terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of Summit Sail's commitment under the Facility exceed(s) 5% but all are less than 25%, Summit Sail's commitment under the Facility constitutes provision of financial assistance by the Group and a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Borrower”	Tinmark Development Limited (天馬發展有限公司), a company incorporated under the laws of the BVI
“Business Day”	a day (other than a Saturday, a Sunday, or a public holiday) on which banks are open for general business in Hong Kong
“BVI”	the British Virgin Islands
“China Goldjoy”	China Goldjoy Group Limited (中國金洋集團有限公司), a company incorporated under the laws of the Cayman Islands, whose shares are listed on the main board of the Stock Exchange (stock code: 1282)
“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 Stock Exchange (stock code: 993)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Corporate Guarantee”	the deed of guarantee dated 8 November 2017 entered into between the Corporate Guarantor as the guarantor and the Lender
“Corporate Guarantor”	a company incorporated under the laws of the Cayman Islands which, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, is an Independent Third Party
“Director(s)”	the director(s) of the Company
“Exchangeable Facility Agreement”	the exchangeable facility agreement dated 8 November 2017 entered into between the Lender and the Borrower in relation to the provision of the Facility
“Facility”	the term loan facility in an aggregate amount of up to HK\$800 million (or its equivalent in US dollars) under the Exchangeable Facility Agreement
“Final Repayment Date”	the date falling twelve (12) months from the Utilisation Date subject to the Extension Option
“Group”	the Company and its subsidiaries
“Guarantees”	collectively, the Personal Guarantee and the Corporate Guarantee
“Guarantors”	the Personal Guarantor and the Corporate Guarantor, each a “Guarantor”
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are independent of the Company and its connected persons
“Interest Payment Date”	(a) the date falling six (6) month from the initial Utilisation Date; (b) if the Final Repayment Date is extended by the Extension Option, the date falling on the one-year anniversary of the initial Utilisation Date; (c) if the Final Repayment Date is extended pursuant to the Extension Option, the date falling on the one-year anniversary of the date falling six (6) months from the initial Utilisation Date; and (d) the Final Repayment Date. If, however, any such day is not a Business Day, the Interest Payment Date will instead be the preceding Business Day

“Lender”	the lender under the Facility, namely Summit Sail, being an indirect wholly-owned subsidiary of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Obligors”	the Borrower and the Guarantors
“Personal Guarantee”	the deed of guarantee dated 8 November 2017 entered into between the Personal Guarantor as the guarantor and the Lender
“Personal Guarantor”	an individual, being the sole shareholder of the Borrower who, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, is an Independent Third Party
“Summit Sail”	Summit Sail Limited (帆領有限公司), a company incorporated under the laws of the BVI and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Shareholder(s)”	the holder(s) of the issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Utilisation Date”	the date of utilisation of the Facility, being the date of which the Facility is to be made by the Lender
“US Dollar(s)”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Huarong International Financial Holdings Limited
Wang Qiang
Chairman

Hong Kong, 8 November 2017

As at the date of this announcement, the executive directors of the Company are Mr. Wang Qiang, Mr. Lai Jinyu and Ms. Wang Wei, the non-executive director is Ms. Fan Haibo, and the independent non-executive directors are Dr. Wong Tin Yau Kelvin, Mr. Ma Lishan and Mr. Guan Huanfei.