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## **China Fortune Financial Group Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 290)**

*Website: <http://www.290.com.hk>*

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF BONDS**

#### **THE SUBSCRIPTION**

The Board is pleased to announce that on 11 April 2019 (after trading hours), the Subscriber, a direct wholly-owned subsidiary of the Company, has placed an order, through a broker, to subscribe the Bonds up to a maximum principal amount of US\$15,900,000 (equivalent to approximately HK\$125,000,000). The total consideration for the Subscription is subject to the principal amount of the Bonds to be allocated to the Subscriber. The Bonds bear an annual interest rate of 6.375% and are due on 15 April 2020.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Subscription exceeds 5% but all of such percentage ratios are less than 25%, the Subscription constitutes 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.

## THE SUBSCRIPTION

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### The Bonds

The principal terms and conditions of the Bonds are summarised as follows:

Issuer	:	Lv'an Chuangxing Limited (綠安創興有限公司), a company incorporated in the BVI with limited liability
Aggregate principal amount of the Bonds	:	US\$200,000,000 (equivalent to approximately HK\$1,572,000,000)
Interest	:	6.375% per annum, payable in arrears on 17 October 2019 and 15 April 2020
Maturity date	:	15 April 2020
Redemption at maturity	:	unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 15 April 2020
Early redemption at the option of the Issuer	:	the Issuer may at any time before the maturity date and from time to time redeem the Bonds, in whole but not in part, at any time on giving not less than 30 nor more than 60 days' notice to the trustee (the "Trustee") for Bondholders in writing and to the Bondholders at a redemption price calculated as described in the Offering Memorandum

- Status of the Bonds : the Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to the terms and conditions of the Offering Memorandum, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations
- Transferability : the Bonds are transferrable
- Events of default : upon the occurrence of certain events as described in the Offering Memorandum, the Trustee at its discretion may, and if so requested by holders of at least 25% of the aggregate principal amount of the Bonds then outstanding or if so directed by an extraordinary resolution shall (provided in any such case that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest
- Listing : application will be made for the listing of the Bonds on the Chongwa (Macau) Financial Asset Exchange Co., Ltd.

The total consideration for the Subscription is subject to the principal amount of the Bonds to be allocated to the Subscriber. Subject to allocation, it is expected that the Bonds up to a maximum principal amount of US\$15,900,000 (equivalent to approximately HK\$125,000,000) will be issued to the Subscriber on or before 18 April 2019, upon which the total consideration for the Subscription shall be paid by the Subscriber.

## **REASONS FOR AND THE BENEFITS OF THE SUBSCRIPTION**

The Board has endeavoured in exploring opportunities for potential investments with a view to generating revenue and achieving better return for its shareholders. As the Bonds carry an annual interest rate of 6.375%, the Board considers that the Subscription provides a reasonable investment return and continuous cash inflow to the Company. The total consideration in respect of the Subscription will be funded by (i) internal resources of the Group; and (ii) bank borrowing.

Taking into account the above, the Board considers that the terms and conditions of the Bonds and the Subscription are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE SUBSCRIBER AND THE GROUP**

The Subscriber is a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company.

The Group is principally engaged in the provision of brokerage and margin financing, proprietary securities trading, corporate finance, asset management, money lending, factoring, consultancy and insurance brokerage services.

## **INFORMATION ON THE ISSUER**

The Issuer is a company incorporated in BVI with limited liability and is an indirect wholly-owned subsidiary of Greenland Holdings Corporation Limited (綠地控股集團股份有限公司), a company listed on the Shanghai Stock Exchange.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, each of the Issuer and its ultimate beneficial owner is a third party independent of the Company and its connected persons.

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Subscription exceeds 5% but all of such percentage ratios are less than 25%, the Subscription constitutes 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, the following expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the Bonds
“Bonds”	US\$200,000,000, 6.375% Bonds due 2020 to be issued by the Issuer
“BVI”	the British Virgin Islands
“Company”	China Fortune Financial Group Limited (中國富強金融集團有限公司), 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 (stock code: 290)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Issuer”	Lv’an Chuangxing Limited (綠安創興有限公司), a company incorporated in the BVI with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offering Memorandum”	the offering memorandum of the Bonds issued by the Issuer
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Marvel Champion Investment Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Subscription”	the subscription of the Bonds, through a broker, by the Subscriber up to a principal amount of US\$15,900,000 (equivalent to approximately HK\$125,000,000)
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

*For the purpose of this announcement and unless otherwise specified, conversion of US\$ into HK\$ is based on the approximate exchange rate of US\$1 = HK\$7.8616. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in US\$ or HK\$ have been, could have been or may be converted at such or any other rate or at all.*

By order of the Board of  
**China Fortune Financial Group Limited**  
**HUA Yang**  
*Chief Executive Officer  
and Executive Director*

Hong Kong, 11 April 2019

*As at the date of this announcement, the Board consists of three executive Directors, namely Mr. XIE Zhichun (Chairman), Mr. HUA Yang and Mr. ZHU Yi; three non-executive Directors, namely Mr. HAN Hanting, Mr. CHEN Zhiwei and Mr. WU Ling; and four independent non-executive Directors, namely Mr. CHAN Kin Sang, Mr. NG Kay Kwok, Mr. CHIU Kung Chik and Mr. LI Gaofeng.*