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中信建投証券股份有限公司 CSC FINANCIAL CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6066)

ANNOUNCEMENT ON PROGRESS OF GRATUITOUS TRANSFER OF STATE-OWNED SHARES

References are made to (i) the indicative announcement on gratuitous transfer of state-owned shares of CSC Financial Co., Ltd. (中信建投証券股份有限公司) (the “**Company**”) dated January 20, 2020; (ii) the announcement on progress of gratuitous transfer of state-owned shares dated March 17, 2020; (iii) the overseas regulatory announcement on summary of acquisition report of the Company on March 18, 2020; (iv) the overseas regulatory announcement on simplified report on changes in equity of the Company dated March 18, 2020 and (v) the announcement on receipt of approval of Beijing SASAC of gratuitous transfer of state-owned shares dated March 19, 2020.

On January 20, 2020, the Company received a notice from the Beijing State-owned Capital Operation and Management Center (“**BSCOMC**”), being the largest shareholder of the Company, that pursuant to the notice from the State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing (“**Beijing SASAC**”), BSCOMC proposed to gratuitously transfer (the “**Gratuitous Transfer**”) the 2,684,309,017 A shares of the Company (representing 35.11% of the total share capital of the Company) held by it to Beijing Financial Holdings Group Limited (“**Beijing Financial Holdings Group**”). BSCOMC holds 100% equity of Beijing Financial Holdings Group. The actual investor responsibility of Beijing Financial Holdings Group is performed by Beijing SASAC, and its actual controller is Beijing SASAC. The Gratuitous Transfer will be beneficial for Beijing Financial Holdings Group to further implement the strategic deployment of strengthening and optimizing the financial industry of Beijing. Upon the completion of the Gratuitous Transfer, BSCOMC will no longer hold any shares of the Company. Beijing Financial Holdings Group will directly hold 2,684,309,017 A shares of the Company, representing 35.11% of the total share capital of the Company, and will become the largest shareholder of the Company. According to Article 63 of the Administrative Measures for the Takeovers of Listed Companies (2020 Revision), Beijing Financial Holdings Group is eligible for exemption from offer. The Gratuitous Transfer will not change the absence of controlling shareholder or actual controller of the Company.

On March 16, 2020, BSCOMC and Beijing Financial Holdings Group entered into the “Shares Transfer Agreement of CSC Financial Co., Ltd.” The Gratuitous Transfer has obtained a letter from the Securities and Futures Commission of Hong Kong, agreeing to waive the relevant offer obligations of Beijing Financial Holdings Group. On March 18, 2020, BSCOMC and Beijing Financial Holdings Group disclosed respectively the “Simplified Report on Changes in Equity” and “Summary of Acquisition Report” on the website of the Shanghai Stock Exchange.

On March 19, 2020, the Company received a notice from the Beijing SASAC that the Gratuitous Transfer has received the Approval of Gratuitous Transfer of Shares of CSC Financial Co., Ltd. Held by Beijing State-owned Capital Operation and Management Center to Beijing Financial Holdings Group Limited (Jing Guo Zi Chan Quan [2020] No. 15) (《關於同意北京國有資本經營管理中心將所持中信建投證券股份有限公司的股份無償劃轉至北京金融控股集團有限公司的批覆》(京國資產權[2020]15號)) from the Beijing SASAC, agreeing the gratuitous transfer of 35.11% of A shares (2,684,309,017 shares) of the Company held by BSCOMC to Beijing Financial Holdings Group.

The Gratuitous Transfer is still subject to the formal approval by the China Securities Regulatory Commission on the shareholder qualification of Beijing Financial Holdings as a substantial shareholder of a securities company. There is uncertainty over the subsequent approval procedures. Investors are advised to pay attention to the risks thereof. Upon the approval on the shareholder qualification, Beijing Financial Holdings Group will disclose the acquisition report and legal opinion issued by its legal advisors in accordance with relevant regulations in a timely manner.

As verified by the legal advisor of Beijing Financial Holdings Group, King & Wood Mallesons, subject to the approval by the relevant regulatory authorities on the shareholder qualification of Beijing Financial Holdings as a substantial shareholder of a securities company, the Gratuitous Transfer satisfies the requirement for exemption from offer, and there is uncertainty on the subsequent approval procedures. Beijing Financial Holdings Group arranged for the disclosure of the “Summary of Acquisition Report” and reported about relevant documents after it has entered into the agreement with BSCOMC. Upon the approval on the shareholder qualification, Beijing Financial Holdings Group will arrange for the disclosure of relevant documents including the acquisition report, in accordance with the requirements of rules and regulations including the Administrative Measures for the Takeovers of Listed Companies.

The Company will make announcements (if necessary) based on the progress of the event as and when appropriate.

By Order of the Board
CSC Financial Co., Ltd.
Wang Changqing
Chairman

Beijing, the PRC
March 29, 2020

As at the date of this announcement, the executive Directors of the Company are Mr. WANG Changqing and Mr. LI Geping; the non-executive Directors of the Company are Mr. YU Zhongfu, Ms. ZHANG Qin, Ms. ZHU Jia, Mr. WANG Hao, Mr. WANG Bo and Mr. XU Gang; and the independent non-executive Directors of the Company are Mr. FENG Genfu, Ms. ZHU Shengqin, Mr. DAI Deming, Mr. BAI Jianjun and Mr. LIU Qiao.