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華億金控集團有限公司  
**SINOFORTUNE FINANCIAL HOLDINGS LIMITED**

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

**(Stock code: 08123)**

**LITIGATION UPDATE**

Reference is made to the announcement of the Company dated 7 November 2019 (the “**Announcement**”) in relation to the Arbitration. Unless otherwise stated herein, defined terms used in this announcement shall have the same meaning used in the Announcement.

On 3 March 2020, the Company was informed by the JV Company that the Claimant, the JV Company and the wholly owned subsidiary of the JV Company, Chongqing Hong Jia Rui Hua Import and Export Trading Company Limited (重慶泓嘉瑞華進出口貿易有限公司\*) (the “**Assignee**”), have entered into a deed of assignment on 26 February 2020 (the “**Deed of Assignment**”) whereby the Claimant has assigned and transferred all its rights and entitlements in the awards of the Arbitration including an awarded sum of RMB11,025,000 and legal fee of RMB50,000 (collectively, the “**Arbitration Awards**”) to the Assignee with nil consideration.

The Company was informed by the JV Company that despite the Claimant applied for the Arbitration and was granted the Arbitration Awards which was received by the JV Company in mid-January 2020, it had always been the intentions of both the Claimant and the JV Company to settle their dispute and the Arbitration amicably as the Claimant would like to maintain its business relationship with the JV Company and that the JV Company and the Claimant had engaged in settlement negotiation on the Arbitration since mid-November 2019.

The Company has sought legal advice from its PRC legal advisor on the impact of the Deed of Assignment and was advised that after the execution of the Deed of Assignment, as those rights and entitlements in the Arbitration Awards have been assigned and transferred to the Assignee, the Claimant would not have any further right to enforce the Arbitration Awards against the JV Company.

After considering the PRC legal opinion on the Deed of Assignment and the fact that the Assignee, being the wholly-owned subsidiary of the JV Company, will not enforce the Arbitration Awards against its parent, the Board considers that the Arbitration Awards and the Deed of Assignment will not have any adverse impact on the financial position and operations of the Group.

By order of the Board  
**Sinofortune Financial Holdings Limited**  
**Wang Jiawei**  
*Chairman*

Hong Kong, 10 March 2020

*As of the date of this announcement, the executive Directors are Mr. Wang Jiawei and Ms. Lai Yuk Mui, the non-executive Director is Mr. Liu Runtong and the independent non-executive Directors are Professor Zhang Benzhen, Mr. Li Jianxing and Professor Chen Shu Wen.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the website of GEM of the Stock Exchange at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the Company’s website at <http://www.sinofortune.hk>.*

\* *For identification purpose only*