

Central China Securities Makes Hong Kong its Epicentre for Overseas Expansion

Seizing the opportunities offered by the Belt and Road Initiative, Central China Securities is gearing up its operations in Hong Kong to go global

Central China Securities Company Limited (referred below as "Central China Securities") was established in Henan, Mainland China. In 2014 it set up Central China International Financial Holdings Company Limited in Hong Kong and went public on the main board of Hong Kong Stock Exchange (stock abbreviation "中州證券", stock code: 01375), being the fourth Mainland securities company to do so. The Company's main businesses in Hong Kong are securities-related financial services such as investment banking, asset management, securities, financing, and equity and bond investment.

In January 2017, the Company also completed its listing on the Shanghai Stock Exchange A-Shares market (for ordinary RMB shares). Xiaoqiang Li, Deputy General Manager of Central China International Financial Holdings Company Limited, stated that these two listings accelerated the Company's development in the Mainland as well as overseas. "Being listed in these two markets not only increases our brand awareness in Henan, but also provides a great opportunity to promote our brand image in the Hong Kong market. It has helped us to deploy our financing channels, allowing us to use financial instruments, such as short-term financing and bond issues to obtain a large amount of low-cost capital."

With the implementation of the "Belt and Road Initiative" and "Go Global Policy" in the Mainland, Central China Securities has accelerated its pace in going global. Since 2014, the Company has been listed on the market for H-shares, acquired local investment banks, set up overseas subsidiaries and a finance group to expand share capital and diversify equity. "Our investment in Hong Kong will continue to grow, and the city will also serve as an epicentre for our overseas development," Li said.

After completing its strategic plan in the Asia Pacific region, the Company's next focus will be Europe and North America, "With our experience in the Hong Kong market, Central China Securities is ready for the next stage to go global," he said. According to Li, Hong Kong has a sophisticated, free economy and a highly independent legal system. Mainland companies with presence in Hong Kong can complement such experience with Mainland market to develop both local and international businesses. "Mainland companies

in Hong Kong should ride on its advantage as a 'super-connector', which acts as a springboard for companies to 'go global' and develop their overseas business." Li commented.

Currently the Company has over 60 staff members in Hong Kong, with a majority being local specialists responsible for risk management, legal compliance or acting as responsible officers and licensed individuals for activities regulated by the Securities and Futures Ordinance. Li thinks that talent in Hong Kong is well-educated, bi-literate and trilingual. Together with the multicultural environment, it is conducive for foreign and Mainland companies to prosper in Hong Kong.

"When we first opened our office in Hong Kong, InvestHK provided us with publicity support and networking opportunities. They have also provided assistance with our work visa applications and recruiting talents." Li concluded.

Central China International Financial Holdings Company Limited

- The parent company Central China Securities Company Limited set up Central China International Financial Holdings Company Limited in Hong Kong. It went public on the main board of Hong Kong Stock Exchange (stock abbreviation"中州證券", stock code: 01375) in June 2014
- In 2017 Central China Securities was listed on the Shanghai Stock Exchange, becoming the 8th security company with both A- and H-share listings
- Currently the company has over 60 employees in Hong Kong

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