

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

Southwest Securities International Securities Limited

西證國際證券股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 812)

RESULTS OF THE RIGHTS ISSUE OF RIGHTS SHARES ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest Termination Time. The Rights Issue became unconditional at 4:00 p.m. on Thursday, 18 April 2019.

As at 4:00 p.m. on Friday, 12 April 2019, being the latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares, a total of eleven (11) valid applications and acceptances in respect of a total of 1,018,391,945 Rights Shares had been received, which comprised:

- (i) four (4) valid acceptances for provisional allotments under the PALs in respect of a total of 997,209,860 Rights Shares, representing approximately 81.70% of the total number of Rights Shares available under the Rights Issue; and
- (ii) seven (7) valid applications for excess Rights Shares under the EAFs in respect of a total of 21,182,085 Rights Shares, representing approximately 1.74% of the total number of Rights Shares available under the Rights Issue.

In aggregate, the valid applications and acceptances represented approximately 83.43% of the total number of 1,220,610,204 Rights Shares available for subscription under the Rights Issue.

Based on the above acceptance and application results, the Rights Issue has been under-subscribed by 202,218,259 Rights Shares, representing approximately 16.57% of the total number of 1,220,610,204 Rights Shares available for subscription under the Rights Issue. Pursuant to the terms of the Underwriting Agreement, the Underwriter is required to take up or procure subscribers to take up and has already taken up and/or procured subscribers to take up 202,218,259 Underwritten Shares.

Since the aggregate number of Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares under PALs is greater than the aggregate number of excess Rights Shares applied for under EAFs, the Board has resolved to allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

The share certificates in respect of valid acceptances of the Rights Shares on PALs and valid applications of excess Rights Shares on EAFs are expected to be posted to those entitled thereto by ordinary post at their own risks on Thursday, 25 April 2019. Since there is no unsuccessful application for excess Rights Shares, no refund cheque will be posted.

COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the fully-paid Rights Shares will commence on the Stock Exchange at 9:00 a.m. on Friday, 26 April 2019.

Reference is made to the prospectus of the Company dated 28 March 2019 in respect of the Rights Issue (the “**Prospectus**”). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest Termination Time. The Rights Issue became unconditional at 4:00 p.m. on Thursday, 18 April 2019.

As at 4:00 p.m. on Friday, 12 April 2019, being the latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares, a total of eleven (11) valid applications and acceptances in respect of a total of 1,018,391,945 Rights Shares had been received, which comprised:

- (i) four (4) valid acceptances for provisional allotments under the PALs in respect of a total of 997,209,860 Rights Shares, representing approximately 81.70% of the total number of Rights Shares available under the Rights Issue; and
- (ii) seven (7) valid applications for excess Rights Shares under the EAFs in respect of a total of 21,182,085 Rights Shares, representing approximately 1.74% of the total number of Rights Shares available under the Rights Issue.

In aggregate, the valid applications and acceptances represented approximately 83.43% of the total number of 1,220,610,204 Rights Shares available for subscription under the Rights Issue.

Based on the above acceptance and application results, the Rights Issue has been under-subscribed by 202,218,259 Rights Shares, representing approximately 16.57% of the total number of 1,220,610,204 Rights Shares available for subscription under the Rights Issue. Pursuant to the terms of the Underwriting Agreement, the Underwriter is required to take up or procure subscribers to take up and has already taken up and/or procured subscribers to take up 202,218,259 Underwritten Shares.

Since the aggregate number of Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares under PALs is greater than the aggregate number of excess Rights Shares applied for under EAFs, the Board has resolved to allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, the shareholding structure of the Company immediately before and after completion of the Rights Issue is as follows:

Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
SSII	1,811,796,822	74.22	2,717,695,233	74.22
The Underwriter	—	—	202,218,259	5.52
Other public Shareholders	<u>629,423,587</u>	<u>25.78</u>	<u>741,917,121</u>	<u>20.26</u>
Total	<u><u>2,441,220,409</u></u>	<u><u>100</u></u>	<u><u>3,661,830,613</u></u>	<u><u>100</u></u>

Pursuant to the Controlling Shareholder's Undertaking, SSII has validly applied to subscribe all the Rights Shares, being 905,898,411 Rights Shares, provisionally allotted to it.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

The share certificates in respect of valid acceptances of the Rights Shares on PALs and valid applications of excess Rights Shares on EAFs are expected to be posted to those entitled thereto by ordinary post at their own risks on Thursday, 25 April 2019. Since there is no unsuccessful application for excess Rights Shares, no refund cheque will be posted.

COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the fully-paid Rights Shares will commence on the Stock Exchange at 9:00 a.m. on Friday, 26 April 2019.

By order of the Board
Southwest Securities International Securities Limited
Wu Jian*
Chairman

Hong Kong, 24 April 2019

As at the date of this announcement, the executive directors of the Company are Mr. Wu Jian (Chairman), Mr. Pu Rui* (Chief Executive Officer), Ms. Zhao Dongmei*, Ms. Wang Huiyun* and Mr. Xiong Xiaoqiang*; and the independent non-executive directors of the Company are Professor Wu Jun*, Mr. Meng Gaoyuan* and Dr. Guan Wenwei.*

** for identification purposes only*