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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)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

This announcement is made by the board of directors of Southwest Securities International Securities Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.24A of the Listing Rules.

Reference is made to the Company’s announcements (i) dated 17 September 2023, 22 September 2023, 29 November 2023, 6 December 2023, 4 March 2024, 19 March 2024 and 28 March 2024; (ii) the announcements (the “**Quarterly Update Announcements**”) dated 3 June 2024, 27 June 2024, 3 September 2024 and 3 December 2024 in relation to the quarterly update on the Company’s resumption status; and (iii) the joint announcement made by the Company and Ocean Wisdom Investments Limited (as the Offeror) dated 21 June 2024 in relation to, among others, the signing of the Sale and Purchase Agreement between Mr. Wong Man Hin Max (the “**Purchaser**”) and Southwest Securities International Investment Limited (西證國際投資有限公司) (“**SSII**”), pursuant to which the Purchaser conditionally agreed to acquire 2,713,469,233 Shares (representing approximately 74.1% of the total issued shares of the Company) from SSII (the “**Possible Offer**”) and the announcement made by the Offeror dated 3 February 2025 in relation to the lapse of the Sale and Purchase Agreement and cessation of the Possible Offer (collectively, the “**Announcements**”). Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Announcements.

UPDATE ON BUSINESS OPERATIONS OF THE GROUP

The Group's principal businesses including brokerage and margin financing, corporate finance, asset management and proprietary trading. Since the publication of the Quarterly Update Announcements up to the date of this announcement, the said principal businesses have no material change and are under normal day-to-day operations as follows:

Brokerage and margin financing

The Group's brokerage and margin financing business includes agency trading of securities, margin financing and related services.

In order to enhance cost efficiency, the Group has ceased the direct operation of futures and options business since December 2021. The Group has suspended the direct operation of brokerage business since 20 May 2022 and had remodeled its business by securing multiple sources of referral by entering into client referral agreements with securities brokers in Hong Kong.

Corporate finance

The Group's corporate finance business includes financial advisory services, underwriting and placement services to corporate clients.

In response to the challenging business environment surrounding the corporate finance business, the Company have strategised to re-deploy resources to the development of the financial advisory business.

Asset management

The Group's asset management business mainly provides services, including investment management, investment advisory and external asset management services.

The Group currently focus the resources in procuring new business engagements and opportunities for investment advisory and investment management services.

Proprietary trading

The Group is continuing its investment strategy since the second half of 2022, strengthening its risk control management, and focusing on high-level fixed income investments.

RESUMPTION PLAN AND PROGRESS

As disclosed in the Resumption Guidance Announcement, the Company should (i) inform the market of all material information for the Shareholders and investors of the Company to appraise the Company's position; and (ii) demonstrate its compliance with Rule 13.24 of the Listing Rules.

As at the date of this announcement, the Company has announced all material information it considers necessary and appropriate for the Shareholders and investors of the Company to appraise the Company's position. Further announcement(s) will be published to inform the Shareholders and investors of the Company of any significant developments as and when appropriate in compliance with the requirements of the Listing Rules.

It has been the goal of the Company to improve the business and financial performance of the Group so as to comply with Rule 13.24 of the Listing Rules. Although the Possible Offer has ceased, the Company remains committed to exploring new opportunities that can revitalize its operations. In light of the current situation, the Board is actively considering plans and exploring opportunities to seek for alternative avenues to introduce new business opportunities and engagements. The Company remains steadfast in its commitment to actively pursue new opportunities for corporate finance project engagements. It will diligently continue negotiations with potential financial institutions, funds, and professional investors to expand the client base and seek for more business opportunities. Simultaneously, the Company will keep maintain its operations across its financial advisory, asset management and brokerage businesses.

The Company believes that with its ongoing efforts and support from its existing and potential clients and partners, it will be able to effectively implement its resumption plan and demonstrate the viability and sustainability of its business operations. The Company is of the view that with the successful implementation of the resumption plan, the Company's business operation and financial performance will record a significant improvement thereby enabling the Company to comply with the Rule 13.24 of the Listing Rules and fulfil the Resumption Guidance.

Shareholders and potential investors of the Company should note that the above resumption plan may subject to possible adjustments due to external or unpredictable factors beyond the Company's control, such as change in macroeconomic market conditions, geopolitical situations, government policies and regulatory requirements, outbreak of pandemic or occurrence of natural disaster, etc..

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange, which was suspended with effect from 9:00 a.m. on 4 March 2024, remains suspended and will continue to be so until the Company fulfils the Resumption Guidance (and any supplement or modification thereto).

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Southwest Securities International Securities Limited
Huang Changsheng
Executive Director and Chief Executive Officer

Hong Kong, 3 March 2025

As at the date of this announcement, the executive director of the Company is Mr. Huang Changsheng (Chief Executive Officer) and Ms. Deng Xiaoting; and the independent non-executive directors of the Company are Mr. Meng Gaoyuan, Mr. Liang Jilin and Mr. Cao Ping.

* *For identification purposes only*