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恒 投 證 券 HENGTOU SECURITIES

(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English))

(the “Company”)
(Stock Code: 01476)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions.

The Board wishes to inform the Shareholders and potential investors that, based on the information currently available to the Group and a preliminary assessment by the Company on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, the Group is expected to record a loss attributable to the Shareholders for the six months ended 30 June 2018 of approximately RMB300 million, while the profit attributable to the Shareholders for the six months ended 30 June 2017 of the Group was approximately RMB361.85 million.

The information contained in this announcement is only based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, which has not been reviewed or audited by the auditors of the Company nor approved by the audit committee of the Company.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company (together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Group and a preliminary assessment by the Company on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, the Group is expected to record a loss attributable to the Shareholders for the six months ended 30 June 2018 of approximately RMB300 million, while the profit attributable to the Shareholders for the six months ended 30 June 2017 of the Group was approximately RMB361.85 million. The Board considers that the expected loss was mainly due to the continued downturn volatilities in the entire Chinese stock market in the first half of 2018. As a result, the Company’s proprietary trading business suffered loss.

The information contained in this announcement is only based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, which has not been reviewed or audited by the auditors of the Company nor approved by the audit committee of the Company. The actual financial results of the Company for the six months ended 30 June 2018, which may be different from what is disclosed in this announcement, will be reviewed by the auditors of the Company and will be disclosed in the interim results announcement of the Company for the six months ended 30 June 2018, which is expected to be published before the end of August 2018.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Pang Jiemin
Chairman

Beijing, the PRC
24 July 2018

As at the date of this announcement, the Board comprises Mr. Pang Jiemin and Mr. Wu Yigang as executive Directors; Mr. Zhang Tao, Mr. Sun Chao, Ms. Dong Hong and Ms. Gao Liang as non-executive Directors; and Ms. Zhou Jianjun, Dr. Lam Sek Kong and Mr. Lv Wendong as independent non-executive Directors.