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SHENWAN HONGYUAN (H.K.) LIMITED
申萬宏源(香港)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

**COMPLETION OF SUBSCRIPTION OF NEW SHARES BY
A CONNECTED PERSON UNDER SPECIFIC MANDATE**

The Board is pleased to announce that all the conditions of the Subscription Agreement have been fulfilled and the completion of the Subscription took place on 18 February 2019, whereby the Subscription Shares were allotted and issued to SWHY International at the subscription price of HK\$2.068 per Subscription Share.

Reference is made to the announcements of Shenwan Hongyuan (H.K.) Limited (the “**Company**”) dated 14 December 2018 and 9 January 2019, and the circular of the Company dated 16 January 2019 (the “**Circular**”) in relation to, among other things, the connected transaction in relation to the subscription of 765,000,000 new Shares by SWHY International under the Specific Mandate.

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

COMPLETION OF THE SUBSCRIPTION

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EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The Subscription Shares represent (i) approximately 96.09% of the issued Shares immediately before completion of the Subscription; and (ii) approximately 49.00% of the issued Shares as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the Subscription.

Set out below is the shareholding structure of the Company (i) immediately before completion of the Subscription; and (ii) immediately after completion of the Subscription:

Name of Shareholders	Immediately before completion of the Subscription		Immediately after completion of the Subscription	
	No. of Shares	%	No. of Shares	%
SWHY BVI ^{Note}	402,502,312	50.56	402,502,312	25.78
SWHY International	3,306,257	0.42	768,306,257	49.22
Public Shareholders	390,330,120	49.02	390,330,120	25.00
Total	796,138,689	100.00	1,561,138,689	100.00

Note: As at the date of this announcement, SWHY BVI is held by Venture-Some, First Shanghai and Shanghai Industrial as to approximately 60.82%, 19.23% and 19.95%, respectively.

PROPOSED DISTRIBUTION BY SWHY BVI

Up to the date of this announcement, the Company had not received any updates from SWHY BVI in relation to the Proposed Distribution. The Company will publish further announcement(s) regarding any updates on the Proposed Distribution as and when appropriate.

By order of the Board
Shenwan Hongyuan (H.K.) Limited
Wong Che Keung Leslie
Company Secretary

Hong Kong, 18 February 2019

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Zhu Minjie, Mr. Chen Xiaosheng, Mr. Zhang Jian, Mr. Guo Chun and Mr. Qiu Yizhou are the executive Directors; Mr. Zhang Lei is the non-executive Director; Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Chen Liqiang are the independent non-executive Directors.