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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)

DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

This announcement is made by Shenwan Hongyuan (H.K.) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in compliance with the disclosure requirements under Rules 13.13 and 13.15 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Pursuant to Rule 13.13 of the Listing Rules, a general disclosure obligation arises where the relevant advance to an entity (as defined under Rule 13.11 of the Listing Rules) by the Group exceeds 8% of the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

Shenwan Hongyuan Securities (H.K.) Limited (“**SWHY Securities**”), a wholly-owned subsidiary of the Company, has made advances (the “**Advances**”) on normal commercial terms to two clients (the “**Clients**”) for the Clients to subscribe for shares offered by way of initial public offering (“**IPO**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Advances were made in the ordinary and usual course of business of the Group.

To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Clients are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

As at 30 October 2020, SWHY Securities has made the Advances to the Clients, details of which are set out below:

Client	Amount of the advance	Nature of advance	Date of advance	Date of repayment	Annual interest rate
Grand Thrive Group Limited	HK\$1,090,883,160.00 (90% of the subscription money)	IPO financing for Ant Group Co., Ltd. (“Ant Group”) (Stock code: 6688) (HK\$1,212,092,400.00)	30 October 2020	4 November 2020	3.20%
	HK\$105,691,124.02 (90% of the subscription money)	IPO financing for JW (Cayman) Therapeutics Co. Ltd (“JW”) (Stock code: 2126) (HK\$117,434,582.25)	28 October 2020	2 November 2020	3.30%
	HK\$102,043,503.19 and US\$ 1,000,993.27 (including the 10% of the subscription money of each of Ant Group and JW)	Securities margin financing ¹	Not applicable	Not applicable	HK\$: 5.25% US\$: 3.50%
Pan Jian	HK\$1,477,555,845.44 (about 87% of the subscription money)	IPO financing for Ant Group (Stock code: 6688) (HK\$1,687,555,845.44)	30 October 2020	4 November 2020	3.20%

Note 1: The securities margin financing for the client is secured by listed securities deposited by the client from time to time in its margin account.

In approving the Advances, SWHY Securities has assessed and considered the likely popularity of the IPO, the liquidity of the relevant stocks to be listed, the relatively short term nature of the Advances, the Clients’ financial strength, their repayment ability and securities collateral provided. It is expected that the IPO would be well received by the public and the deposit and/or collateral provided by the Clients would be sufficient to pay the cost of the IPO shares, when allotted; or otherwise, the IPO shares, when allotted to the Clients, would be collateralised against the cost in respect thereof. After taking into account the factors as disclosed above in assessing the risks of the Advances, the Company considers that the risks involved in the Advances to the Clients as set out above are relatively low.

As the advances made to each of the Clients as stated above exceeds 8% of the Group's total assets as stated in the 2020 interim report of the Group, the Company is under a general disclosure obligation under Rules 13.13 and 13.15 of the Listing Rules to disclose the details of the Advances.

By order of the Board

Shenwan Hongyuan (H.K.) Limited

Qiu Yizhou

Executive Director & Chief Executive Officer

Hong Kong, 2 November 2020

As at the date of this announcement, the board of directors of the Company comprises nine directors, of which Mr. Chen Xiaosheng, Mr. Zhang Jian, Mr. Guo Chun, Ms. Wu Meng and Mr. Qiu Yizhou are 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 independent non-executive directors.