



**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**Haitong International Announces 2019 Interim Results  
net profit up 535% v.s. last period, dividend ratio reaches 50%**

**Financial Highlights**

**(Six months ended 30 June 2018)**

- **Revenue reached HK\$4.108 billion, net profit attributable to shareholders at HK\$1.039 billion**
- **Basic EPS: 18.04 Hong Kong cents**
- **Total assets: HK\$157.4 billion; net assets: HK\$26.7 billion**
- **Proposed an interim dividend per share of 9.0 Hong Kong cents**

**Hong Kong, 23 August 2019** – Haitong International Securities Group Limited (“Haitong International”; Stock Code: 665.HK) today announced its interim results for the six months ended 30 June 2019. In the first half of this year, Haitong International achieved revenues of HK\$4.108 billion. Net profit attributable to shareholders stood at HK\$1.039 billion, up 535% v.s. last period. The basic EPS was 18.04 Hong Kong cents, which the dividend ratio reaches round 50%. The Board of Directors of the company proposed an interim dividend per share of 9.0 Hong Kong cents. Total assets of the Group amounted to HK\$157.4 billion and net assets totaled HK\$26.7 billion.

Dr. Lin Yong, Deputy Chairman and CEO of Haitong International concludes, “Haitong International braved the challenges presented by the external environment like Sino-US trade war by redefining its business development strategies from time to time. Multiple businesses kept leading ahead. Looking forward, Haitong International will adhere to its core values of being “Courageous, Sincere and Innovative”, foster introduction and cultivation of talents, and strengthen its global competencies in corporate finance, investment, trading and operation, and is determined to become a top tier international financial institution with global competitiveness, systemic importance and brand influence.”

**Corporate Finance** – For global ECM business, Haitong International has successfully closed 24 IPO deals in the first half of 2019 and topped the list among the investment banks in Hong Kong in terms of number of projects underwritten with a market share of around 33%. Finding itself in the pole position as the first Chinese market maker equipped with a full spectrum of licenses, Haitong International completed 3 U.S. equity financing projects in the first half of 2019, among which Luckin Coffee represents the largest IPO for an Asian company listed on the Nasdaq so far in 2019. For global DCM business, Haitong International has clinched 125 bond issuance deals, and ranked second and third among financial institutions in the world in



Offshore China Bonds League Table in terms of number of deals and underwriting amount. Haitong International topped the list of the Asian (ex Japan) G3 high yield corporate bond among the financial services providers in the world in terms of number of bond deals and underwriting amount. For global leverage and acquisition financing, Haitong International successfully completed 5 projects during the period, set its foot in the Middle Eastern market for the first time.

**Wealth Management** – Haitong International’s wealth management team has been restructured and elevated in the first half of 2019. The team actively promoted application of electronic operating system to provide more efficient and professional financial services to clients. The average asset of its clients increased substantially during the period. In the future, the wealth management services will keep expanding its client coverage and serve professional investors with more diversified products.

**Asset Management** – Haitong International’s assets under management (AUM) exceeded HK\$48 billion. During the first half, performances of a bunch of funds have proven outstanding – the net increase of Haitong China A-Share Investment Fund was over 20%. Merited by its well-reputed brand name and strong connections in the Hong Kong market, Haitong Asian High Yield Bond Fund became the first northbound fund issued by a Chinese financial services provider in Hong Kong. Haitong International has also received multiple awards during the period, including “Asian Rising Star” and “Most Innovative Product” granted by Asia Asset Management.

**Institutional Clients** – Acquitting itself well as the first-ever Chinese market maker on Nasdaq, Haitong International has constructed a cross-border, cross-market and cross-department trading and settlement system with the number of underlying U.S securities increased over 5 times. Haitong International also provides clients with cross-asset investment offerings and solutions; the number of exchange traded options covered for market making in Hong Kong has reached 75, ranking No.5 in the market. Thanks to its growing electronic trading execution capability, nearly 100 institutional clients are currently using its algorithmic trading system. For the Equity Research, Haitong International now covers 480 stocks in greater China, Japan, the U.S., India and Korea. The coverage ratio on index constituents stocks in Asia Pacific market reached over 50%. For fixed income, currency and commodities (“FICC”) business, Haitong International offered credit products, macro and synthetic products and institutional client solutions with increasing management efficacy. In the first half of the year, the income of FICC represents a year-on-year increase of over 150%; for interest and credit product business, Haitong International provides more than 600 institutional clients around the world with bilateral liquidity quotations every day; for each of its New York and London platforms, steady income has been registered and the two centres are expected to become new profit drivers outside the Asian Pacific region.

For derivatives business, Haitong International has solidified its leadership in Hong Kong market. During the first half, the Company launched 1397 warrants and CBBCs with a total turnover of HK\$380 billion ranking second in the Hong Kong market. As the first Chinese inline warrants issuer on the Stock Exchange of Hong



Kong, Haitong International is geared up to provide diversified listed structured products for clients. The Company can provide quotations for more than 60 structured products currently, covering notes, OTC swaps and OTC options in different markets in the world. Haitong International also acted as a market maker, engaging in Hong Kong Stock Exchange and overseas exchanges including Singapore Exchange and Nasdaq.

**Investment** – Haitong International’s Private Equity (“PE”) business has been prioritizing “New Economy” industries like TMT, consumption and healthcare and has completed 17 investment projects in aggregate in 2 years. It has exited investment from some of its projects, in the form of H shares and US shares, and reaped excellent returns. Reorienting its path of development from time to time, Haitong International aggressively devotes its efforts in investment and fund raising to expand its PE business territories.

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#### **Haitong International Securities Group Limited** (Incorporated in Bermuda with limited liability)

Haitong International Securities Group Limited (“Haitong International”; Stock Code: 665.HK), together with its subsidiaries, is an international financial institution with established presence in Hong Kong and a rapidly expanding network across the globe. It strives to serve as a bridge linking up the Chinese and overseas capital markets. The parent company of Haitong International is Haitong Securities Co. Ltd (“Haitong Securities”, Stock Code: 600837.SH; 6837.HK).

To date, Haitong International has well positioned to serve about 200,000 corporate, institutional, as well as retail and high-net worth clients worldwide. Its well-established financial services platform provides corporate finance, wealth management, asset management, institutional clients (key businesses include fixed income, currency and commodities (FICC), derivatives, institutional equities) and investments business, and a full spectrum of financial products and services. Haitong International possesses a sound risk management system that is in line with international standards. The company has been assigned a “Baa2” long-term issuer



rating by Moody's and a "BBB" long-term credit rating by Standard and Poor's. Haitong International has a global financial servicing network covering the world's major capital markets including Hong Kong, Singapore, New York, London, Tokyo, Mumbai, and Sydney, thereby making it to be a leading global financial institution with international competitiveness, systematic importance and brand influence.

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