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PING AN SECURITIES GROUP (HOLDINGS) LIMITED

平安證券集團 (控股) 有限公司

(Carrying on business in Hong Kong as PAN Securities Group Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code: 231)

INSIDE INFORMATION

PROFIT ALERT

REDUCTION OF LOSS

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2016, the Board wishes to inform the Shareholders, Convertible Bondholders and potential investors that the loss of the Group for the year ended 31 December 2016 is expected to reduce by more than 80% as compared to the loss for the corresponding period in 2015.

Shareholders, Convertible Bondholders and potential investors should note that the above Statement has not been reported on in accordance with the Takeovers Code and it does not meet the standard required under Rule 10 of the Takeovers Code. Accordingly, they are advised to exercise caution in placing reliance on the Statement in assessing the merits and demerits of any possible offer and/or dealing in the securities of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

This announcement is made by Ping An Securities Group (Holdings) Limited (the “**Company**” and 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 Securities and Future Ordinance (Chapter 571, Laws of Hong Kong) (“**SFO**”).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2016 (“**Year 2016**”), the board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”), convertible bondholders of the Company (the “**Convertible Bondholders**”) and potential investors that the loss of the Group for Year 2016 is expected to reduce by more than 80% as compared to the loss for the corresponding period in 2015 (“**Year 2015**”) (the “**Statement**”). Based on the information currently available, the Board considers that the reduction in loss was mainly attributable to (i) a sharp decrease in loss arising from changes in fair value of investment properties; (ii) a significant increase in the net gain on fair value changes of derivative instruments as compared to Year 2015; and (iii) the net gain on disposal of subsidiaries during 2016.

The Company is still in the process of finalising the annual results of the Group for Year 2016. The information contained in this announcement is only based on the Company’s preliminary review of the unaudited consolidated management accounts of the Group for Year 2016, which have not been audited or reviewed by the Company’s auditors or audit committee. Shareholders, Convertible Bondholders and potential investors should read the audited results of the Group for Year 2016 carefully, which are expected to be published on or before 31 March 2017.

Takeovers Code implications

Reference is made to the announcement dated 20 January 2017, jointly issued by Well Up (Hong Kong) Limited, the Company, Credit China FinTech Holdings Limited and HongDa Financial Holding Limited (the “**Joint Announcement**”), in relation to, among other things, the Share Sale and Purchase Agreement (as defined in the Joint Announcement) and the Offers (as defined in the Joint Announcement). With the issue of the Joint Announcement, the Company is currently in an offer period for the purpose of the Code on Takeovers and Mergers (the “**Takeovers Code**”). Pursuant to the Takeovers Code, the Statement constitutes a profit forecast. The Statement does not meet the standard required under Rule 10 of the Takeovers Code and is required to be reported on by financial advisers and auditors and repeated in full, together with the above reports, in the next document in connection with the possible offer to be addressed to, among others, the Shareholders of the Company (the “**Shareholders’ Document**”). However, after consultation with the Securities and Futures Commission, the Statement is permitted to be published without full compliance with the Takeovers Code because the only reason for publication of the Statement is that this is required by applicable laws and regulations (and the Statement is not otherwise proposed to be published by the Company) and, having regard to the legal obligations to publish the Statement as soon as practicable, the Company has encountered genuine practical difficulties in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

The Statement will be reported on in compliance with the Takeovers Code as soon as practicable and such reports will be contained in the next Shareholders’ Document. However, if the results announcement of the Group for the year ended 31 December 2016 is published (expected to be published on or before 31 March 2017) prior to the issue of the next Shareholders’ Document and the relevant results together with the notes to the financial statements are included in the next Shareholders’ Document, such reports are no longer required.

Shareholders, Convertible Bondholders and potential investors should note that the Statement has not been reported on in accordance with the Takeovers Code and it does not meet the standard required under Rule 10 of the Takeovers Code. Accordingly, they are advised to exercise caution in placing reliance on the Statement in assessing the merits and demerits of any possible offer and/or dealing in the securities of the Company.

By Order of the Board of
Ping An Securities Group (Holdings) Limited
Nijssen Victoria
Executive Director

Hong Kong, 16 March 2017

As at the date of this announcement, the Board comprises Mrs. Nijssen Victoria and Mr. Cheung Kam Fai as executive Directors; and Dr. Dong Ansheng, Mr. Wong Yee Shuen, Wilson and Mr. Tsang Wah Kwong as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.