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China Industrial Securities International Financial Group Limited

興證國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8407)

PROPOSED TRANSFER OF LISTING FROM THE GEM TO THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Joint Sponsors



This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions.

The Board is pleased to announce that the Company has submitted a formal application to the Stock Exchange on 11 June 2018 for the Proposed Transfer of Listing pursuant to Chapter 9A and Appendix 28 of the Main Board Listing Rules.

Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the granting of relevant approvals by the Stock Exchange. There is no assurance that approval and permission will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

A. PROPOSED TRANSFER OF LISTING OF THE SHARES FROM GEM TO THE MAIN BOARD

This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions.

The Board is pleased to announce that the Company has submitted a formal application to the Stock Exchange on 11 June 2018 for the Proposed Transfer of Listing pursuant to Chapter 9A and Appendix 28 of the Main Board Listing Rules.

B. REASONS FOR THE PROPOSED TRANSFER OF LISTING

The Company has been listed on the GEM since 20 October 2016. The Board believes that the Proposed Transfer of Listing will enhance the profile of the Group, strengthen its recognition among public investors and improve the trading liquidity of the Shares. This will strengthen the Group's position in the industry and enhance the Group's competitive strengths in retaining and attracting the Group's professional staff and customers. The Board also considers that the Proposed Transfer of Listing will be beneficial to the future growth, financing flexibility and business development of the Group, and it will enhance the value to the Shareholders as a whole.

As at the date of this announcement, the Board has no plans to change the nature of business of the Group following the Proposed Transfer of Listing. The Proposed Transfer of Listing will not involve any issue of new Shares.

C. NO CHANGE IN CONTROL

As at the date of this announcement, approximately 51.65% of the entire issued share capital of the Company is held by CISI Holdings, whose entire issued share capital is in turn held by Industrial Securities (Hong Kong). Industrial Securities (Hong Kong) is wholly-owned by Industrial Securities. Accordingly, for the purposes of the Listing Rules, CISI Holdings, Industrial Securities (Hong Kong) and Industrial Securities are each considered a controlling shareholder of the Company.

Upon the listing of the Company on 20 October 2016, the aggregate shareholding of Controlling Shareholders in the Company was 2,053,281,644 Shares, representing 51.33% of the issued share capital of the Company as at such date. As at 31 December 2017, the aggregate shareholding of Controlling Shareholders in the Company was 2,056,595,644 Shares, representing approximately 51.41% of the issued share capital of the Company as at such date. As at the date of this announcement, the aggregate shareholding of Controlling Shareholders in the Company was 2,065,817,644 Shares, representing approximately 51.65% of the issued share capital of the Company as at such date.

The Company confirms that there has been no change in control of the Company since the listing of the Company on the GEM, as at the date of this announcement.

D. CONDITIONS OF THE PROPOSED TRANSFER OF LISTING

The Proposed Transfer of Listing is conditional upon (a) the Company's fulfilment of all the applicable listing requirements on the Main Board as stipulated in the Main Board Listing Rules; (b) the Stock Exchange granting approval for the listing of, and permission to deal in the Shares on the Main Board; and (c) all other relevant consents required or in connection with the implementation of the Proposed Transfer of Listing having been obtained, and the fulfilment of all conditions which may be attached to such consents, if any.

Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the granting of relevant approvals by the Stock Exchange. There is no assurance that approval and permission will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

E. GENERAL

In connection with the Proposed Transfer of Listing, the Company has appointed China Industrial Securities International Capital Limited, Haitong International Capital Limited and Alliance Capital Partners Limited as its joint sponsors for the purposes of conducting due diligence on the Company in accordance with the Main Board Listing Rules.

The Board would like to emphasise that the definitive timetable for the Proposed Transfer of Listing has not yet been finalised. Further announcement(s) will be made by the Company to keep the Shareholders and potential investors of the Company informed of the progress of the Proposed Transfer of Listing as and when appropriate, in accordance with the GEM Listing Rules and the Main Board Listing Rules.

F. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“CISI Holdings”	China Industrial Securities International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose sole shareholder is Industrial Securities (Hong Kong) as at the date of this announcement

“Company”	China Industrial Securities International Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the GEM of the Stock Exchange (Stock Code: 8407)
“Director(s)”	a director(s) of the Company
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Industrial Securities”	興業證券股份有限公司 (Industrial Securities Co., Ltd.*) a company established under the laws of the PRC with limited liability whose shares are listed on the Shanghai Stock Exchange (stock code: 601377)
“Industrial Securities (Hong Kong)”	Industrial Securities (Hong Kong) Financial Holdings Limited (興證 (香港) 金融控股有限公司), a company incorporated under the laws of Hong Kong with limited liability whose sole shareholder is Industrial Securities as at the date of this announcement
“Inside Information Provisions”	the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of the GEM (excluding the options market) which continues to be operated by the Stock Exchange parallel with the GEM. For the avoidance of doubt, the Main Board excludes the GEM
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) having a par value of HK\$0.10 each in the capital of the Company

“Shareholder(s)”	holders of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Proposed Transfer of Listing”	the proposed transfer of the listing of the Shares from the GEM to the Main Board

By Order of the Board
China Industrial Securities International Financial Group Limited
Yang Huahui
Chairman

Hong Kong, 11 June 2018

As at the date of this announcement, the Board comprises two non-executive Directors, namely Mr. Yang Huahui (Chairman) and Mr. Huang Yilin, three executive Directors, namely Mr. Huang Jinguang, Mr. Wang Xiang and Ms. Zeng Yanxia, and three independent non-executive Directors, namely Ms. Hong Ying, Mr. Tian Li and Mr. Qin Shuo.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company (www.xyzq.com.hk).

* *for identification purposes only*