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天順證券集團有限公司*
SKYWAY SECURITIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

(Warrant Code: 1153)

**POSITIVE PROFIT ALERT
FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2016**

This announcement is made by the Company pursuant to Rule 13.09 (2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders, the Warranholders and potential investors that based on the preliminary assessment of the unaudited financial information of the Group currently available, the Group expects a turnaround of its results by recording a profit for the six months ended 30 September 2016 as compared to the loss for the same corresponding period in 2015.

Shareholders, Warranholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Skyway Securities Group Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 (2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

* For identification purpose only

The Board of Directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”), the warrant holders of the Company (the “Warrant holders”) and potential investors that based on the preliminary assessment of the unaudited financial information of the Group currently available, the Group expects to record a turnaround of its results by recording a profit for the six months ended 30 September 2016 as compared to the loss for the corresponding period 2015 (the “Profit Alert”). The turnaround of the Group’s results is mainly attributable to the combined effect of (i) estimated profit contribution from brokerage and related services of approximately HK\$249 million operated by Skyway Securities Investment Limited, Skyway Futures Limited and Skyway Credit Service Limited, being the wholly-owned subsidiaries of the Company newly acquired in November 2015; (ii) the estimated loss on securities investments segment of approximately HK\$99 million recorded by the Group for the six months ended 30 September 2016 which is lower as compared to the segment loss of approximately HK\$456.2 million as stated in the interim results of the Group for the six months ended 30 September 2015; and (iii) the estimated loss of approximately HK\$42 million as a result of the early settlement of the promissory notes and the related interest expenses for the six months ended 30 September 2016.

The Company is currently in the process of finalising the interim results of the Group for the six months ended 30 September 2016, including the valuation of certain components to be disclosed in the interim results of the Group for the six months ended 30 September 2016 which is still subject to the review by an independent valuer and the Company’s auditor. The information contained in this announcement is only based on the preliminary assessment by the Board according to the unaudited financial information of the Group currently available, which have not been confirmed, audited nor reviewed by the Company’s auditor. The details in relation to the interim results of the Group shall be disclosed in the interim results announcement of the Company which is expected to be published by the end of November 2016.

The Board also refers to the announcement of the Company dated 29 July 2016 (the “Announcement”) in relation to the possible subscription of shares in the Company. Pursuant to Rule 10 of The Code on Takeovers and Mergers (the “Takeovers Code”), the Profit Alert constitutes a profit forecast under the Takeovers Code and would need to be reported on by the Company’s financial adviser and auditor, and the Profit Alert must be repeated in full together with the reports to be included in the next document sent to the Shareholders under the Takeovers Code as stipulated under Rule 10.4 of the Takeovers Code.

However, as contemplated in Practice Note 2 issued by the Takeovers Executive, the Profit Alert is permitted to be published without full compliance with Rule 10.4 of the Takeovers Code because the only reason for publication of the Profit Alert is that it is required by the laws and regulations as mentioned above (and is not otherwise proposed to be published by the Company) and the Company has encountered genuine practicable difficulties in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code having regard to the legal and regulatory obligations to publish the Profit Alert as soon as practicable.

As the interim results announcement of the Company for the six months ended 30 September 2016 is expected to be published prior to the despatch of the next document to be sent to the Shareholders, the requirement of “reporting on” under Rule 10 of the Takeovers Code for the Profit Alert is expected to be superseded by the publication of the interim results of the Company for the six months ended 30 September 2016 and the relevant results together with the notes to the financial statements will be included in the next document to be sent to the Shareholders.

Shareholders, Warranholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

Shareholders, Warranholders and potential investors should note that the Profit Alert does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders, Warranholders and potential investors should exercise caution in placing reliance on such forecasts in assessing the merits and demerits of the possible transactions as disclosed in the Announcement and when dealing in the securities of the Company.

There is no assurance that the Possible Subscription (as defined in the Announcement) or any transactions referred in the Announcement will materialize or eventually be consummated and the relevant discussions may or may not lead to the entering into of the Formal Agreement (as defined in the Announcement). Shareholders, Warranholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

By order of the Board
Skyway Securities Group Limited
Lin Yuehe
Chairlady

Hong Kong, 14 October 2016

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Ms. Lin Yuehe (*Chairlady*)
Mr. Wang Haixiong (*Chief Executive Officer*)
Mr. Ng Kwok Leung
Mr. Tam Tak Wah

Independent Non-executive Directors:

Mr. Chan Kwan Pak
Mr. Siu Gee Tai
Mr. Siu Siu Ling Robert

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquires, 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 contained in this announcement misleading.