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HAITONG INTERNATIONAL SECURITIES GROUP LIMITED

海通國際證券集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 665)

**ADJUSTMENT TO CONVERSION PRICES OF
THE HK\$1,008,000,000 1.25% CONVERTIBLE BONDS DUE 2018,
THE HK\$1,164,000,000 1.25% CONVERTIBLE BONDS DUE 2019 AND
THE HK\$3,880,000,000 ZERO COUPON CONVERTIBLE BONDS DUE 2021**

The Company announces that the respective Conversion Price of the Convertible Bonds have been adjusted as follows with effect from 21 November 2017 as a result of issue of new shares under the interim dividend of HK10 cents per Share for the 6 months ended 30 June 2017 in form of scrip dividend:

- (i) in respect of the 2013 CBs, from HK\$2.82 per Share to HK\$2.76 per Share;
- (ii) in respect of the 2014 CBs, from HK\$4.71 per Share to HK\$4.61 per Share; and
- (iii) in respect of the 2016 CBs, from HK\$6.68 per Share to HK\$6.53 per Share.

References are made to:

- (i) the announcements of Haitong International Securities Group Limited (the “**Company**”) dated 10 July 2013, 18 July 2013, 19 July 2013, 13 September 2013, 18 September 2013, 10 October 2013, 18 October 2013, 25 April 2014, 9 May 2014 and 1 September 2014 respectively in relation to the HK\$1,008,000,000 1.25% convertible bonds due 2018 (the “**2013 CBs**”), the announcements of the Company dated 24 October 2014, 4 November 2014 and 5 November 2014 respectively in relation to the HK\$1,164,000,000 1.25% convertible bonds due 2019 (the “**2014 CBs**”), the announcements of the Company dated 11 October 2016 and 25 October 2016 respectively in relation to the HK\$3,880,000,000 zero coupon convertible bonds due 2021 (the “**2016 CBs**”), the announcements of the Company dated 22 April 2015, 23 June 2015, 27 October 2015 and 1 November 2016 respectively in relation to the adjustment to conversion prices of the 2013 CBs and the 2014 CBs and the announcement of the Company dated 18 August 2017 in relation to the adjustment to the conversion prices of the 2013 CBs, the 2014 CBs and the 2016 CBs (collectively, the “**CB Announcements**”);
- (ii) the announcement of the Company dated 29 August 2017 in relation to the interim results of the Company for the 6 months ended 30 June 2017.

The 2013 CBs and 2014 CBs are listed on the Singapore Exchange Securities Trading Limited and the 2016 CBs are listed on the Stock Exchange of Hong Kong Limited. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the CB Announcements.

Notice is hereby given that pursuant to the provisions on adjustments to the respective price per Conversion Share at which Convertible Bonds may be converted into the Shares (the “**Convertible Price**”) as stated in the respective terms and conditions of the Convertible Bonds, the respective Conversion Price of the Convertible Bonds have been adjusted as follows as a result of issue of new shares under the interim dividend of HK10 cents per Share for the 6 months ended 30 June 2017 in form of scrip dividend (the “**Adjustment**”):

- (i) in respect of the 2013 CBs, from HK\$2.82 per Share to HK\$2.76 per Share;
- (ii) in respect of the 2014 CBs, from HK\$4.71 per Share to HK\$4.61 per Share; and
- (iii) in respect of the 2016 CBs, from HK\$6.68 per Share to HK\$6.53 per Share.

The Adjustment has become effective from 21 November 2017, being the day of issue of the new shares under the aforesaid interim dividend in form of scrip dividend.

The Adjustment has been computed in accordance with the clause 6(C)(ii)(B) of the terms and conditions of the 2013 CBs, the clause 6(C)(ii)(B) of the terms and conditions of the 2014 CBs and the clause 6(C)(ii)(B) of the terms and conditions of the 2016 CBs.

All other terms of the Convertible Bonds remain unchanged. As at the date of this announcement, the outstanding principal amount of the 2013 CBs is HK\$2,000,000. The 2013 CBs entitle the holders thereof to convert the outstanding 2013 CBs into 709,219 Shares before the Adjustment and 724,637 Shares after the Adjustment. The outstanding principal amount of the 2014 CBs is HK\$137,000,000. The 2014 CBs entitle the holders thereof to convert the outstanding 2014 CBs into 29,087,048 Shares before the Adjustment and 29,718,004 Shares after the Adjustment. The outstanding principal amount of the 2016 CBs is HK\$3,880,000,000. The 2016 CBs entitle the holders thereof to convert the outstanding 2016 CBs into 580,838,323 Shares before the Adjustment and 594,180,704 Shares after the Adjustment.

By order of the Board
Haitong International Securities Group Limited
LIN Yong
Deputy Chairman and Managing Director

Hong Kong, 21 November 2017

As at the date of this announcement, the Board comprises Mr. JI Yuguang (Chairman), Mr. LIN Yong (Deputy Chairman and Managing Director), Mr. LI Jianguo (Deputy Chairman), Mr. SUN Jianfeng, Mr. POON Mo Yiu*, Mr. CHENG Chi Ming Brian*, Ms. WANG Meijuan*, Mr. William CHAN*, Mr. TSUI Hing Chuen William**, Mr. LAU Wai Piu**, Mr. LIN Ching Yee Daniel** and Mr. WEI Kuo-chiang**.*

* *Non-executive directors*

** *Independent Non-executive directors*