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(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC)

(Stock Code: 6886)

ANNOUNCEMENT ON THE RESOLUTION OF THE BOARD MEETING

Notice and proposals for the fifth meeting of the fourth session of the Board of the Company were delivered by hand or email on 12 April 2017. The meeting was convened on 26 April 2017 in ways of on-site and video conference in Nanjing, Beijing, Shanghai and Hong Kong, respectively. 7 out of 12 Directors attended the meeting in person. Three non-executive Directors PU Baoying, CHEN Ning and SUN Hongning and two independent non-executive Directors CHEN Chuanming and YANG Xiongsheng did not attend the meeting in person, among others, PU Baoying and CHEN Ning had respectively authorized non-executive Director GAO Xu to vote on their behalf, SUN Hongning has authorized the chairman of the Board Zhou Yi to vote on his behalf, CHEN Chuanming and YANG Xiongsheng have respectively authorized independent non-executive Director LIU Hongzhong to vote on their behalf. The meeting was chaired by Zhou Yi, chairman of the Board of the Company, and attended by Supervisors and certain senior management officers of the Company. The number of valid votes represented 100% of the total number of Directors and the meeting was convened in compliance with the Company Law, the Articles of Association and Rules of Procedures of the Board of the Company. The following resolutions were duly considered and passed by the Directors at the meeting by show of hands:

I. Proposal in relation to the Amendment of Terms of Reference of the Committees of the Board of Directors of Huatai Securities Co., Ltd.

To enhance corporate internal monitoring, give a full play to the function of the internal audit and promote the operation in compliance with law, regulations and risk preparedness, the Company intended to revise the Terms of Reference of the Committees of the Board of Directors of Huatai Securities Co., Ltd. in accordance with the Opinions of the State Council on Enhancing the Audit Work (Guo Fa [2014] No. 48) (《國務院關於加強審計工作的意見》(國發[2014]48號)), the Opinions of the General Office of the State Council on Enhancing and Improving the Supervision on Enterprises State-owned Asset to Prevent Wastage of State-owned Asset (Guo Ban Fa [2015] No.79) (《國務院辦公廳關於加強和改進企業國有資產監督防止國有資產流失的意見》(國辦發[2015]79號)), the Notice of the Amendment on the Guide of Shanghai Stock Exchange to the Filing and Training of Independent Directors in Listed Companies (Shang Zheng Fa [2016] No.48) (《關於修訂〈上海證券交易所上市公司獨立董事備案及培訓工作指引〉的通知》(上證發[2016]48號)), the Notice of the Jiangsu Administrative Committee of State-owned Property on Enhancing

the Internal Audit Work of Province-owned Enterprises (Su Guo Zi [2016] No.67) (《省國資委關於加強省屬企業內部審計工作的通知》(蘇國資[2016]67號)) and the Articles of Association of Huatai Securities Co., Ltd.

This proposal will take effect upon the consideration for adoption of the Board, and the original Terms of Reference of the Committees of the Board of Directors of Huatai Securities Co., Ltd. shall be repealed simultaneously.

A revised comparison table of the Terms of Reference of the Committees of the Board of Directors of Huatai Securities Co., Ltd. is as follows:

The original Terms of Reference of the Committees	The proposed revised Terms of Reference of the Committees	Reference for Revision
<p>Article 26 The major duties of the Audit Committee are:</p> <p>26.1 to supervise the annual audit, to judge the trueness, accuracy and completeness of the information of audited financial report for submission to the Board for consideration and approval. To supervise the completeness of the Company's financial report, the Company's annual report and accounts, interim report and quarterly report and review the major opinions regarding the relevant financial submission as provided in the statements and reports. The committee shall focus on, in particular, the following items:</p> <ol style="list-style-type: none"> 1. Amendment to the accounting policy and practice; 2. Such areas involving important judgment; 3. Material adjustment arising from audit; 	<p>Article 26 The major duties of the Audit Committee are:</p> <p>26.1 to supervise and guide the audit work of the Company. To manage and guide the internal audit plan and the construction of audit team of the Company, and to receive regular briefings from, and consider, the comprehensive audit report, annual audit plans and material audit reports. To judge the trueness, accuracy and completeness of the information of audited financial report for submission to the Board for consideration and approval. To supervise the completeness of the Company's financial report, the Company's annual report and accounts, interim report and quarterly report and review the major opinions regarding the relevant financial submission as provided in the statements and reports. The committee shall focus on, in particular, the following items:</p>	<p>According to the Notice of the Jiangsu Administrative Committee of State-owned Property on Enhancing the Internal Audit Work of Province-owned Enterprises (《省國資委關於加強省屬企業內部審計工作的通知》), the major duties of the Audit Committee are to enhance the management and guide of the internal audit plan, annual tasks, audit quality, correction of problems and the construction of audit team.</p>

The original Terms of Reference of the Committees	The proposed revised Terms of Reference of the Committees	Reference for Revision
<p>4. Assumptions and reservations regarding the enterprise’s on-going operation;</p> <p>5. Whether in compliance with the accounting standard; and</p> <p>6. Whether in compliance with the listing rules of the locality and the relevant provisions of laws related to the financial submission;</p>	<p>1. Amendment to the accounting policy and practice;</p> <p>2. Such areas involving important judgment;</p> <p>3. Material adjustment arising from audit;</p> <p>4. Assumptions and reservations regarding the enterprise’s on-going operation;</p> <p>5. Whether in compliance with the accounting standard; and</p> <p>6. Whether in compliance with the listing rules of the locality and the relevant provisions of laws related to the financial submission;</p>	
<p>Article 26 The major duties of the Audit Committee are:</p> <p>.....</p> <p>26.7 to discuss with the management level regarding the risk management and internal control system, and to ensure that the management level is performing its duties and has established effective internal control system; to take the initiative or to be appointed by the Board to conduct a study on the important investigation results in respect of the risk management and internal control and on the reply of the management level;</p>	<p>Article 26 The major duties of the Audit Committee are:</p> <p>.....</p> <p>26.7 to discuss with the management level regarding the risk management and internal control system, and to ensure that the management level is performing its duties and has established effective internal control system and strengthened its responsibility on the rectification of accountability and the improvement of mechanism; to take the initiative or to be appointed by the Board to conduct a study on the important investigation results in respect of the risk management and internal control and on the reply of the management level;</p>	

The original Terms of Reference of the Committees	The proposed revised Terms of Reference of the Committees	Reference for Revision
<p>Article 26 The major duties of the Audit Committee are:</p> <p>.....</p> <p>The Audit Committee shall be composed of at least three members who are non-executive directors. More than half of the members are independent non-executive directors and at least one independent non-executive director is accounting professional who is engaged in accounting work for more than 5 years and such person should possess the experience in respect of internal control and preparation or audit of comparable financial statement and report, or the experience in respect of analyzing the audited financial statement and report of a public company, by engaging in the work of being an accountant, an auditor, a financial director or chief accounting officer of a public company or by performing similar duties.</p>	<p>Article 26 The major duties of the Audit Committee are:</p> <p>.....</p> <p>The Audit Committee shall be composed of at least three members who are non-executive directors. More than half of the members are independent non-executive directors and at least one independent non-executive director is accounting professional who fulfils at least one of the following conditions:</p> <ol style="list-style-type: none"> 1. Qualified as a certified public accountant; 2. Having a senior professional title, associate professor title or doctoral degree majored in accounting, auditing or financial management; 3. Having a senior professional title in economic management with over 5 years of full-time working experience at a professional position in accounting, auditing or financial management. 	<p>Rule 16 set out in Appendix I to the Amendment on the Guide of Shanghai Stock Exchange to the Filing and Training of Independent Directors in Listed Companies (Shang Zheng Fa [2016] No.48) (《關於修訂〈上海證券交易所上市公司獨立董事備案及培訓工作指引〉的通知》(上證發[2016]48號)).</p>

The original Terms of Reference of the Committees	The proposed revised Terms of Reference of the Committees	Reference for Revision
<p>The convenor of the Audit Committee shall be acted by an independent director of the Company. Members of the Audit Committee shall contact the Board and the senior management officers. The Audit Committee shall convene at least two meetings with the Company's auditors per annum.</p>	<p>Such person should possess the experience in respect of internal control and preparation or audit of comparable financial statement and report, or the experience in respect of analyzing the audited financial statement and report of a public company, by engaging in the work of being an accountant, an auditor, a financial director or chief accounting officer of a public company or by performing similar duties.</p> <p>The convenor of the Audit Committee shall act as an independent director of the Company. Members of the Audit Committee shall contact the Board and the senior management officers. The Audit Committee shall convene at least two meetings with the Company's auditors per annum.</p>	

Voting result: voted in favour: 12 votes; voted against: 0 vote; abstained from voting: 0 vote

II. Proposal in relation to the appointment of the secretary of the Board of Directors, joint company secretary and authorized representative of the Company was passed.

Mr. JIANG Jian ceased to be the secretary of the Board of Directors of the Company because of redeployment of work, with effect from this date; meanwhile, he ceased to hold concurrent posts of joint company secretary and authorized representative of the Company, which will take effect from the date on which the Company receives a waiver letter from the Stock Exchange.

Mr. JIANG Jian has confirmed that he has no disagreement with the Board and there is no matter in connection with his resignation that needs to be brought to the attention of the shareholders of the Company. Mr. JIANG will continue to act as the vice president of the Company.

Based on the nomination of the chairman of the Board of the Company Mr. ZHOU Yi, it was approved that Mr. ZHANG Hui is appointed to be the secretary of the Board of Directors of the Company. Mr. ZHANG Hui has already obtained the qualifications to act as a manager-level senior management member of securities companies and the secretary of the Board of Directors, and his term will take effect from this date until the end of this session of the Board of Directors. Based on the nomination of the chairman of the Board of the Company Mr. ZHOU Yi, it was approved that Mr. ZHANG Hui was appointed to be joint company secretary and authorized representative of the Company, which will take effect from the date on which the Company receives the waiver letter from the Stock Exchange until the end of this session of the Board of Directors. Given that Mr. ZHANG Hui does not have the qualifications or relevant experiences required by Rule 3.28 of the Listing Rules, the Company has already applied to the Stock Exchange for waiver from strict compliance with Rule 3.28 and 8.17 of the Listing Rules, but the approval for granting the waiver is pending. The Company will make further announcement to update the progress of obtaining the waiver.

Mr. Zhang Hui obtained a bachelor's degree in arts from Beijing Normal University, majoring in English. He acquired a master's degree in economics from Shanghai University of Finance and Economics, majoring in finance. Mr. Zhang acquired his doctoral degree in management from Hohai University, majoring in technical economics and management. Mr. Zhang has acquired the qualification as a managerial-level senior management member of securities companies from China Securities Regulatory Commission, and obtained a qualification certificate for secretary to board of directors issued by the Shanghai Stock Exchange. Mr. Zhang is a member of the Chinese Communist Party, and has 17 years of experience in the securities industry. He once worked at the service center for human resources exchange of Dongcheng District, Beijing, Shanghai office of Brilliance Auto Group (華晨集團上海辦事處), Tongshang Company Limited (通商有限責任公司) and Beijing Lianchuang Investment Management Limited (北京聯創投資管理有限公司). Mr. Zhang joined the Company in February 2003, and successively served various positions, including the senior manager of the asset management headquarters, the investment planner of the securities investment department, the deputy general manager of Nantong Yaogang Road Branch, the general manager of Shanghai Ruijin No.1 Road Branch, the deputy general manager of the securities investment department, the general manager of the general affair department and the employee supervisor. He is now the general manager of the human resources department and the head of organization department of the Party committee of the Company. Since October 2016, Mr. Zhang oversees the work of the office of the Board. He is responsible for supervising proper disclosure of information to the Shanghai Stock Exchange and the Stock Exchange, investor relationship management as well as coordination and management of the Company's subsidiaries.

The Board would like to express its sincere gratitude to Mr. Jiang Jian for his valuable contributions to the Company during his service as the secretary to the Board, the joint company secretary and the authorized representative of the Company.

Voting result: voted in favour: 12 votes; voted against: 0 vote; abstained from voting: 0 vote

Definitions

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

“authorized representative” the authorized representative appointed by the Company pursuant to Rule 3.05 of the Listing Rules

“Board” the board of directors of the Company

“our Company” or “Company”	a joint stock company incorporated in the People’s Republic of China with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from our predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on 7 December 2007, carrying on business in Hong Kong as “HTSC”, and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of “ 华泰六八八六股份有限公司 ” and English name of “Huatai Securities Co., Ltd.”; the H shares of which were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 1 June 2015 (Stock Code: 6886); the A shares of which were listed on the Shanghai Stock Exchange on 26 February 2010 (Stock Code: 601688)
“Group”	the Company and its subsidiaries, and their respective predecessors
“Director(s)”	director(s) of the Company
“Board Meeting”	the fifth meeting of the fourth session of the Board convened on 26 April 2017 by the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Shareholders”	shareholders of the Company

By order of the Board of Directors of the Company

Zhou Yi

Chairman

Jiangsu, PRC, 26 April 2017

As of the date of this announcement, the Board of Directors comprises Mr. ZHOU Yi as an executive Director; Ms. PU Baoying, Mr. GAO Xu, Mr. CHEN Ning, Mr. SUN Hongning, Mr. XU Qing and Mr. ZHOU Yong as non-executive Directors; and Mr. CHEN Chuanming, Mr. LIU Hongzhong, Mr. LEE Chi Ming, Mr. YANG Xiongsheng and Ms. Liu Yan as independent non-executive Directors.