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Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name “中原证券股份有限公司” and carrying on business in Hong Kong as “中州证券”)
(Stock Code: 01375)

DISTRIBUTION OF 2022 FINAL DIVIDEND, CLOSURE OF REGISTER OF MEMBERS OF H SHARES AND INFORMATION ON TAX REDUCTION AND EXEMPTION FOR THE HOLDERS OF H SHARES

References are made to announcement (the “**Announcement**”) of Central China Securities Co., Ltd. (the “**Company**”) dated 29 March 2023 on the annual results for the year ended 31 December 2022, the notice (the “**Notice**”) of annual general meeting (the “**AGM**”) of the Company dated 3 May 2023, the circular (the “**Circular**”) of the Company dated 3 May 2023 in relation to (among others) the profit distribution plan for 2022 of the Company, and the poll results announcement of AGM dated 24 May 2023. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement, the Notice and the Circular.

DISTRIBUTION OF 2022 FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The resolution regarding the final dividend distribution plan for the year ended 31 December 2022 has been approved at the AGM. The Company will distribute a final dividend of RMB0.07 (tax inclusive) for every 10 Shares for 2022 (the “**2022 Final Dividend**”). For the distribution of the 2022 Final Dividend to H Shareholders of the Company, such dividend will be paid to the Shareholders whose names appear on the H Share register of members of the Company on Friday, 16 June 2023. In order to determine the entitlement of the H Shareholders to receive the 2022 Final Dividend, the register of members of H Shares of the Company will be closed from Tuesday, 13 June 2023 to Friday, 16 June 2023 (both days inclusive), during which period no transfer of H Shares of the Company can be registered. In order to be entitled to receive the 2022 Final Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 12 June 2023.

The 2022 Final Dividend is denominated and declared in Renminbi, and will be paid in Renminbi to holders of A Shares and in Hong Kong Dollars to holders of H Shares. The actual amount of the 2022 Final Dividend for H Shares distributed in Hong Kong Dollars will be calculated based on the average benchmark exchange rate between Renminbi and Hong Kong Dollars (i.e. RMB0.89574 against HK\$1.00) published by the People's Bank of China for the five working days prior to 24 May 2023, being the date of the AGM. Accordingly, the 2022 Final Dividend is approximately HK\$0.078 (tax inclusive) for every 10 H Shares.

In addition, the Board would like to inform the Shareholders that the 2022 Final Dividend will be paid to the Shareholders whose names appear on the H Share register of members of the Company on 16 June 2023, and the expected payment date is confirmed to be around 29 June 2023. Apart from these, other details regarding the distribution of the 2022 Final Dividend mentioned in the Announcement and the Circular remain unchanged.

INFORMATION ON TAX REDUCTION AND EXEMPTION FOR THE HOLDERS OF H SHARES

Enterprise Income Tax

Pursuant to the provisions of the “Enterprise Income Tax Law of the People’s Republic of China” (《中華人民共和國企業所得稅法》), the “Regulation on the Implementation of the Enterprise Income Tax Law of the People’s Republic of China” (《中華人民共和國企業所得稅法實施條例》) and the “Notice on Issues Relevant to the Withholding of Enterprise Income Tax on Dividends Paid by the PRC Resident Enterprises to Overseas Non-resident Enterprise Holders of H Shares” (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), the Company is required to withhold and pay enterprise income tax at the rate of 10% when distributing the 2022 Final Dividend to non-resident enterprise Shareholders whose names appear on the H share register of members of the Company.

Individual Income Tax

Pursuant to the “Notice of the State Administration of Taxation on Matters Concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 Document (Guo Shui Han [2011] No. 348)” (《國家稅務總局關於國稅發[1993]045號檔廢止後有關個人所得稅徵管問題的通知》) (國稅函[2011]348號) promulgated by the State Administration of Taxation, the dividend received by the overseas resident individual shareholders from the shares issued in Hong Kong by domestic non-foreign invested enterprises is subject to individual income tax, which shall be withheld and paid by the withholding agents according to the relevant laws. However, the overseas resident individual shareholders of the shares issued in Hong Kong by domestic non-foreign invested enterprises are entitled to the relevant preferential tax treatment pursuant to the

provisions in the tax agreements signed between the countries where they are residents and the PRC as well as the tax arrangements between mainland China and Hong Kong (Macau).

Pursuant to the aforesaid requirements, when the 2022 Final Dividend is distributed to the H Shareholders, the Company will generally withhold 10% of the dividend to be distributed to the individual holders of H Shares as individual income tax unless otherwise provided by the tax regulations and relevant tax treaties, in which case the Company will withhold and pay individual income tax of such dividend according to the tax rates and procedures as specified by the relevant regulations.

Profit Distribution to Investors of Northbound Trading

Pursuant to the relevant requirements under the “Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81)” (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知（財稅[2014]81號）》) (the “**Caishui No. 81**”): For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in Renminbi by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (the “**CSDC**”) to the accounts of the nominees holding such shares. The Company will withhold income taxes at the rate of 10% on behalf of the investors and will report to the competent tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises or individuals may, or may entrust a withholding agent to, apply to the competent tax authorities of the Company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid tax in excess of the tax payable based on the tax rate under such tax treaty will be refunded.

The registration date of the equity interest and the date of distribution of cash dividends and other schedule arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

Profit Distribution to Investors of Southbound Trading

For investors of Shanghai Stock Exchange (including enterprises and individuals) and investors of Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “**Southbound Trading**”), the Company will enter into “the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading” (《港股通H股股票現金紅利派發協議》) with the CSDC, pursuant to which, the CSDC, as the nominee of the holders of H Shares for Southbound Trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system.

Pursuant to the relevant requirements under the Caishui No. 81: For dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the companies of such H Shares shall withhold individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H Shares will not withhold the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Pursuant to the relevant requirements under the “Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127)” (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知（財稅[2016]127號》): For dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the companies of such H Shares shall withhold individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H Shares will not withhold the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The cash dividends for the investors of H Shares of Southbound Trading will be paid in Renminbi. The registration date of the equity interest and the date of distribution of cash dividends and other schedule arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

The Company will strictly comply with the Enterprise Income Tax Law and the Notice to withhold and pay enterprise income tax. After the withholding and payment of non-resident enterprise income tax by the Company, any enterprise Shareholder who may be entitled to a deduction or exemption of enterprise income tax in accordance with the relevant laws, regulations or treaties may by itself apply to the competent tax authority for a tax refund pursuant to the provisions of relevant applicable laws, regulations or treaties. The Company will have no liability in respect of any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of the above withholding and payment.

For any enquiry regarding the aforementioned arrangements, holders of H Shares are recommended to consult their respective taxation advisors regarding the relevant tax laws and regulations on the dividend payment by the Company and on the taxation implications of holding and dealing in the H Shares.

The Company has appointed CMB Wing Lung (Trustees) Limited as the receiving agent in Hong Kong (the “**Receiving Agent**”) and will pay the declared 2022 Final Dividend to the Receiving Agent for payment to holders of H Shares.

The details regarding the arrangement of distribution of the 2022 Final Dividend to holders of A Shares will be separately announced by the Company on the website of the Shanghai Stock Exchange, the relevant announcements of which will also be published on the website of the Hong Kong Stock Exchange by way of overseas regulatory announcements in accordance with Rule 13.10B of the Hong Kong Listing Rules.

By order of the Board of
Central China Securities Co., Ltd.
Jian Mingjun
Chairman

Henan, the PRC
29 May 2023

As at the date of this announcement, the Board comprises executive director Mr. JIAN Mingjun, non-executive directors Mr. LI Xingjia, Ms. ZHANG Qiuyun, Mr. TANG Jin, Mr. TIAN Shengchun, Mr. ZHANG Xiaoqi and Mr. LU Benson Cheng, and independent non-executive directors Ms. ZHANG Dongming, Mr. CHEN Zhiyong, Mr. TSANG Sung and Mr. HE Jun.