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**光大證券股份有限公司**  
**Everbright Securities Company Limited**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 6178)**

**CONNECTED TRANSACTION UNDER THE LEASE AGREEMENT**

Reference is made to the announcement dated January 19, 2023 on the Group's intention to enter into the Lease Agreement for leasing the Lease Properties.

**LEASE AGREEMENT**

The Board hereby announces that, on November 29, 2023, CEBSI (as lessee), a wholly-owned subsidiary of the Company, and Everbright Centre Company (as lessor), a non-wholly owned subsidiary of Everbright Group, entered into the Lease Agreement in respect of the Leased Properties located in Wanchai, Hong Kong for an initial lease term of three years from May 1, 2023 to April 30, 2026, subject to the renewal options exercisable by CEBSI for an extended lease term of up to seven years in total. The rent shall be approximately HK\$3.2 million per month (excluding rent-free period benefits).

**LISTING RULES IMPLICATIONS**

Everbright Centre Company is a non-wholly owned subsidiary of Everbright Group. As of the date of this announcement, Everbright Group directly and indirectly holds an aggregate of approximately 45.88% interest in the Company and is the controlling shareholder of the Company. Accordingly, Everbright Centre Company, being an associate of Everbright Group, is a connected person of the Company.

The Lease will be recognised as an acquisition of right-of-use assets which will constitute a transaction under Chapter 14 of the Listing Rules and a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Lease (in aggregation with the transactions under the 2021 Everbright Group Property Leasing Framework Agreement) is more than 0.1% but less than 5%, the Lease is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempted from the requirement of approval from independent Shareholders.

## INTRODUCTION

Reference is made to the announcement dated January 19, 2023 on the Group's intention to enter into the Lease Agreement for leasing the Lease Properties.

The Board hereby announces that, on November 29, 2023, CEBSI (as lessee), a wholly-owned subsidiary of the Company, and Everbright Centre Company (as lessor), a non-wholly owned subsidiary of Everbright Group, entered into the Lease Agreement in respect of the Leased Properties located in Wanchai, Hong Kong for an initial lease term of three years from May 1, 2023 to April 30, 2026, subject to the options exercisable by CEBSI for an extended lease term of up to seven years in total. The rent shall be approximately HK\$3.2 million per month (excluding rent-free period benefits).

## LEASE AGREEMENT

The principal terms of the Lease Agreement are as follows:

- Date** : November 29, 2023
- Parties** : (a) CEBSI (the lessee); and  
(b) Everbright Centre Company (the lessor)
- Term** : The initial fixed term shall be three years commencing on May 1, 2023 and expiring on April 30, 2026 (both days inclusive), subject to the options exercisable by CEBSI according to the Lease Agreement at the third, sixth and ninth anniversaries of the Lease, for an extended lease term of up to seven years in total, at the then prevailing market rent.
- Leased Properties** : 10/F, 12/F and 31-33/F of Everbright Centre at 108 Gloucester Road, Wanchai, Hong Kong, with an aggregate gross floor area of approximately 52,670 square feet
- Usage** : Office premises

- Rent** : approximately HK\$3.2 million per month (excluding rent-free period benefits), exclusive of service charges, government rates and other outgoings, which was determined after arm's length negotiations between the parties with reference to the market rent analysis report on the Leased Properties prepared by Jones Lang LaSalle, an independent property valuer engaged by CEBSI and the payment of which will be funded by the Group's internal resources.
- Other fees** : (a) service charges of approximately HK\$0.5 million per month (subject to re-determination during the lease term); and  
(b) licence fee of car parking space of HK\$6,000 per month
- Rent free period** : CEBSI will enjoy rent free periods up to six months for the Lease Properties located on different floors of the Everbright Centre as specified under the Lease Agreement.
- Deposit** : CEBSI shall pay a deposit of approximately HK\$11.3 million on or before the signing of the Lease Agreement.

#### **REASONS FOR AND BENEFITS OF THE LEASE**

Everbright Centre is located in the prime area of Wanchai, Hong Kong, which is in close proximity to the core business districts such as Central and Admiralty, facilitating the daily communication between the Hong Kong subsidiaries of the Group and the financial peers and corporate clients. Everbright Centre is a property owned by Everbright Group, which can provide the Hong Kong subsidiaries of the Group with a long-term and stable operating environment. The relocation to Everbright Centre is conducive to the synergistic cooperation between the Hong Kong subsidiaries of the Group and other Hong Kong subsidiaries of Everbright Group and the enhancement of business development. In addition, upon execution of the Lease Agreement, both the total floor area of office space leased by the Hong Kong subsidiaries of the Group and the corresponding rent will be reduced, which will help save the daily expenses.

After reviewing the relevant materials, the Directors (including the independent non-executive Directors) are of the view that the Lease Agreement and the Lease contemplated thereunder are entered in the ordinary and usual course of business of the Group, terms are fair and reasonable, they are on normal commercial terms or better for the Group, and are in the interests of the Company and the Shareholders as a whole. Mr. Zhao Ling, Mr. Liu Qiuming, Mr. Song Bingfang, Mr. Yin Yanwu and Mr. Chan Ming Kin, by virtue of their positions in Everbright Group or its subsidiaries, are deemed to be materially interested in the Lease and have abstained from voting at the Board meeting to consider and approve the relevant resolution. Save for the aforesaid, none of the other Directors has a material interest in the Lease and therefore did not abstain from voting on the above resolution at the Board meeting.

## **GENERAL INFORMATION**

### ***The Group and CEBSI***

The Group is a leading securities finance group with strong comprehensive competitiveness in China, with strong innovation capabilities and an integrated domestic and overseas business platform. As one of the core financial service platforms of Everbright Group, the Group benefits from the Group's synergies and brand advantages. The Group provides comprehensive financial products and services to a large and diversified customer base including enterprises, financial institutions, governments and individuals. The Group's main business segments include wealth management business segment, corporate financing business segment, institutional customer business segment, investment trading business segment, asset management business segment and equity investment business segment.

CEBSI is a limited company incorporated under the laws of Hong Kong and is a wholly-owned subsidiary of the Company. CEBSI is principally engaged in wealth management, corporate finance and capital markets, institutional business, asset management and investment management business.

### ***Everbright Group and Everbright Centre Company***

Everbright Group is a state-owned enterprise incorporated under the laws of the PRC on November 12, 1990. It was promoted and established by the Ministry of Finance and Central Huijin Investment Ltd. (中央匯金投資有限責任公司). Currently, its businesses cover the finance and industry in Hong Kong and Mainland China, and it has established agencies and business presence at home and abroad. It has a complete set of financial services licenses and featured businesses related to environmental protection, tourism, healthcare and high-tech industry. Everbright Group is a state-owned large-scale comprehensive finance holding group characterized by its overall finance, the integration of industry and finance and the combined advantages of Mainland China and Hong Kong.

Everbright Centre Company is a limited company incorporated under the laws of Hong Kong and is a non-wholly owned subsidiary of Everbright Group. Everbright Centre Company is principally engaged in property leasing.

## **LISTING RULES IMPLICATIONS**

Everbright Centre Company is a non-wholly owned subsidiary of Everbright Group. As of the date of this announcement, Everbright Group directly and indirectly holds an aggregate of approximately 45.88% interest in the Company and is the controlling shareholder of the Company. Accordingly, Everbright Centre Company, being an associate of Everbright Group, is a connected person of the Company.

In accordance with HKFRS 16 "Leases", the Group will recognise the value of right-of-use assets in its consolidated statement of financial position for Leased Properties under the Lease Agreement.

The Lease will be recognised as an acquisition of right-of-use assets which will constitute a transaction under Chapter 14 of the Listing Rules and a connected transaction of the Company under Chapter 14A of the Listing Rules.

The value of the right-of-use asset to be recognized by the Group in respect of the Lease is approximately HK\$278.4 million, calculated with reference to the present value of the aggregated lease payments to be made under the Lease Agreement in accordance with HKFRS 16.

As the highest applicable percentage ratio of the Lease (in aggregation with the transactions under the 2021 Everbright Group Property Leasing Framework Agreement) is more than 0.1% but less than 5%, the Lease is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempted from the requirement of approval from independent shareholders.

## DEFINITIONS

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

“2021 Everbright Group Property Leasing Framework Agreement”	the property leasing framework agreement entered into by the Company and Everbright Group with a term from January 1, 2022 to December 31, 2024, the details of which are set out in the announcement of the Company dated August 26, 2021
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“CEBSI”	China Everbright Securities International Company Limited, a limited company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of the Company
“Company”	Everbright Securities Company Limited (光大證券股份有限公司), a joint stock company incorporated in the PRC with limited liability and whose H shares and A shares are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 6178) and the Shanghai Stock Exchange (stock code: 601788), respectively
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	directors of the Company
“Everbright Centre Company”	Everbright Centre Company Limited, a limited company incorporated under the laws of Hong Kong and a non-wholly owned subsidiary of Everbright Group

“Everbright Group”	China Everbright Group Corporation Limited (中國光大集團股份公司) (previously known as China Everbright Group Limited (中國光大(集團)總公司)), a state-owned company incorporated under the laws of the PRC on November 12, 1990 and a controlling shareholder of the Company. Everbright Group was converted into a joint stock company and renamed China Everbright Group Corporation Limited (中國光大集團股份公司) on December 8, 2014
“Group”	the Company and its subsidiaries
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lease”	the lease of the Leased Properties under the Lease Agreement
“Lease Agreement”	the lease agreement entered into between CEBSI and Everbright Centre Company for the purpose of leasing the Leased Properties on November 29, 2023
“Leased Properties”	premises on 10/F, 12/F and 31-33/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Shareholders”	shareholders of the Company, including A Shareholders and H Shareholders

By order of the Board  
**Everbright Securities Company Limited**  
**Zhao Ling**  
*Chairman*

Shanghai, the PRC  
November 30, 2023

*As at the date of this announcement, the Board comprises Mr. Zhao Ling (Chairman, Executive Director), Mr. Liu Qiuming (Executive Director, President), Mr. Song Bingfang (Non-executive Director), Mr. Yin Yanwu (Non-executive Director), Mr. Chan Ming Kin (Non-executive Director), Mr. Xie Song (Non-executive Director), Mr. Wang Yong (Independent Non-executive Director), Mr. Po Wai Kwong (Independent Non-executive Director), Mr. Ren Yongping (Independent Non-executive Director), Mr. Yin Junming (Independent Non-executive Director) and Mr. Liu Yunhong (Independent Non-executive Director).*