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海通证券股份有限公司
HAITONG SECURITIES CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6837)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The board of directors (the “**Board**”) of Haitong Securities Co., Ltd. (the “**Company**”) has resolved to amend the relevant articles (the “**Amendments**”) in the articles of association of the Company (the “**Articles of Association**”). Details of the Amendments are as follows:

Comparison Chart of Amendments to the Articles of Association

| Original article | Proposed amended article | Basis |
|---|--|--|
| CHAPTER TEN FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING | | |
| <p>Article 258 The profit distribution policy and the profit distribution plan of the Company are formulated and considered by the Board. The Board shall take various factors into consideration, including its industry features, development stages, business model and profitability <i>as well as</i> whether it has any substantial capital expenditure arrangement, and differentiate the circumstances to propose a specific policy for distributing cash dividend according to the procedures of this Articles of Association. <u>Independent directors may also collect the opinions of minority shareholders for proposing profit distribution plan, which is then directly submitted to the Board for consideration.</u></p> | <p>Article 258 The profit distribution policy and the profit distribution plan of the Company are formulated and considered by the Board. The Board shall take various factors into consideration, including its industry features, development stages, business model and profitability, <u>solvency</u>, whether it has any substantial capital expenditure arrangement, <u>and investors' return</u>, and differentiate the circumstances to propose a specific policy for distributing cash dividend according to the procedures of this Articles of Association.</p> | <p>Article 155 of Guidelines for the Articles of Association of Listed Companies (2023 Revision); Articles 5, 6 and 7 of the Regulatory Guidelines No. 3 for Listed Companies – the Distribution of Cash Dividends of Listed Companies (2023 Revision)</p> |

| Original article | Proposed amended article | Basis |
|---|---|--|
| <p>Once the Board resolved on the profit distribution policy and the profit distribution plan, they are submitted to the shareholders' general meeting for consideration. <u>Independent directors shall review and provide opinions in writing on the profit distribution policy and the profit distribution plan being submitted to the shareholders' general meeting for consideration.</u></p> <p>Prior to the consideration by the shareholders' general meeting on the specific cash dividend distribution plan, the Company should take initiatives to communicate with shareholders through various channels, especially to communicate and exchange with minority shareholders. The views and aspirations of minority shareholders shall be fully heard, with their questions concerned promptly addressed.</p> <p>After the profit distribution plan has been resolved at the shareholders' general meeting, the Board shall complete the dividend (or share) distribution within two months <u>after the holding of the shareholders' general meeting.</u></p> | <p>Once the Board resolved on the profit distribution policy and the profit distribution plan, they are submitted to the shareholders' general meeting for consideration. <u>Independent Directors shall have the right to express their independent opinions if they believe any specific cash dividend plan may prejudice the interests of the listed company or minority shareholders.</u></p> <p><u>If the Board does not adopt or fully adopt the opinions of the Independent Directors, the opinions of the Independent Directors and the specific reasons for not adopting them shall be recorded in the resolutions of the Board and disclosed.</u> Prior to the consideration by the shareholders' general meeting on the specific cash dividend distribution plan, the Company should take initiatives to communicate with shareholders through various channels, especially to communicate and exchange with minority shareholders. The views and aspirations of minority shareholders shall be fully heard, with their questions concerned promptly addressed.</p> <p>After the profit distribution plan has been resolved at the shareholders' general meeting <u>or</u> after the Board <u>has formulated specific plan based on the conditions and upper limit for the next interim dividend distribution approved by the annual general meeting,</u> the dividend (or share) distribution shall be completed within two months.</p> | |
| <p>Article 259 The Company adopts a continuous, stable and aggressive profit distribution policy, which focuses on providing reasonable investment returns to Shareholders. The Company may, according to the profit made by the Company and taking into account the actual situation as well as current and long-term benefit of the Company, distribute dividend by way of cash or shares, and have the priority to distribute dividend by cash.</p> | <p>Article 259 The Company adopts a continuous, stable and aggressive profit distribution policy, which focuses on providing reasonable investment returns to Shareholders. The Company may, according to the profit made by the Company and taking into account the actual situation as well as current and long-term benefit of the Company, distribute dividend by way of cash or shares, and have the priority to distribute dividend by cash.</p> | <p>Article 156 of Guidelines for the Articles of Association of Listed Companies (2023 Revision); Articles 8 and 13 of the Regulatory Guidelines No. 3 for Listed Companies – the Distribution of Cash Dividends of Listed Companies (2023 Revision)</p> |

| Original article | Proposed amended article | Basis |
|---|--|-------|
| <p>In principle, the Company will distribute cash dividend for the year with profit. The Company may distribute interim dividend. Profit distribution shall satisfy the regulatory requirements, not exceed the accumulated distributable profit and not influence continuous operation capacity of the Company. If the Company generated profits in the previous accounting year but the Board did not make any cash profit distribution proposal after the end of the previous accounting year, the Company shall state the reasons for not distributing the profit and the usage of the profit retained in the annual report <u>and the Independent Directors shall give an independent opinion in such regard.</u></p> <p>The accumulated cash distribution of profit for the last three years of the Company were not less than 30% of the average annual distributable profit. Specific percentage of dividend distribution for each year shall meet the needs of corporate operation and development and be resolved in accordance with the annual earnings conditions and future plans on usage of funds. If any of the following circumstances occurs, the Company can adjust or amend the aforesaid profit distribution policy by obtaining the approval from more than two thirds of voting rights held by shareholders attending the shareholders' general meeting:</p> | <p>In principle, the Company will distribute cash dividend for the year with profit. The Company may distribute interim dividend. Profit distribution shall satisfy the regulatory requirements, not exceed the accumulated distributable profit and not influence continuous operation capacity of the Company. If the Company generated profits in the previous accounting year but the Board did not make any cash profit distribution proposal after the end of the previous accounting year, the Company shall state the reasons for not distributing the profit and the usage of the profit retained in the annual report <u>and the measures it intends to take to improve investors' return in the future.</u></p> <p><u>If the latest audit report of the Company is a modified opinion or an unqualified opinion with a paragraph of material uncertainty related to going concern or falls within other circumstances as prescribed by laws and regulations, the Company may choose not to make profit distribution.</u></p> <p><u>It is the Company's objective of cash dividend policy that the</u> accumulated cash distribution of profit for the last three years of the Company <u>be</u> not less than 30% of the average annual distributable profit. Specific percentage of dividend distribution for each year shall meet the needs of corporate operation and development and be resolved in accordance with the annual earnings conditions and future plans on usage of funds.</p> <p>If any of the following circumstances occurs, the Company can adjust or amend the aforesaid profit distribution policy by obtaining the approval from more than two thirds of voting rights held by shareholders attending the shareholders' general meeting:</p> | |

| Original article | Proposed amended article | Basis |
|---|---|-------|
| <p>(i) there are changes in, or adjustments to, the relevant laws and regulations;</p> <p>(ii) the risk control indicators (such as net capital) reach the warning levels;</p> <p>(iii) the Company's operating conditions deteriorate;</p> <p>(iv) the Board proposes the adjustments.</p> <p>In the event that adjustments to the Company's profit distribution policy are necessary due to the needs of operation and long-term development, the adjusted profit distribution policy shall comply with the relevant requirements of the regulatory authorities. Any resolution regarding the adjustments to the Company's cash dividend policy shall be approved by two thirds of the voting rights of the shareholders attending the shareholders' general meeting and online voting shall be available. The Company shall consider the views of public investors and timely respond to the questions concerned by public investors.</p> <p>The Company should disclose in annual reports the formulation, implementation of the dividend distribution policy and other relevant circumstances in accordance with the relevant provisions. If the cash dividend policy is to be adjusted or amended, whether the conditions and procedures for the adjustments or amendments are in compliance with the regulations and transparent should be disclosed in details.</p> <p>The proportion of cash dividends in the profit distribution is calculated by dividing cash dividends by the sum of cash dividends and stock dividends.</p> | <p>(i) there are changes in, or adjustments to, the relevant laws and regulations;</p> <p>(ii) the risk control indicators (such as net capital) reach the warning levels;</p> <p>(iii) the Company's operating conditions deteriorate;</p> <p>(iv) the Board proposes the adjustments.</p> <p>In the event that adjustments to the Company's profit distribution policy are necessary due to the needs of operation and long-term development, the adjusted profit distribution policy shall comply with the relevant requirements of the regulatory authorities. Any resolution regarding the adjustments to the Company's cash dividend policy shall be approved by two thirds of the voting rights of the shareholders attending the shareholders' general meeting and online voting shall be available. The Company shall consider the views of public investors and timely respond to the questions concerned by public investors.</p> <p>The Company should disclose in annual reports the formulation, implementation of the dividend distribution policy and other relevant circumstances in accordance with the relevant provisions. If the cash dividend policy is to be adjusted or amended, whether the conditions and procedures for the adjustments or amendments are in compliance with the regulations and transparent should be disclosed in details.</p> <p>The proportion of cash dividends in the profit distribution is calculated by dividing cash dividends by the sum of cash dividends and stock dividends.</p> | |

The Amendments are still subject to consideration and approval at the annual general meeting. The Board agrees to submit a proposal to the general meeting to authorise the Board, which may delegate such authority to the Company's management, to handle the filing procedures with the relevant regulatory authorities in relation to the amendments to the Articles of Association, and to make non-substantive changes to the wording of the amendments to the Articles of Association in accordance with the opinions of the regulatory authorities.

A circular containing, among other things, details of the above resolution, together with the notice of the annual general meeting of the Company, will be despatched to the shareholders in due course.

By order of the Board
Haitong Securities Co., Ltd.
ZHOU Jie
Chairman

Shanghai, the PRC
26 April 2024

As at the date of this announcement, the executive directors of the Company are Mr. ZHOU Jie and Mr. LI Jun; the non-executive directors of the Company are Mr. TU Xuanxuan, Mr. SHI Lei, Ms. XIAO Hehua and Mr. XU Jianguo; the independent non-executive directors of the Company are Mr. ZHOU Yu, Mr. FAN Ren Da Anthony, Mr. MAO Fugen and Mr. MAO Huigang.

* *For identification purpose only*