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恒 投 證 券
HENGTOU SECURITIES

(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English))

(the “Company”)
(Stock Code: 01476)

**RESIGNATION OF NON-EXECUTIVE DIRECTOR
ELECTION OF MR. PANG JIEMIN AS A NON-EXECUTIVE
DIRECTOR OF THE FIFTH SESSION OF THE BOARD
PROPOSED AMENDMENTS TO THE RELATED PARTY
(CONNECTED) TRANSACTIONS MANAGEMENT POLICY
PROPOSED BORROWING OF SUBORDINATED DEBT
AND
THE EGM AND CLOSURE OF REGISTER OF MEMBERS**

The Board is pleased to announce that a Board meeting was held on 16 December 2024 to resolve the following matters:

1. RESIGNATION OF NON-EXECUTIVE DIRECTOR

Mr. Yu Lei has tendered his resignation as a non-executive Director due to the need to focus on his other personal commitments, with effect from the date when the appointment of a new non-executive Director is considered and approved at the EGM.

Mr. Yu Lei has confirmed that he has no disagreement with the Board and that there is no other matter relating to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

2. ELECTION OF MR. PANG JIEMIN AS A NON-EXECUTIVE DIRECTOR OF THE FIFTH SESSION OF THE BOARD

Pursuant to the Articles of Association, the election of Mr. Pang Jiemin as a non-executive Director of the fifth session of the Board were proposed by the Board.

An ordinary resolution will be proposed at the EGM to consider and approve the election of Mr. Pang Jiemin as a non-executive Director of the fifth session of the Board.

The biographical details of Mr. Pang Jiemin, who has been nominated as a non-executive Director, are set out below:

Mr. Pang Jiemin (“**Mr. Pang**”), aged 53, has been the chairman of Tianfeng Securities Co., Ltd. (天風證券股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601162) since February 2024, and the secretary of the party committee of Tianfeng Securities Co., Ltd. since October 2024. Mr. Pang worked at the Beijing Branch of the People’s Bank of China (中國人民銀行北京分行), the institutional supervision department of China Securities Regulatory Commission (中國證監會機構監管部), and the Financial Services Office of Xicheng District, Beijing (北京市西城區金融服務辦公室). Mr. Pang served as the deputy general manager of Beijing Financial Street Investment (Group) Co., Ltd. (北京金融街投資(集團)有限公司), and chief operating officer and general manager of compliance and risk control department of China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限責任公司). Mr. Pang served as the chairman of the Company from December 2010 to December 2020. From January 2024 to September 2024, Mr. Pang served as the deputy secretary of the party committee of Tianfeng Securities Co., Ltd.. Mr. Pang graduated from Hebei College of Finance and Economics (河北財經學院) (now known as Hebei University of Economics and Business (河北經貿大學)) with a bachelor’s degree in finance in July 1993; obtained a master’s degree in economics from Central Institute of Finance and Banking (中央財政金融學院) (now known as Central University of Finance and Economics (中央財經大學)) in March 1996; and obtained a doctor’s degree in economics in Southwestern University of Finance and Economics (西南財經大學) in January 2005.

Saved as disclosed above, Mr. Pang Jiemin did not hold any other positions in the Company or any of its subsidiaries, or hold any directorships in any other listed companies in the last three years. Mr. Pang Jiemin does not have any relationship with any Director, senior management or substantial Shareholders of the Company, nor does he has or is deemed to have any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

The term of office of Mr. Pang Jiemin will commence from the date of consideration and approval at the EGM until the expiration of the term of office of the fifth session of the Board. The Company will enter into a service contract with Mr. Pang Jiemin. Mr. Pang Jiemin will receive Director's fee in accordance with the prevailing non-executive Director's fee standards of the Company.

Save as disclosed above, the Board is not aware of any other matters in relation to the election of Mr. Pang Jiemin that need to be brought to the attention of the Shareholders or any information that need to be disclosed pursuant to the requirement of Rules 13.51(2) (h) to 13.51(2) (v) of the Listing Rules.

3. PROPOSED AMENDMENTS TO THE RELATED PARTY (CONNECTED) TRANSACTIONS MANAGEMENT POLICY

An ordinary resolution will be proposed at the EGM to consider and approve the amendments to the Related Party (Connected) Transactions Management Policy.

Given that the Implementation Guidelines on Related Party Transactions of Listed Companies of the Shanghai Stock Exchange was abolished on 7 January 2022, the corresponding amendments to the Related Party (Connected) Transactions Management Policy shall be made in accordance with the provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (as amended in April 2024). The Board proposes to make following amendments to relevant articles of the Related Party (Connected) Transactions Management Policy:

Original articles	Proposed to be amended as
<p>Article 1 In order to protect the interests of investors and Hengtai Securities Co., Ltd. (the “Company”) and regulate the related party (connected) (“related party”) transactions of the Company, the system is formulated in accordance with the “Company Law of the People’s Republic of China”, the “Securities Law of the People’s Republic of China”, “Accounting Standards for Enterprises No.36–Disclosure of Related Parties”, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “Hong Kong Listing Rules”), Notification of CSRC on Further Strengthening Related Party Transaction Supervision of Securities Companies and the Implementation Guidelines on Related Party Transactions of Listed Companies of the Shanghai Stock Exchange (“Guidelines on Related Party Transactions of Listed Companies of the SSE”) and other relevant laws and regulations and relevant regulations of the Articles of Association of Hengtai Securities Co., Ltd” (“Articles of Association”).</p>	<p>Article 1 In order to protect the interests of investors and Hengtai Securities Co., Ltd. (the “Company”) and regulate the related party (connected) (“related party”) transactions of the Company, the system is formulated in accordance with the “Company Law of the People’s Republic of China”, the “Securities Law of the People’s Republic of China”, “Accounting Standards for Enterprises No.36–Disclosure of Related Parties”, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “Hong Kong Listing Rules”), Notification of CSRC on Further Strengthening Related Party Transaction Supervision of Securities Companies and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (the “SSE Listing Rules”) and other relevant laws and regulations and relevant regulations of the Articles of Association of Hengtai Securities Co., Ltd” (“Articles of Association”).</p>

Original articles	Proposed to be amended as
<p>Article 5 This Policy of related party transactions includes related party transactions under the Guidelines on Related Party Transactions of Listed Companies of the SSE, and connected transactions as defined under the Hong Kong Listing Rules.</p> <p>Under the Guidelines on Related Party Transactions of Listed Companies of the SSE, related party transactions represent those entered into between the Company and its holding subsidiaries and related persons of the Company which involve transfer of resources or obligations, including but not limited to:</p> <ol style="list-style-type: none"> (1) purchase or sale of assets; (2) external investments (including entrusted financing, entrusted loans etc.); (3) provision of financial assistance; (4) provision of guarantees; (5) lease or rental of assets; (6) management of assets and operations by consignment or commission; (7) donating or receiving assets as a gift; (8) restructuring of claims or debts; (9) execution of licensing agreements; 	<p>Article 5 This Policy of related party transactions includes related party transactions under the SSE Listing Rules, and connected transactions as defined under the Hong Kong Listing Rules.</p> <p>Under the SSE Listing Rules, related party transactions represent those entered into between the Company and its holding subsidiaries and related persons of the Company which involve transfer of resources or obligations, including but not limited to:</p> <ol style="list-style-type: none"> (1) purchase or sale of assets; (2) external investments (including entrusted financing, investment in subsidiaries, etc.); (3) provision of financial assistance (including interest bearing or non-interest bearing loans and entrusted loans, etc.); (4) provision of guarantees (including those for the controlling subsidiaries, etc.); (5) lease or rental of assets; (6) management of assets and operations by consignment or commission; (7) donating or receiving assets as a gift; (8) restructuring of claims or debts; (9) execution of licensing agreements;

Original articles	Proposed to be amended as
(10) transfer or acquisition of research and development projects;	(10) transfer or acquisition of research and development projects;
(11) purchase of raw materials, fuels and powers;	(11) purchase of raw materials, fuels and powers;
(12) sale of products and goods;	(12) sale of products and goods;
(13) provision or receipt of labor services;	(13) provision or receipt of labor services;
(14) designated or entrusted sales;	(14) designated or entrusted sales;
(15) deposits or loans with finance companies of the related persons;	(15) deposits or loans with finance companies of the related persons;
(16) joint investment with the related persons;	(16) joint investment with the related persons;
(17) other matters which may give rise to a transfer of resources or obligations by agreement and other related matters of related party transactions determined by relevant laws and regulations.	(17) waiver of rights (including waiver of preemptive right, priority for invited capital contribution and other rights); (18) other matters which may give rise to a transfer of resources or obligations by agreement and other related matters of related party transactions determined by relevant laws and regulations.

Original articles	Proposed to be amended as
<p>Article 6 To the extent permitted by the laws and regulations, the following items are exempted from being treated as related party transactions:</p> <p>(1) transaction in which either party subscribes for the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party in cash;</p> <p>(2) transaction in which either party, as a member of the underwriters, underwrites the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party;</p> <p>(3) transaction in which either party receives dividend, bonus or reward in accordance with the resolutions passed at the general meeting of the other party;</p> <p>(4) other circumstances determined by regulatory authorities.</p>	<p>Article 6 Consideration and disclosure requirements for related party transactions may be waived for the following related party transactions entered into between the Company and its related persons:</p> <p>(1) transaction in which the Company unilaterally obtains benefits without any consideration or obligation, including receiving cash assets as gifts, obtaining debt relief, accepting guarantees and financial assistance without consideration;</p> <p>(2) provision of unsecured funds by a related person to the Company at an interest rate not exceeding the loan interest rate prevailing in the market;</p> <p>(3) transaction in which either party subscribes for the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party in cash;</p> <p>(4) transaction in which either party, as a member of the underwriters, underwrites the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party;</p> <p>(5) transaction in which either party receives dividend, bonus or reward in accordance with the resolutions passed at the general meeting of the other party;</p>

Original articles	Proposed to be amended as
	<p>(6) transaction in which either party participates in the public tender or auction of the other party, except where the tender or auction is unlikely to establish a fair price;</p> <p>(7) transaction in which the Company provides products and services to connected natural persons as defined in items (II) to (IV) of Article 11 hereunder on the same trading conditions as non-related persons;</p> <p>(8) related party transaction in which the price is fixed by the state;</p> <p>(9) other circumstances determined by regulatory authorities.</p>
<p>Article 9 The related persons of the Company consist of related legal persons and related natural persons as regulated by the Guidelines on Related Party Transactions of Listed Companies of the SSE or connected persons as defined under Chapter 14A of the Hong Kong Listing Rules.</p>	<p>Article 9 The related persons of the Company consist of related legal persons and related natural persons as regulated by the SSE Listing Rules or connected persons as defined under Chapter 14A of the Hong Kong Listing Rules.</p>
<p>Article 10 Legal persons that meet any of the following requirements of the Guidelines on Related Party Transactions of Listed Companies of the SSE, shall be the related legal persons of the Company:</p> <p>.....</p>	<p>Article 10 Legal persons that meet any of the following requirements of the SSE Listing Rules, shall be the related legal persons of the Company:</p> <p>.....</p>

Original articles	Proposed to be amended as
<p>Article 11 A natural person shall be deemed as a related natural person of the Company, which meets the requirements of the Guidelines on Related Party Transactions of Listed Companies of the SSE, under any of the following circumstances:</p> <p>.....</p>	<p>Article 11 A natural person shall be deemed as a related natural person of the Company, which meets the requirements of the SSE Listing Rules, under any of the following circumstances:</p> <p>.....</p>
<p>Article 22 Decision-making authority</p> <p>The Company shall abide by the provisions of Articles 22 to 30 and Article 33 of the system when considering the related party transactions that comply with the provisions of the Guidelines on Related Party Transactions of Listed Companies of the SSE:</p> <p>.....</p>	<p>Article 22 Decision-making authority</p> <p>The Company shall abide by the provisions of Articles 22 to 29 and Article 32 of the system when considering the related party transactions that comply with the provisions of the SSE Listing Rules:</p> <p>.....</p>
<p>Article 23 If a related party transaction involves equity or other assets other than equity and monetary cash, in addition to timely disclosure, an intermediary organization qualified in carrying out business relating to securities and futures shall also be appointed to value or audit the object, and such related party transaction shall be submitted to the general meeting for consideration.</p>	<p>This article is deleted and merged with the original Article 25.</p>

Original articles	Proposed to be amended as
<p>Article 25 The Company shall also employ an intermediary organization qualified in carrying out business relating to securities and futures to audit or value the object of the material related party transaction between the Company and the related parties which requires to be approved at the general meeting, related party transaction on sale and purchase or service relating to the daily operation of the Company may be exempted from auditing or valuation.</p>	<p>Article 24 If the object of a related party transaction is equity or other assets other than equity and monetary cash, the Company shall also employ an intermediary organization qualified in carrying out business relating to securities and futures to audit or value the object of the material related party transaction between the Company and the related parties which requires to be approved at the general meeting, related party transaction on sale and purchase or service relating to the daily operation of the Company may be exempted from auditing or valuation.</p>
<p>Article 33 If a transaction is a related party transaction under the Implementation Guidelines on Related Party Transactions of Listed Companies of the Shanghai Stock Exchange as well as a connected transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall comply with the stricter rules under this policy and go through relevant approval procedure. If a transaction is only a related party transaction under the Implementation Guidelines on Related Party Transactions of Listed Companies of the Shanghai Stock Exchange, or only a connected transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall only comply with the applicable provisions in this policy.</p>	<p>Article 32 If a transaction is a related party transaction under the SSE Listing Rules as well as a connected transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall comply with the stricter rules under this policy and go through relevant approval procedure. If a transaction is only a related party transaction under the SSE Listing Rules, or only a connected transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall only comply with the applicable provisions in this policy.</p>

Original articles	Proposed to be amended as
<p>Article 36 The definitions of “daily related party transactions” shall comply with the relevant requirements of the Guidelines on Related Party Transactions of Listed Companies of the SSE, and the “daily related party transactions” referred to in this system include but are not limited to: providing securities brokerage services, securities asset management services, securities underwriting and sponsor services, trading units leasing service, securities investment advisory services, financial products agency sale services, financial consulting relating to the securities trading and securities investment and other daily related party transactions as required by the stock exchange.</p>	<p>Article 35 The definitions of “daily related party transactions” shall comply with the relevant requirements of the SSE Listing Rules, and the “daily related party transactions” referred to in this system include but are not limited to: providing securities brokerage services, securities asset management services, securities underwriting and sponsor services, trading units leasing service, securities investment advisory services, financial products agency sale services, financial consulting relating to the securities trading and securities investment and other daily related party transactions as required by the stock exchange.</p>
<p>Article 38 In the event of any substantial changes to the major terms of the daily related party transaction agreement during its execution or where the agreement expires and shall be renewed, the Company shall, with reference to the aggregate transaction amount involved in such agreement, resubmit for consideration in accordance with this system.</p>	<p>Article 37 In the event of any substantial changes to the major terms of the daily related party transaction agreement during its execution or where the agreement expires and shall be renewed, the Company shall, with reference to the aggregate transaction amount involved in such agreement, resubmit for consideration in accordance with this system.</p> <p>Daily related party transactions shall also comply with relevant laws and regulations, regulatory requirements, and self-regulatory rules.</p>

The English version of the proposed amendments to the Related Party (Connected) Transactions Management Policy is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The proposed amendments to the Related Party (Connected) Transactions Management Policy shall become effective upon approval by the Shareholders as an ordinary resolution at the EGM.

4. PROPOSED BORROWING OF SUBORDINATED DEBT

A special resolution will be proposed at the EGM to consider and approve the proposed borrowing of the subordinated debt.

In order to supplement the net capital and optimise the debt structure of the Company, the Company proposes to borrow subordinated debt from the de facto controller, controlling Shareholders, other related parties or institutional investors. The details of the proposed borrowing of subordinated debt are set out below:

Borrowing size:	The Company intends to borrow subordinated debt in instalments of amounts up to and not more than RMB2.5 billion.
Intended purpose of borrowed funds:	To replace the Company's short-term interest-bearing debt with supplement to the Company's net capital and operating capital.
Term:	The term of this subordinated debt shall be 5 years.
Interest rate setting and payment method:	The interest rate of this subordinated debt is fixed and the annual interest rate is determined through negotiation based on market interest rates. Interest will be paid quarterly and the principal and interest will be repaid at maturity. Unless otherwise agreed in writing by both parties, the interest rate will not be adjusted during the Term.
Borrowing targets:	<p>The Company's de facto controller, controlling Shareholders, other related parties and institutional investors. Institutional investors include:</p> <ol style="list-style-type: none">(1) financial institutions approved by the regulatory authorities and their products or private equity funds;(2) pension funds, charitable funds and other social welfare funds;(3) Legal entities with net assets of not less than RMB20 million and financial assets of not less than RMB10 million and with more than 2 years of investment experience.

Validity period: Within 36 months from the date of approval at the EGM.

Authorisation matters: It is proposed at the EGM to authorise the Board and the Board further authorises the management of the Company to handle with its absolute discretion, all the relevant matters regarding the borrowing of the subordinated debt, in accordance with requirements of the relevant laws and regulations as well as the opinions and recommendations of the regulatory authorities, under the framework and principles of the plan on borrowing of subordinated debt as approved at the EGM and based on the principle of maximizing the Company's interests, including but not limited to:

- (1) to the extent permitted by laws and regulations, formulating the terms of borrowing of the subordinated debt in accordance with the specific conditions of the Company and the market, including but not limited to the detailed size of borrowing, whether to borrow by instalments, the arrangement of the amount and term of each instalment, the interest rate of the borrowing, the borrowing target, the timing of borrowing, the term and method of repayment of principal and interest, the arrangement of the use of the borrowed funds, the measures to ensure debt repayment, the measures to mitigate repayment risks, and all other matters in relation to the terms of borrowing;

- (2) in case there is any change in policies of the regulatory authorities in respect of the borrowing of the subordinated debt or change in market condition, authorising the Board or the Board's authorised person to make relevant adjustments to matters relating to the specific proposal for the borrowing of the subordinated debt in accordance with the opinions of the regulatory authorities, or to determine whether to continue to proceed with all or part of the work in respect of the borrowing of the subordinated debt based on the actual circumstances, except for matters which requires re-approval by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association;
- (3) this authorisation is valid from the date of consideration and approval at the EGM to the date the resolution of the general meeting relating to the borrowing of the subordinated debt has lapsed or the above authorised matters are completed, whichever is earlier.

In the event that the actual borrowing of the subordinated debt by the Company constitutes a related party (connected) transaction of the Company, the Company will separately fulfil the corresponding approval procedures in accordance with the requirements of the Listing Rules and the Related Party (Connected) Transactions Management Policy.

5. THE EGM AND CLOSURE OF REGISTER OF MEMBERS

The EGM will be held on Friday, 10 January 2025.

A circular of the EGM containing the Election of Mr. Pang Jiemin as a Non-Executive Director of the Fifth Session of the Board, the Proposed Amendments to the Related Party (Connected) Transactions Management Policy, the Proposed Borrowing of Subordinated Debt together with the relevant form of proxy for the EGM as required under the Listing Rules will be published on the Company's website at www.cnht.com.cn and the website of the "HKEXnews" at www.hkexnews.hk in due course.

In order to determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 7 January 2025 to Friday, 10 January 2025 (both days inclusive) during which period no transfer of shares will be effected. Shareholders whose names appear on the register of members of the Company on Friday, 10 January 2025 shall be entitled to attend the EGM. In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's head office in the PRC at 12/F, Tower B, Desheng International Center, No. 83 Deshengmenwai Street, Xicheng District, Beijing, the PRC (for holders of Domestic Shares), or the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) no later than 4:30 p.m. on Monday, 6 January 2025 for registration.

6. DEFINITIONS

Unless the context otherwise requires, the following expressions in this announcement shall have the following meanings:

“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	a joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for or credited as fully paid in Renminbi
“EGM”	the 2025 first extraordinary general meeting of the Company to be held at the meeting room at 12/F, Tower B, Desheng International Center, No. 83 Deshengmenwai Street, Xicheng District, Beijing, the PRC at 2:00 p.m. on Friday, 10 January 2025

“H Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Related Party (Connected) Transactions Management Policy”	the related party (connected) transactions management policy of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Domestic Share(s) and the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Zhu Yanhui
Chairman

Beijing, the PRC
16 December 2024

As at the date of this announcement, the Board comprises Mr. Zhu Yanhui as executive Director; Mr. Yu Lei, Mr. Wang Linjing, Mr. Li Ye, Ms. Yang Qin and Mr. Li Yanyong as non-executive Directors; Mr. Chen Xin, Mr. Xu Hongcai and Ms. Cheng Zhuo as independent non-executive Directors.