THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this Circular or as to the action to be taken, you should consult your stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Guotai Haitong Securities Co., Ltd., you should at once hand this Circular and the enclosed proxy form to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Guotai Haitong Securities Co., Ltd.
國泰海通證券股份有限公司

(A joint-stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02611)

CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF THE NEW FRAMEWORK AGREEMENT FOR SECURITIES AND FINANCIAL PRODUCTS TRANSACTIONS AND SERVICES WITH HUAAN FUNDS
AND
NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING

Independent financial adviser to the Independent Board Committee and the Independent Shareholders



Notice convening the EGM to be held at Room 405, 768 Nanjing West Road, Jingan District, Shanghai, the PRC at 2:00 p.m. on Monday, 29 December 2025, is set out on pages EGM-1 to EGM-2 of this Circular.

Whether or not you are able to attend the EGM, you are requested to read the notices of the EGM carefully and complete the proxy form in accordance with the instructions printed thereon and return it as soon as possible. Holders of H Shares are required to return the proxy form to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, while A Shareholders are required to return the proxy form to the Board's office, but in any event the proxy form shall be returned in person or by mail not less than 24 hours before the time appointed for the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish.

5 December 2025

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APPENDIX I – GENERAL INFORMATION I-1

NOTICE OF EGM EGM-1

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

"A Share(s)"	domestic shares of the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi and are listed for trading on the Shanghai Stock Exchange
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"Company"	Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares and A Shares are listed and traded on the Main Board of the Hong Kong Stock Exchange (stock code: 02611) and the SSE (stock code: 601211), respectively
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Continuing Connected Transactions"	the transactions contemplated under the New Framework Agreement
"Director(s)"	the director(s) of the Company
"EGM"	the Company's extraordinary general meeting to be convened at 2:00 p.m. on Monday, 29 December 2025 at Room 405, 768 Nanjing West Road, Jingan District, Shanghai, the PRC to obtain the approval from the Independent Shareholders, to consider and approve the New Framework Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
"Group", "we" or "us"	the Company and its subsidiaries (or the Company and any one or more of its subsidiaries, as the context may require)
"GTJA"	Guotai Junan Securities Co., Ltd.

"GTJA Investment"	Guotai Junan Investment Management Co., Ltd. (國泰君安投資管理股份有限公司), a joint stock company with limited liability incorporated in the PRC in December 2001. As of the Latest Practicable Date, the single largest shareholder of GTJA Investment is Shanghai State-owned Assets Management Co., Ltd (上海國有資產經營有限公司, "**Shanghai State-owned Assets Management**"), holding approximately 33.55% equity interests in GTJA Investment. Shanghai State-owned Assets Management is a wholly-owned subsidiary of International Group, as such GTJA Investment is an associate of International Group and a connected person of the Company. The ultimate beneficial owner of Shanghai State-owned Assets Management is Shanghai SASAC. The other shareholders of GTJA Investment holding more than 5% equity interests in GTJA Investment are Central Huijin Investment Ltd. (中央匯金投資有限責任公司, "**Central Huijin**") and Shenzhen Investment Holdings Co., Ltd. (深圳市投資控股有限公司, "**Shenzhen Investment**"), holding approximately 14.54% and 11.49% equity interests in GTJA Investment, respectively. The ultimate beneficial owners of Central Huijin and Shenzhen Investment are the State Council of the PRC and Shenzhen State-owned Assets Supervision and Administration Commission (深圳市國有資產監督管理委員會), respectively. The remaining 40.42% equity interests are held by more than 100 shareholders, none of which holds more than 5% equity interests in GTJA Investment
"H Share(s)"	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, traded in Hong Kong dollars and listed on the Stock Exchange
"Haitong Securities"	Haitong Securities Co., Ltd.
"Haitong Group"	Haitong Securities and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"HuaAn Funds"	HuaAn Funds Management Co., Ltd. (華安基金管理有限公司), a limited liability company incorporated in the PRC in June 1998 and a fund management company who has become a subsidiary of the Company in November 2022
"HuaAn Funds Group"	HuaAn Funds and its subsidiaries
"Independent Board Committee"	an independent committee of the Board, comprising Mr. LI Renjie, Mr. WANG Guogang, Mr. PU Yonghao, Mr. MAO Fugen, Mr. CHEN Fangruo and Mr. JIANG Xian, all of whom are independent non-executive Directors, to provide recommendations to the Independent Shareholders in respect of the New Framework Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
"Independent Shareholder(s)"	the independent shareholders of the Company
"Independent Third Party(ies)"	entity(ies) or individual(s) that, to the best knowledge, information and belief of the Directors, is/are not (a) connected person(s) of the Company within the meaning of the Hong Kong Listing Rules
"International Group"	Shanghai International Group Co., Ltd. (上海國際集團有限公司), which is interested directly and indirectly in 20.40% of the total equity interest of the Company in aggregate as of the Latest Practicable Date. The ultimate beneficial owner of International Group is Shanghai SASAC

"International Investment"	Shanghai International Group Investment Co., Ltd. (上海國際集團投資有限公司) (previous name: Shanghai SITICO Asset Management Co., Ltd. (上海上國投資產管理有限公司)), a limited liability company incorporated in the PRC in March 2015 and a wholly owned subsidiary of International Group
"Jin Jiang International Investment"	Shanghai Jin Jiang International Investment and Management Company Limited (上海錦江國際投資管理有限公司), a limited liability company incorporated in the PRC in February 1990. As of the Latest Practicable Date, the ultimate beneficial owner of Jin Jiang International Investment is Shanghai SASAC
"Latest Practicable Date"	3 December 2025, being the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information contained in this Circular
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"New Framework Agreement"	the framework agreement for securities and financial products transactions and services entered into between the Company and HuaAn Funds, with a term from 1 January 2026 to 31 December 2028
"Original Framework Agreement"	the framework agreement for securities and financial products transactions and services entered into between the Company and HuaAn Funds on 20 October 2023, with a term from 1 January 2023 to 31 December 2025
"PRC"	the People's Republic of China
"Proposed Annual Caps"	the proposed annual caps under the New Framework Agreement for the Continuing Connected Transactions for the years ending 31 December 2026, 2027 and 2028
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Shanghai Industrial"	Shanghai Industrial Investment (Group) Co., Ltd (上海工業投資(集團)有限公司), a limited liability company incorporated in the PRC in November 1998. As of the Latest Practicable Date, the ultimate beneficial owner of Shanghai Industrial is Shanghai SASAC
"Shanghai SASAC"	Shanghai State-owned Assets Supervision and Administration Commission (上海市國有資產監督管理委員會)
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the same meaning ascribed to it under the Listing Rules
"%"	per cent



Guotai Haitong Securities Co., Ltd.
國泰海通證券股份有限公司

(A joint-stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02611)

Directors:
Executive Directors
Mr. Zhu Jian
Mr. Li Junjie
Mr. Nie Xiaogang

Non-executive Directors
Mr. Zhou Jie
Ms. Guan Wei
Mr. Zhong Maojun
Mr. Chen Hangbiao
Ms. Lv Chunfang
Ms. Ha Erman
Mr. Sun Minghui
Mr. Chen Yijiang

Employee Director
Mr. WU Hongwei

Independent Non-executive Directors
Mr. Li Renjie
Mr. Wang Guogang
Mr. Pu Yonghao
Mr. Mao Fugen
Mr. Chen Fangruo
Mr. Jiang Xian

Registered Office:
No. 618, Shangcheng Road
China (Shanghai) Pilot Free-Trade Zone
Shanghai
PRC

Principal place of business in Hong Kong:
40th Floor
Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong
PRC

5 December 2025

To the Shareholders,

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS RENEWAL OF THE NEW FRAMEWORK AGREEMENT FOR SECURITIES AND FINANCIAL PRODUCTS TRANSACTIONS AND SERVICES WITH HUAAN FUNDS AND NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the EGM to be held at Room 405, 768 Nanjing West Road, Jingan District, Shanghai, the PRC at 2:00 p.m. on Monday, 29 December 2025.

The purpose of this Circular is to provide you with, among other things, (i) details of the New Framework Agreement with HuaAn Funds and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice issued by the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM.

II. RENEWAL OF THE NEW FRAMEWORK AGREEMENT

References are made to the announcements of the Company dated 29 December 2022, 20 October 2023 and 30 October 2025 and the circular dated 13 November 2023, in respect of the Original Framework Agreement entered into between the Company and HuaAn Funds. Since the Original Framework Agreement will expire on 31 December 2025, and the Group expects such transactions to continue thereafter, on 30 October 2025, the Board approved the Company to renew the New Framework Agreement with HuaAn Funds, pursuant to which the New Framework Agreement will be valid for a term commencing from 1 January 2026 to 31 December 2028.

Pursuant to the New Framework Agreement, the Group and HuaAn Funds Group agreed to conduct securities and financial transactions with each other and provide securities and financial products as well as financial services to each other, in our and their respective ordinary course of business based on normal commercial terms and market practices at prevailing market prices or rates.

The New Framework Agreement has not been executed yet as at the Latest Practicable Date and is still subject to the approval from the Independent Shareholders at the EGM. The Company will make an announcement in due course in accordance with the requirements under the Listing Rules and the rules of the Shanghai Stock Exchange.

1. Summary of Principal Terms of the New Framework Agreement

Parties: (1) the Company; and

(2) HuaAn Funds

Term: From 1 January 2026 to 31 December 2028 (both dates inclusive)

2. Scope of Continuing Connected Transactions

The Group, as a leading integrated financial services provider, engage in securities and financial product transactions with HuaAn Funds Group in the ordinary course of business, primarily including but not limited to the subscription by the Group for fixed-income or equity-oriented fund products and other securities and financial instruments issued and managed by HuaAn Funds. In addition, both parties may provide with each other bond repo transactions, as well as other securities and financial products permitted by applicable regulatory authorities.

a) Securities and Financial Product Transactions

According to the New Framework Agreement, we expect that the Securities and Financial Product Transactions between us and HuaAn Funds Group include (but not limited to) the following:

- **products with fixed-income features** – including but not limited to bonds, funds, trust, wealth management products, asset management plans, asset-backed securities products, bond borrowing and lending, structured products, futures and other financial products with fixed-income features; interest rates and credit risk derivatives and other fixed income products;

- **equity products –** including but not limited to equity products (including stocks, equity interests, stocks listed on the National Equities Exchange and Quotations and other products with features of equity), funds, trusts, wealth management products, asset management products and equity derivatives (such as swaps, futures, options, etc.);

- **financing transactions** – secured or unsecured financing transactions (including but not limited to lending and borrowing, repurchase, inter-bank deposits, income right, asset-backed securities, mutual debt certificates, short-term financing bonds, income certificates, subordinated bonds and corporate bonds); and

- **other relevant securities and financial products transactions permitted by regulatory authorities** – including but not limited to futures, commodity exchange, foreign exchange ("**FX**").

together, the "**Securities and Financial Product Transactions**".

In the ordinary course of business, the Group may from time to time subscribe for products with fixed-income features (including money market funds, bond funds, and bond ETFs) and equity products (including equity funds, index funds and ETFs) issued by HuaAn Funds Group. Under these transactions, amounts paid by the Group upon subscription of such funds are recorded as cash outflow, while amounts received by the Group upon redemption of such funds are recorded as cash inflow. As for financing transactions, the parties may provide each other with secured or unsecured financial transactions, such as bond repo transaction. Under these transactions, a cash outflow is recorded when the Group lends to HuaAn Funds Group against pledged bonds, and a cash inflow is recorded when the roles are reversed. As for other relevant securities and financial products transactions permitted by regulatory authorities, for example FX, the Group will provide FX hedging solutions to HuaAn Funds Group, such as margin-based the Leveraged FX Trading Service, under which HuaAn Funds Group deposits margin with the Group to trade FX spot contracts on a leveraged basis, with the margin deposit recorded as cash inflow and its return recorded as cash outflow.

b) Financial Services

In addition to the Securities and Financial Product Transactions, the Group and HuaAn Funds Group also provide to each other with Financial Services in our and their respective ordinary course of business.

Services provided by the Group to HuaAn Funds Group pursuant to the New Framework Agreement include (but not limited to):

- **financial products agency sale services** – providing agency service for selling financial products;
- **brokerage services** – including but not limited to brokerage services for securities brokers, futures brokers and other related financial products;
- **rental of trading booths** – providing rental service of trading booths;
- **custody and outsourcing** – providing asset custody and operation outsourcing services; and
- **other relevant securities and financial services permitted by regulatory authorities** –including but not limited to financial and securities consulting and advisory services and commodity services.

Services provided by HuaAn Funds Group to the Group pursuant to the New Framework Agreement include (but not limited to):

- **financial products agency sale services** – including but not limited to agency sale of financial products;
- **entrusted asset management services** – including but not limited to the management of entrusted assets of customers; and
- **other financial and securities consulting and advisory services permitted by regulatory authorities** – including but not limited to fund investment-related advisory services, and private asset management-related advisory services.

together, the "**Financial Services**".

Regarding financial products agency sale services, the parties provide each other with agency sale services where a financial institution, entrusted by the issuer of financial products, promotes or sells legally issued financial products to clients. The distinction lies in the type of financial products being distributed: HuaAn Funds Group engages the Group mainly to distribute asset management products issued in Mainland China, whereas the Group may engage HuaAn Funds Group primarily to distribute financial products issued in Hong Kong (such as funds).

Pricing Basis

The pricing basis for the Securities and Financial Product Transactions and Financial Services is set out as follows.

a) Securities and Financial Product Transactions

Securities and Financial Product Transactions are principally conducted in China interbank bond market and China exchange bond market, exchanges (including stock exchanges, future exchanges, Shanghai Gold Exchange and China Foreign Exchange Trade System) and other over-the-counter markets, with transaction prices and related fees determined based on prevailing market prices. The pricing of such transactions is also subject to strict regulation in the PRC and shall comply with applicable laws and regulations of the PRC. Below is a summary of the pricing basis of each of the Securities and Financial Product Transactions.

- Products with fixed-income features

The fixed-income products and transactions in the PRC are mainly carried out through the interbank bond market and stock exchanges (call auction trading system, bulk trading platform and fixed-income platform). Except for the call auction trading on the exchanges, the prices for transactions in the interbank bond market, the bulk trading platforms and the fixed-income platforms of stock exchanges are mainly determined by reference to the bond valuations published by China Central Depository & Clearing Company Limited ("**CCDC**") and China Securities Depository and Clearing Corporation Limited ("**CSDC**"). The deviation of the price quoted for a transaction in the interbank bond market shall be within 2% of the valuation published by CCDC, otherwise, it shall be reported to CCDC. In the absence of reasonable reasons, the abnormal pricing may be subject to a warning or even punishment by regulatory authorities. With regard to fixed-income products and transactions conducted on stock exchanges, the price for a call auction trading is the prevailing market price, and the price for a non-call auction trading is mainly determined by reference to the bond valuation published by CSDC.

With regard to fixed-income financing instruments issued by HuaAn Funds Group and subscribed by the Group or the financing instruments issued by the Group and subscribed by HuaAn Funds Group, the subscription price is determined by the issuer of the financing instruments with reference to the valuations of the financing instruments published by CCDC or CSDC with the same credit and term and shall be in line with the subscription price for other investors. The Company and HuaAn Funds Group shall comply with the relevant administrative regulations, rules and measures of the PRC governing the issuance of their financial instruments, including pricing.

The fixed-income products outside the PRC are mainly traded on the over-the-counter market, with the transaction pricing mainly determined by reference to the market inquiry by the market makers.

- Equity products

A majority of certain equity products and transactions carried out in the securities market, including the stock market, are carried out through systems in which the identities of the counterparties are unknown and the transaction price is based on the prices quoted by the counterparties in the market. Real-time quotations for relevant securities and financial products are obtained through the trading systems of relevant stock exchanges; with regard to equity products for which the reference market price is unavailable in the market, the prices are mainly determined by reference to the market-based valuation method and the market price of similar products.

- Financing transactions

In terms of inter-bank lending and borrowing and repurchases, they are variably quoted based on SHIBOR of the National Interbank Funding Center and the time-weighted rate of repurchase at the front office along with certain factors, such as assessment of prevailing capital adequacy, the credit quality of counterparties and the quality of collaterals, such as pledged bonds. The pricing of such transactions are also subject to strict PRC regulatory supervision and requirements of the applicable PRC laws and regulations.

- Over-the-counter derivative transactions

The prices for over-the-counter derivative transactions are mainly determined: (1) according to derivative pricing models, such as Monte Carlo simulation and Black-Scholes model; (2) by reference to expected changes in the prices of relevant targets.

- Gold products, futures and foreign exchange transactions

Relevant gold products, futures and foreign exchange transactions are mainly carried out on Shanghai Gold Exchange, China Financial Futures Exchange and China Foreign Exchange Trade System, under a call auction mechanism or quote request mechanism, and with the pricing mainly based on the transactions of certain securities and financial products in the market. The Company has access to the trading systems of relevant exchanges to obtain real time quotations for the relevant securities and financial products.

- Other securities and financial products and transactions

Securities and financial products and transactions also include subscriptions of funds, trust, wealth management products and asset management products (the "**Products**"). The pricing of such transactions is determined based on the unit net value of the relevant Products on the date of transaction. The unit net value of such Products is calculated by dividing the net asset value of the Products by the amount of the fund units. The net asset value of the Products is the sum of the values of various marketable securities and notes, principals and interests of bank deposits, fund subscription monies receivables and other assets invested by such Products, less the liabilities of such Products, the calculation of which shall be in compliance with the China Accounting Standards for Business Enterprises. The net value of such Products is audited by a manager, reviewed by a custodian and confirmed by an external audit firm on a regular basis. The calculation method of the unit net value of the Products is set forth in the fund contract and prospectus, and equally applies to all investors of the Products.

b) Financial Services

- **Financial products agency sale services** – The price is determined after arm's length negotiation, based on market prices, industry management and the total amount of financial products covered under the sales agency arrangements, with reference to the fees charged by HuaAn Funds or the Company for similar sales agency services to independent customers;

- **Brokerage services** – The price is determined after arm's length negotiation with reference to the prevailing market rates for similar securities or futures;

- **Rental of trading booths** – The commission rates for the rental of trading booths are fairly transparent in the market. The Company calculates the commission as a percentage of the amount of each transaction conducted through the trading booth and such percentage is determined based on prevailing market prices and industry practice;

- **Custody and outsourcing** – The rates for the services are generally transparent and standardized. The Company performs its responsibilities including asset custody, investment liquidation, valuation calculation, investment supervision, information disclosure and reporting in accordance with laws and regulations and fund contracts. Relevant rates are determined after arm's length negotiation, in consideration of factors including market competition;

- **Entrusted asset management services** – The rates are determined after arm's length negotiation, with reference to factors such as prevailing market rates, the value of products sold or the size of the entrusted assets and the complexity of providing the specified services;

- **Other securities and financial services including securities and financial consulting and advisory services and commodity services** – The prices are determined by the nature of the transaction in accordance with applicable laws and regulations with reference to prevailing market prices.

3. Internal Control Measures to Regulate the Continuing Connected Transactions

The Group has adopted a series of internal pricing policies and approval procedures to regulate the mutual provision of securities and financial products and services among the Company and HuaAn Funds Group. The major internal policies include the following:

- The terms (including pricing terms) in respect of the securities and financial services contemplated under the New Framework Agreement shall be similar to those offered by/to an Independent Third Party for comparable services, and shall be subject to the same internal selection, approval and supervision procedures and pricing policies applicable to an Independent Third Party.

- For Securities and Financial Product Transactions and Financial Services provided by the Group to HuaAn Funds Group, the Group will offer similar pricing terms to HuaAn Funds Group as those to other Independent Third Parties and no preferential terms shall be provided to HuaAn Funds Group. Prior to conducting such transactions, the relevant departments of the Company would conduct inspection and due diligence, assess whether the pricing is in compliance with relevant policies and procedures of the Group and whether the price is fair and reasonable after considering specific factors such as services provided, and grant approval, where appropriate.

- For Securities and Financial Product Transactions and Financial Services provided by HuaAn Funds Group to the Group, the Company will select suppliers and determine the relevant terms of the transactions through inquiry and negotiation process. The Company will also gather information on its suppliers and their levels

of fees and prices and compare the fees/prices and quality of services before selection. A prior assessment will be conducted by the responsible officer to assess whether the proposed prices by suppliers are fair and reasonable before submission for consideration and approval to the head of the relevant department. In such case, any offer from HuaAn Funds Group needs to pass through the selection process the same as other suppliers before it could be appointed. As the Company will consider the various updated market information available and because of the uniqueness of financial transactions, there is no specific internal requirement as to the number of suppliers that will be selected for a particular type of service.

- The internal audit department of the Company will conduct an audit of material connected transactions, and the audit report will be submitted to the Board for consideration.

- The Company has formulated internal guidelines in accordance with Listing Rules, stipulating relevant approval procedures for connected transactions.

The conduct of continuing connected transactions is also subject to annual review by all independent non-executive Directors and confirmation on that such transactions are in ordinary and usual course of business, on normal commercial terms or better, and the terms thereof are fair and reasonable and in the interest of Shareholders of the Company as a whole. The auditors of the Company will conduct an annual review of the Company's continuing connected transactions and provide confirmations that such transactions are conducted in accordance with the pricing policies, the terms of the New Framework Agreement and the approval of the Board, and such transactions did not exceed the annual cap.

4. Historical Figures, Proposed Annual Caps and Basis of Determination

Historical Figures

In RMB millions

	2023	2024	Eight months ended 31 August 2025
Securities and Financial Product Transactions			
Inflow[1]	3,770.20	4,477.77	3,046.70
Outflow[2]	8,151.17	4,219.25	1,358.17
Financial Services[3]			
Revenue generated by the Group	127.99	79.87	54.41
Fees payable by the Group	6.48	4.83	3.61

Proposed Annual Caps

			In RMB millions
	2026	**2027**	**2028**
Securities and Financial Product Transactions			
Inflow[1]	40,844.12	53,538.92	62,082.59
Outflow[2]	41,778.03	54,598.83	63,186.50
Financial Services[3]			
Revenue to be generated by the Group	252.15	255.69	259.69
Fees payable by the Group	71.00	82.50	94.23

Notes:

1. For this category, "inflow" refers to the total cash inflow in relation to the Group's sales of Securities and Financial Product Transactions to HuaAn Funds Group, the Group's redemption of securities and financial products issued by HuaAn Funds Group to which the Group has subscribed or the Group's borrowings from and lendings to HuaAn Funds Group. The Group records inflows from securities and financial product transactions based on the actual timing of cash receipts.

2. For this category, "outflow" refers to the total cash outflow in relation to the Group's purchase of Securities and Financial Product Transactions from HuaAn Funds Group, the redemption by HuaAn Funds Group of securities and financial products issued by the Group to which HuaAn Funds Group have subscribed or the Group's borrowings from and lendings to HuaAn Funds Group. The Group records outflows from securities and financial product transactions based on the actual timing of cash payments.

3. All the revenue to be generated and fees payable by the Group in connection with the inflow and outflow arising from the Securities and Financial Product Transactions have been included into the revenue to be generated and fees payable relating to the provision of Financial Services.

5. Basis for Determining the Proposed Annual Caps

a) Securities and Financial Product Transactions

In estimating the Proposed Annual Caps of the total inflow and outflow amount of the Securities and Financial Product Transactions, we have considered, among other things, the following key factors:

- Historical amounts of the inflows and outflows. Historical inflow and outflow amounts in Securities and Financial Product Transactions between the Group and HuaAn Funds Group for the years ended 31 December 2023 and 2024 and the eight months ended 31 August 2025.

- Expected increase in business scale following the completion of the Merger. In March 2025, the Company completed the matters in relation to the merger with Haitong Securities by way of absorption and a share-for-share exchange and the raising of ancillary funds (hereinafter refer to as the "Merger"). The Merger significantly expanded the Group's asset scale and business volume,

comprehensively enhancing its market competitiveness and overall service capabilities. Following the completion of the Merger, the Group possesses a more robust business foundation and client structure and is expected to gradually unleash the synergy effect, driving sustained business growth. In light of these developments, we anticipate a substantive increase in cooperation between the Group and HuaAn Funds Group. Such cooperation is anticipated to span a broader spectrum of business areas and adopt more in-depth cooperation models, thereby creating greater synergistic value and long-term development opportunities for both parties.

- In view of the trends of further extensive and deeper cooperation between the Group's various business lines and HuaAn Funds Group in the future, we anticipate that the caps for the inflow and outflow of the Securities and Financial Product Transactions between the Group and HuaAn Funds Group from 2026 to 2028 will significantly increase. Such increases are primarily due to the following factors: HuaAn Funds Group has a complete product line and strong product innovation capability, with its fund products under management performing well, which are in line with the business development needs of the Group; by leveraging the Group's overall strengths and robust investment research resources, HuaAn Funds continues to enhance its asset management capabilities, consistently ranking among the industry leaders in terms of asset scale:

  i. HuaAn Funds' asset under management has experienced rapid growth in recent years and is expected to continue steady growth from 2026 to 2028. As of 31 December 2024, HuaAn Funds had served over 130 million clients, managed a total of 275 mutual funds, with a total value of RMB693.169 billion; and

  ii. The number and scale of new products issued by HuaAn Funds continue to expand, and in line with the Group's overall operation and development in related business, the Group has a continuous need to subscribe for HuaAn Funds' securities and financial products.

- Following the Merger, the Group's asset scale and business volume significantly expanded, in particular, the business volume cap for the Group's FICC department to invest in fixed-income products has increased by approximately 70% as compared to the pre-merger level. Based on above reasons, the Group will increase its investment in certain HuaAn Funds products as part of its investment portfolio, in particular in securities and financial products with fixed-income features issued and managed by HuaAn Funds, which mainly include:

  i. Within the framework of market expansion and supportive policy measures, HuaAn Funds launched new innovative products. Market demand continued to be released, and participation rapidly increased, the Group began subscribing to innovative funds (such as sci-tech innovation bond ETFs), from the fourth quarter of 2025. With the continuous refinement of market-making

mechanisms and expanded product offerings, capital inflow has accelerated, driving a stepwise growth trajectory for the business in various new products, which has a strong future growth momentum. We expect that the Proposed Annual Caps for inflow/outflow amounts of fixed-income business will be approximately RMB26.7 billion for the year ending 31 December 2026, with the inflow/outflow amounts for the next two years ending 31 December 2028 expected to increase to approximately RMB38.5 billion and RMB46.5 billion, respectively, representing a compound annual growth rate of approximately 32%; and

ii. to meet its liquidity management requirements, the Group has deployed available funds to subscribe for the facility of money market funds issued by HuaAn Funds to optimize its liquidity allocation. We anticipate to incur inflow of approximately RMB8,300 million and outflow of approximately RMB8,700 million from the Securities and Financial Product Transactions for the year ending 31 December 2026, with the inflow/outflow amounts for the next two years expected to grow at a compound annual growth rate of approximately 5%.

- in addition to products with fixed-income features, in terms of other product transactions within the Securities and Financial Product Transactions, the Group intends to engage in transactions including Bond Repo Transaction (i.e. a short-term financing transaction in which bonds pledged as collateral; in a repo, the party sells bonds simultaneously commits to repurchase such bonds) and issuance of financial products subscribed by qualified domestic institutional investors. Therefore, we anticipate that the Proposed Annual Caps for the aggregated inflow and outflow amounts of such transactions for each year will range from approximately RMB5,000 million to RMB5,200 million during the three years ending 31 December 2028.

b) Financial Services

The revenue to be generated by the Group in relation to the Financial Services to be provided by the Group to HuaAn Funds Group for the three years ending 31 December 2028 are approximately RMB252.15 million, RMB255.69 million and RMB259.69 million, respectively, which are expected to remain stable. Such stability is mainly attributable to consistent business including Bond Repo Transaction and institutional sales business. Accordingly, in estimating such Proposed Annual Caps for revenue to be generated from the Financial Services, we have considered, among other things, the following key factors:

- Historical amounts of our revenue generated from the Financial Services provided. Historical transaction amounts of the Financial Services between the Group and HuaAn Funds Group for the years ended 31 December 2023 and 2024 and the eight months ended 31 August 2025.

- Expected increase in business scale following the completion of the Merger. In March 2025, the Company completed the matters in relation to the merger with Haitong Securities by way of absorption and a share-for-share exchange and the raising of ancillary funds. The Merger significantly expanded the Group's asset scale and business volume, comprehensively enhancing its market competitiveness and overall service capabilities. Prior to the Merger, the primary transactions were between HuaAn Funds and GTJA, while interactions between Haitong Group and HuaAn Funds Group were limited to a few minor transactions with insignificant amounts, mainly due to the highly competitive nature of the securities industry in the PRC. Haitong Group also maintained its own fund management subsidiary, HFT Investment Management Co., Ltd., which further reinforced its reliance on internal resources. Following the completion of the Merger, the demand of Haitong Group to purchase securities and financial products or to procure financial services is expected to be consolidated within the Group. Therefore, the Group possesses a more robust business foundation and client structure and is expected to gradually unleash the synergy effect, driving sustained business growth. In light of these developments, we anticipate a substantive increase in cooperation between the Group and HuaAn Funds Group. Such cooperation is anticipated to span a broader spectrum of business areas and adopt more in-depth cooperation models, thereby creating greater synergistic value and long-term development opportunities for both parties.

- In view of the Securities and Financial Product Transactions and other product transactions between the Group and HuaAn Funds Group, including the Bond Repo Transaction and the issuance of financial products by the Group to be subscribed by qualified domestic institutional investors, we anticipate to generate revenue of approximately RMB165 million per year over the next three years in relation to these transactions.

- The institutional sales business has remained stable overall. Upon comprehensive consideration of historical transaction amounts and impact of the reform in public fund rates, we expect the institutional client services provided by the Group to HuaAn Funds Group (such as rental of trading booths) to remain stable. As a result, we anticipate that the annual caps for revenue generated in each of the next three years will range from RMB51 million to RMB53 million.

The payable fees incurred from the Group's procurement of Financial Services from HuaAn Funds for the three years ending 31 December 2028 are approximately RMB71 million, RMB82.5 million and RMB94.23 million, respectively, representing a compound annual growth rate of approximately 15.2%. In estimating the Proposed Annual Caps for the payable fees incurred from our procurement of Financial Services from HuaAn Funds, we have considered, among other things, the following key factors:

- Historical amounts. Historical transaction amounts of payable fees incurred from the Group's procurement of Financial Services from HuaAn Funds for the years ended 31 December 2023 and 2024 and the eight months ended 31 August 2025.

- The increase in the payable fees incurred from Financial Services were mainly driven by the anticipated increase in asset management services expenses from 2026 to 2028, attributable to the increases in the Group's subscription amounts of funds issued/managed by HuaAn Funds Group for the corresponding period. HuaAn Funds Group not only provides customers with a wide variety of investment products but also offers professional and customized asset management services based on client needs. With the continuous improvement of the Group's comprehensive financial service platform and the increasingly prominent synergies, the scope of cooperation between the Group and HuaAn Funds Group will be broader. Therefore, we anticipate the asset management service expenses to be paid by the Group to HuaAn Funds to increase annually, reaching approximately RMB62 million, RMB72 million, RMB82 million in the three years ending 31 December 2028, representing a compound annual growth rate of approximately 15%.

6. Reasons And Benefits for Entering into the New Framework Agreement

HuaAn Funds is one of the first five fund management companies established in the PRC as approved by the China Securities Regulatory Commission, mainly engaged in the mutual fund and specific asset management businesses. Meanwhile, the Group provides wealth management services to its individual and institutional clients, which primarily offer securities and financial products developed by the Group. The Group also distributes securities and financial products developed by other financial institutions, including HuaAn Funds, to offer a more diversified and comprehensive products portfolio to its clients.

Following the Group's completion of the Merger in March 2025, its overall asset scale, business volume and comprehensive service capabilities have achieved significant expansion, laying a solid foundation for deepening institutional client cooperation and expanding financial product transactions. HuaAn Funds possesses an extensive product line, strong market competitiveness and product innovation capabilities, and the fund products it manages show favourable performance. The Group will allocate a portion of HuaAn Funds' products in its trading investment and liquidity management activities. As a subsidiary of the Company, HuaAn Funds and the Group's broad wealth management system integrate and empower each other. Various business lines of the Group will subscribe for certain HuaAn Funds' products, which will support the development of HuaAn Funds while further enhancing investor confidence in HuaAn Funds' products. The Group and HuaAn Funds Group have fully leveraged their respective professional advantages, actively explored business cooperation opportunities, and formed a virtuous cycle and development trend of mutual promotion and win-win cooperation in wealth management, investment management, institutional and trading businesses, as well as client management and product development.

The Directors (excluding the Independent Board Committee) consider the New Framework Agreement and the transactions contemplated thereunder are entered into in the usual and ordinary course of business of the Group and are conducted on an arm's length basis and on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

7. Listing Rules Implications

As at the Latest Practicable Date, HuaAn Funds is owned as to 51% by the Company and is a subsidiary of the Company. International Group (a substantial shareholder of the Company) holds 33.55% equity interests in GTJA Investment and 100% equity interests in International Investment. Accordingly, each of GTJA Investment and International Investment is an associate of International Group as defined under the Listing Rules and thus a connected person of the Company. GTJA Investment and International Investment hold 20% and 5% equity interests in HuaAn Funds, respectively. They can exercise more than 10% of the voting power at HuaAn Funds, therefore HuaAn Funds constitutes a connected subsidiary of the Company as defined under the Listing Rules, and the New Framework Agreement and the transactions contemplated thereunder therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Annual Caps under the New Framework Agreement is more than 5%, the transactions contemplated under the New Framework Agreement shall be subject to the reporting, announcement, annual review, circular (including independent financial adviser's advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

8. General Information

a) The Company

The Company is a joint stock company incorporated in the PRC with limited liability, whose H shares and A shares are listed and traded on the Main Board of the Hong Kong Stock Exchange (stock code: 02611) and the SSE (stock code: 601211), respectively. The principal businesses of the Company are securities brokerage, proprietary securities trading, securities underwriting and sponsorship and relevant financial services.

b) HuaAn Funds

HuaAn Funds is a limited liability company incorporated in the PRC and is primarily engaged in fund management. As at the Latest Practicable Date, HuaAn Funds is a non-wholly owned subsidiary of the Company and is held as to 51%, 20%, 12%, 12% and 5% by the Company, GTJA Investment, Shanghai Industrial, Jin Jiang International Investment and International Investment, respectively. In addition, the associates of International Group (a substantial shareholder of the Company), GTJA Investment and International Investment, can exercise more than 10% of the voting power at HuaAn Funds. Therefore, HuaAn Funds constitutes a connected subsidiary of the Company.

9. Independent Board Committee and Independent Financial Adviser

To consider the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps), the Board has established the Independent Board Committee, which comprises of all the independent non-executive Directors, namely Mr. LI Renjie, Mr. WANG Guogang, Mr. PU Yonghao, Mr. MAO Fugen, Mr. CHEN Fangruo and Mr. JIANG Xian, to advise the Independent Shareholders in respect of the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps), details of which are set out in the "Letter from the Independent Board Committee" contained in the Circular.

In addition, the Company has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps) are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and whether they are in the interests of the Company and the Shareholders as a whole. For the opinions and advice of the Independent Financial Adviser, please refer to the section headed "Letter from the Independent Financial Adviser" in this Circular.

10. Abstention from Voting on Board Resolution and at the EGM

Mr. ZHOU Jie, Ms. GUAN Wei, Mr. ZHONG Maojun, Mr. CHEN Hangbiao and Ms. LV Chunfang, being Directors, have abstained from voting at the board meeting approving the New Framework Agreement due to the potential conflict of interests as a result of their directorships or certain positions in International Group and/or its associates pursuant to the Rule 13.44 of the Listing Rules. For more details, please refer to the section headed "Directors' Positions in Substantial Shareholders" as set out in Appendix I. Saved as disclosed above, none of the Directors has a material interest in the transactions in connection with the New Framework Agreement or holds any position in International Group and/or its associates which required them to abstain from voting on the relevant Board resolution.

International Group, being the substantial shareholder of the Company, together with its associates and Shanghai Industrial, who have a material interest in the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder, will be required to abstain from voting at the EGM on the ordinary resolution in respect of the New Framework Agreement and the Proposed Annual Caps. Save as disclosed above and to the best knowledge of the Directors, as at the Latest Practicable Date, no other Shareholder has a material interest in the New Framework Agreement and the Proposed Annual Caps, and therefore no other Shareholder is required to abstain from voting on that resolution at the EGM.

The above proposal will be submitted to the EGM for consideration and approval by way of an ordinary resolution.

III. THE EGM

A notice convening the EGM to be held at Room 405, 768 Nanjing West Road, Jingan District, Shanghai, the PRC at 2:00 p.m. on Monday, 29 December 2025 is set out on pages EGM-1 to EGM-2 of this Circular.

Whether or not you are able to attend the EGM, you are requested to read the notices of the EGM carefully and complete the proxy form in accordance with the instructions printed thereon and return proxy form as soon as possible. Holders of H Shares are required to return the proxy form to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited; while A Shareholders are required to return the proxy form to the Board's office, but in any event the proxy form shall be returned in person or by mail not less than 24 hours before the time appointed for the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish.

The address of the Board's office is at 768 Nanjing West Road, Jingan District, Shanghai, the PRC, Postal code: 200041 (Tel: (8621) 3867 6798, Fax: (8621) 3867 0798). The address of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Fax: (852) 2865 0990).

In order to determine the holders of H Shares who are entitled to attend the EGM, the H Share register of members of the Company will be closed from Monday, 22 December 2025 to Monday, 29 December 2025 (both days inclusive). Holders of H Shares who wish to attend the EGM are required to deposit the transfer documents together with the relevant share certificates at 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 at or before 4:30 p.m. on Friday, 19 December 2025.

IV. RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 24 to 25 of this Circular, (ii) the letter from the Independent Financial Adviser set out on pages 26 to 49 of this Circular and (iii) the additional information set out in the Appendix to this Circular.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, is of the view that (i) the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the New Annual Caps) are in the usual and ordinary course of business of the Group and are conducted on an arm's length basis and on normal commercial terms; and (ii) the terms of the New Framework Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole. As such, the Board (including the Independent Board Committee having taken into account the advice of the Independent Financial Adviser) considers that the resolution set out in the notice of the EGM are in the interest of the Company and its Shareholders as a whole and accordingly recommends you to vote in favor of the resolution mentioned above.

By Order of the Board
Guotai Haitong Securities Co., Ltd.
ZHU Jian
Chairman



Guotai Haitong Securities Co., Ltd.
國泰海通證券股份有限公司

(A joint-stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02611)

5 December 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF THE NEW FRAMEWORK AGREEMENT FOR SECURITIES AND FINANCIAL PRODUCTS TRANSACTIONS AND SERVICES WITH HUAAN FUNDS

We refer to the circular dated 5 December 2025 issued by Guotai Haitong Securities Co., Ltd. (the "**Circular**"), of which this letter forms part. Unless otherwise defined, terms used in this letter shall have the same meanings as those defined in the Circular.

We have been established by the Board as the Independent Board Committee to advise the Independent Shareholders in respect of the terms of the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps), details of which are set out in the "Letter from the Board" contained in the Circular. Gram Capital has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in the same regard.

Having considered (a) the reasons for and benefits for entering into the New Framework Agreement as set out in the Circular and (b) the terms of the New Framework Agreement and taken into account the advice from the Independent Financial Adviser, we are of the view that (i) the New Framework Agreement and the Continuing Connected Transactions contemplated thereunder (including the Proposed Annual Caps) are in the usual and ordinary course of business of the Group and are conducted on an arm's length basis and on normal commercial terms; and (ii) the terms of the New Framework Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole. Our view related to fairness and reasonableness is necessarily based on the information, facts and circumstances currently prevailing. Accordingly, we recommend the Independent Shareholders to vote in favor of the resolution proposed at the EGM to approve the renewal of the term of the securities and financial products transactions and services with HuaAn Funds.

We wish to draw the attention of Independent Shareholders to (1) the letter from the Board set out on pages 6 to 23 of the Circular, (2) the letter from the Independent Financial Adviser as set out on pages 26 to 49 of this Circular, and (3) Appendix of this Circular.

Yours faithfully,
For and on behalf of
Independent Board Committee

Mr. LI Renjie *(Independent non-executive Director)*	**Mr. Wang Guogang** *(Independent non-executive Director)*	**Mr. PU Yonghao** *(Independent non-executive Director)*
Mr. MAO Fugen *(Independent non-executive Director)*	**Mr. CHEN Fangruo** *(Independent non-executive Director)*	**Mr. JIANG Xian** *(Independent non-executive Director)*

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

5 December 2025

To: The independent board committee and the independent shareholders of Guotai Haitong Securities Co., Ltd.

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 5 December 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Since the Original Framework Agreement will expire on 31 December 2025, and the Group expects such transactions to continue thereafter, on 30 October 2025, the Board approved the Company to renew the New Framework Agreement with HuaAn Funds. The New Framework Agreement will be valid for a term commencing form 1 January 2026 to 31 December 2028. Pursuant to the New Framework Agreement, the Group and HuaAn Funds Group agreed to conduct securities and financial transactions with each other and provide securities and financial products as well as financial services to each other, in the ordinary course of business based on normal commercial terms and market practices at prevailing market prices or rates.

The New Framework Agreement has not been executed yet as at the Latest Practicable Date and is still subject to the approval from the Independent Shareholders at the EGM. The Company will make an announcement in due course in accordance with the requirements under the Listing Rules and the rules of the Shanghai Stock Exchange.

With reference to the Board Letter, the Continuing Connected Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. LI Renjie, Mr. WANG Guogang, Mr. PU Yonghao, Mr. MAO Fugen, Mr. CHEN Fangruo and Mr. JIANG Xian (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Continuing Connected Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Continuing Connected Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Continuing Connected Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as the independent financial adviser to the independent board committee and independent shareholders of the Company in relation to a connected transaction of the Company (details of which are set out in Company's circular dated 22 November 2024). Save for the aforesaid engagement, there was no other service provided by Gram Capital to the Company during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the aforesaid engagement, we were not aware of any relationships or interests between Gram Capital and the Company, or any other parties during the past two years immediately preceding the Latest Practicable Date that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

Having considered the above and that (i) none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagement was only an independent financial adviser engagement and will not affect our independence to act as the Independent Financial Adviser, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the

Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the New Framework Agreement. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the HuaAn Funds or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Continuing Connected Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Continuing Connected Transactions, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to the Board Letter, the Company is a joint stock company incorporated in the PRC with limited liability, whose H shares and A shares are listed and traded on the Main Board of the Hong Kong Stock Exchange (stock code: 02611) and the SSE (stock code: 601211), respectively. The principal businesses of the Company are securities brokerage, proprietary securities trading, securities underwriting and sponsorship and relevant financial services.

In order to achieve resource sharing and complementary advantages, as well as to accelerate the establishment of a first-class investment bank with international competitiveness and market leadership, the Company proactively promoted the matters in relation to the merger with Haitong Securities Co., Ltd. (the "**Haitong Securities**") by way of absorption and a share-for-share exchange and raise ancillary funds and the related-party transaction (the "**Merger**"), that is, the Company issued 5,985,871,332 A Shares to all A share-exchange shareholders of Haitong Securities and 2,113,932,668 H shares to all H share-exchange shareholders of Haitong Securities. On 9 October 2024, the Company entered into the "Merger by Absorption and Share-for Share Exchange Agreement Between Guotai Junan Securities Co., Ltd. and Haitong Securities Co., Ltd." with Haitong Securities. The Company completed the matters in relation to the Merger on 14 March 2025.

Information on HuaAn Funds

With reference to the Board Letter, HuaAn Funds is a limited liability company incorporated in the PRC and is primarily engaged in fund management. As at the Latest Practicable Date, HuaAn Funds is a non-wholly owned subsidiary of the Company and is held as to 51%, 20%, 12%, 12% and 5% by the Company, GTJA Investment, Shanghai Industrial, Jin Jiang International Investment and International Investment, respectively. In addition, the associates of International Group (a substantial shareholder of the Company), GTJA Investment and International Investment, can exercise more than 10% of the voting power at HuaAn Funds. Therefore, HuaAn Funds constitutes a connected subsidiary of the Company.

With reference to the Company's annual report for the year ended 31 December 2024 (the "**2024 Annual Report**") and as confirmed by the Directors, in 2024, HuaAn Funds continued to enhance the construction of its core investment and research capabilities, focusing on building a "centralized research platform + diversified investment team". The investment performance of active equity funds in the medium to long term was outstanding. Adhering to a diversified business layout, the total assets under management scale reached a new high. The strength of various businesses, such as active equity, passive index, fixed income, designated accounts, publicly offered real estate investment trusts ("**REIT(s)**"), was significantly enhanced. HuaAn Funds continued to build distinctive advantages, with products such as Gold ETFs and ChiNext 50 ETF maintaining their positions as market leaders. HuaAn Funds also improved the forward-looking layout of products, launching 32 new mutual funds during the year with a total fundraising scale of RMB21.8 billion. Adhering to innovation-driven strategies, HuaAn Funds launched Shanghai's first consumer-focused REIT and the first batch of A500 over-the-counter index funds, among other products.

Set out below are scale of assets under management of HuaAn Funds as at the end of 2023 and 2024 as extracted from the 2024 Annual Report:

	As at the end of 2024 *RMB billion*	**As at the end of 2023** *RMB billion*
Scale of assets under management	772.4	675.3
Scale of assets under management of mutual funds	693.2	604.1
Scale of assets under management of non-monetary mutual funds	413.5	352.0
Scale of assets under management of non-mutual funds	79.2	71.2

We also noted that HuaAn Funds obtained various awards granted by Shanghai Securities News (上海證券報), Securities Times (證券時報) and China Securities Journal (中國證券報).

With reference to the 2024 Annual Report, as at 31 December 2024, total assets of HuaAn Funds were RMB7.767 billion with net assets of RMB5.687 billion; in 2024, its operating revenue was RMB3.110 billion and its net profit was RMB910 million.

Reasons for and benefit of the Continuing Connected Transactions

Set out below are reasons for and benefit of the Continuing Connected Transactions as extracted from the Board Letter,

- HuaAn Funds is one of the first five fund management companies established in the PRC as approved by the China Securities Regulatory Commission, mainly engaged in the mutual fund and specific asset management businesses. Meanwhile, the Group provides wealth management services to its individual and institutional clients, which primarily offer securities and financial products developed by the Group. The Group also distributes securities and financial products developed by other financial institutions, including HuaAn Funds, to offer a more diversified and comprehensive products portfolio to its clients.

- Following the Group's completion of the Merger in March 2025, its overall asset scale, business volume and comprehensive service capabilities have achieved significant expansion, laying a solid foundation for deepening institutional client cooperation and expanding financial product transactions. HuaAn Funds possesses an extensive product line, strong market competitiveness and product innovation capabilities, and the fund products it manages show favourable performance. The Group will allocate a portion of HuaAn Funds' products in its trading investment and liquidity management activities. As a subsidiary of the Company, HuaAn Funds and the Group's broad wealth management system integrate and empower each

other. Various business lines of the Group will subscribe for certain HuaAn Funds' products, which will support the development of HuaAn Funds while further enhancing investor confidence in HuaAn Funds' products. The Group and HuaAn Funds Group have fully leveraged their respective professional advantages, actively explored business cooperation opportunities, and formed a virtuous cycle and development trend of mutual promotion and win-win cooperation in wealth management, investment management, institutional and trading businesses, as well as client management and product development.

As confirmed by the Directors, as the Continuing Connected Transactions will be conducted in the ordinary and usual course of business of the Group and on a frequent basis, it would be costly and impractical to make regular disclosure of each of the relevant transactions and obtain the prior approval from the Independent Shareholders as required by the Listing Rules, if necessary.

Having considered the above and that HuaAn Funds may be a counterparty in the Group's funds subscription and/or redemption transaction, we concur with the Directors that the Continuing Connected Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group.

PRINCIPAL TERMS OF THE CONTINUING CONNECTED TRANSACTIONS

Set out below are the key terms of the Continuing Connected Transactions, details of which are set out under the section headed "II. RENEWAL OF THE NEW FRAMEWORK AGREEMENT" of the Board Letter.

Parties:	The Company and HuaAn Funds
Term:	From 1 January 2026 to 31 December 2028 (both dates inclusive)
Subject matters:	Pursuant to the New Framework Agreement, the Company expects to conduct the Securities and Financial Product Transactions with HuaAn Funds Group, including the following products, products with fixed-income features, equity products, financing transactions; and other relevant securities and financial product Transactions permitted by regulatory authorities.

In respect of the Financial Services, the services to be provided by the Group to HuaAn Funds Group under the New Framework Agreement include (but not limited to): financial products agency sale services, brokerage services, rental of trading booths, custody and outsourcing and other relevant securities and financial services permitted by regulatory authorities; whereas the services to be provided by HuaAn Funds Group to the Group under the New Framework Agreement include (but are not limited to): financial products agency sale services, entrusted asset management services and other financial and securities consulting and advisory services permitted by regulatory authorities.

Please also refer to the sub-section headed "Scope of Continuing Connected Transactions" of the Board Letter for more details.

A. SECURITIES AND FINANCIAL PRODUCT TRANSACTIONS

Pricing basis for Securities and Financial Product Transactions

Securities and Financial Product Transactions are principally conducted in China interbank bond market and China exchange bond market, exchanges (including stock exchanges, future exchanges, Shanghai Gold Exchange and China Foreign Exchange Trade System) and other over-the-counter markets, with transaction prices and related fees determined based on prevailing market prices. The pricing of such transactions is also subject to strict regulation in the PRC and shall comply with applicable laws and regulations of the PRC. Details of the pricing mechanisms are set out under the sub-section headed "a) Securities and Financial Product Transactions" under the section headed "Pricing Basis" of the Board Letter.

For our due diligence purpose, we searched over the Stock Exchange's website in respect of pricing policies of securities and financial product transactions as conducted between securities firms (which were listed on the Stock Exchange and Shanghai Stock Exchange/Shenzhen Stock Exchange) and their connected persons. We reviewed over three transactions as announced by the aforesaid listed issuers. We noted that the pricing policies under the Securities and Financial Product Transactions are generally in line with pricing policies for the same/similar transactions between the aforesaid listed issuers and their connected persons.

Pricing approval and supervision

The Group has adopted a series of internal pricing policies and approval procedures to regulate the provision of securities and financial products and financial services between the Group and HuaAn Funds Group. Details of the procedures are set out under the section headed "3. Internal Control Measures to Regulate the Continuing Connected Transactions" of the Board Letter.

We noted from the internal procedures that:

- for Securities and Financial Product Transactions provided by the Group to HuaAn Funds Group, the Group will offer similar pricing terms to HuaAn Funds Group as those to other Independent Third Parties and no preferential terms shall be provided to HuaAn Funds Group. Prior to conducting such transactions, the relevant departments of the Company would conduct inspection and due diligence, assess whether the pricing is in compliance with relevant policies and procedures of the Group and whether the price is fair and reasonable after considering specific factors such as services provided, and grant approval, where appropriate; and

- for Securities and Financial Product Transactions provided by HuaAn Funds Group to the Group, the Company will select suppliers and determine the relevant terms of the transactions through inquiry and negotiation process. The Company will also gather information on its suppliers and their levels of fees and prices and compare the fees/prices and quality of services before selection. A prior assessment will be conducted by the responsible officer to assess whether the proposed prices by suppliers are fair and reasonable before submission for consideration and approval to the head of the relevant department. In such case, any offer from HuaAn Funds Group needs to pass through the selection process the same as other suppliers before it could be appointed. As the Company will consider various updated market information available and because of the uniqueness of financial transactions, there is no specific internal requirement as to the number of suppliers that will be selected for a particular type of service.

Based on the above, in particular, there will be (a) inspection, due diligence and assessment procedures prior to conducting such transactions; or (b) information gathering procedures, we consider that the internal control procedures are sufficient for the Company to monitor the Securities and Financial Product Transactions and the effective implementation of such procedures would help to ensure fair pricing of the Securities and Financial Product Transactions according to the pricing policies.

For our due diligence purpose, we obtained a summary list of Securities and Financial Product Transactions for the two years ended 31 December 2024 and the eight months ended 31 August 2025. We have randomly selected three transactions for each period (nine transactions were selected in total) from such list (the "**Selected Securities and Financial Product Samples**") which covered (i) products with fixed-income features under the Securities and Financial Product Transactions; and (ii) equity products under the Securities and Financial Product Transactions. As the Selected Securities and Financial Product Samples cover (i) the principal types of the Securities and Financial Product Transactions; and (ii) the period for the two years ended 31 December 2024 and the eight months ended 31 August 2025, we consider that the Selected Securities and Financial Product Samples are fair and representative. Upon our request, the Company provided us with the relevant documents relating to the Selected Securities and Financial Product Samples, including the corresponding internal settlement breakdowns, transaction subscription forms, screenshot of system orders, transaction

confirmations, transaction statements, transaction redemption forms, relevant market quotations. After reviewing the aforesaid documents, nothing has come to our attention that causes us to believe that the Selected Securities and Financial Product Samples did not comply with the internal pricing policies and approval procedures as aforementioned. Hence, we do not doubt the effectiveness of the internal pricing policies and approval procedures as aforementioned.

In light of the above and that the Securities and Financial Product Transactions (i) are principally conducted in China interbank bond market and China exchange bond market, exchanges (including stock exchanges, future exchanges, Shanghai Gold Exchange and China Foreign Exchange Trade System) and other over-the-counter markets; (ii) the transaction prices and related fees are determined based on prevailing markets and/or pricing models; (iii) the pricing policies under the Securities and Financial Product Transactions are generally in line with pricing policies for the same/similar transactions between the securities firms (which were listed on the Stock Exchange and Shanghai Stock Exchange/Shenzhen Stock Exchange) and their connected persons; and (iv) there will be (a) inspection, due diligence and assessment procedures prior to conducting such transactions; or (b) information gathering procedures, we are of the view that the pricing policy of the Securities and Financial Product Transactions are on normal commercial terms and are fair and reasonable.

The proposed annual caps

Set out below are the (i) historical transaction amounts of the Securities and Financial Product Transactions for the two years ended 31 December 2024 and the eight months ended 31 August 2025 with existing annual caps; and (ii) the proposed annual caps for the Securities and Financial Product Transactions for the three years ending 31 December 2028 (the "**Financial Products Annual Cap(s)**"):

	For the year ended 31 December 2023 ("FY2023") *RMB'million*	**For the year ended 31 December 2024 ("FY2024")** *RMB'million*	**For the year ending 31 December 2025 ("FY2025")** *RMB'million*
Securities and Financial Products Transactions – Inflow (Note 1)			
Historical transaction amounts	3,770.20	4,477.77	3,046.70 *(Note 3)*
Existing annual caps	6,324.01	13,983.86	17,088.34
Securities and Financial Products Transactions – Outflow (Note 2)			
Historical transaction amounts	8,151.17	4,219.25	1,358.17 *(Note 3)*
Existing annual caps	12,733.26	20,684.59	23,956.51

	For the year ending 31 December 2026 ("FY2026") *RMB'million*	For the year ending 31 December 2027 ("FY2027") *RMB'million*	For the year ending 31 December 2028 ("FY2028") *RMB'million*
Financial Products Annual Caps			
Securities and Financial Products Transactions – Inflow *(Note 1)*	40,844.12	53,538.92	62,082.59
Securities and Financial Products Transactions – Outflow *(Note 2)*	41,778.03	54,598.83	63,186.50

Notes:

(1) For this category, "inflow" refers to the total cash inflow in connection with the Group's sales of Securities and Financial Product Transactions to HuaAn Funds Group, the Group's redemption of securities and financial products issued by HuaAn Funds Group to which the Group has subscribed or the Group's borrowings from and lendings to HuaAn Funds Group. *The Group records inflows from securities and financial product transactions based on the actual timing of cash receipts.*

(2) For this category, "outflow" refers to the total cash outflow in connection with the Group's purchase of Securities and Financial Product transactions from HuaAn Funds Group, the redemption by HuaAn Funds Group of securities and financial products issued by the Group to which HuaAn Funds Group have subscribed or the Group's borrowings from and lendings to HuaAn Funds Group. *The Group records outflows from securities and financial product transactions based on the actual timing of cash payments.*

(3) The figures were for the eight months ended 31 August 2025.

(4) For the avoidance of doubt, all the revenue to be generated and fees payable by the Group in connection with the inflow and outflow arising from the Securities and Financial Product Transactions have been included into the revenue to be generated and fees payable relating to the provision of Financial Services.

To assess the fairness and reasonableness of the Financial Products Annual Caps for the three years ending 31 December 2028, we conducted following analyses:

We discussed with the Company and understood that the determination of the Financial Products Annual Caps for the three years ending 31 December 2028 were based on the estimated inflow/outflow to be recorded from various business department and subsidiaries of the Company, which were principally engaged in relevant businesses and would become counterparties of members of HuaAn Funds Group under the Securities and Financial Product Transactions. Such business department and subsidiaries of the Company includes relevant departments of fixed income business, Guotai Junan International, Haitong Innovation Securities Investment Co., Ltd. ("**Haitong Innovation Securities**"), Assets and Liabilities Department of the Company, etc..

Upon our request, the Company provided us with the calculation in respect of the Financial Products Annual Caps for the three years ending 31 December 2028. According to the calculation, we noted that the sum of (i) the estimated amounts from fixed income business (as made by the Company's Fixed Income Business Committee); (ii) the estimated amounts from Guotai Junan International; (iii) the estimated amounts from Haitong Innovation Securities; (iv) the estimated amounts from Assets and Liabilities Department of the Company; and (v) the estimated amounts from Guotai Junan Zhengyu Investment Co., Ltd. ("**Guotai Junan Zhengyu**"), for each of the three years ending 31 December 2028, accounted for over 95% of the Financial Products Annual Cap (for both outflow and inflow) of the Securities and Financial Product Transactions for the respective period (the remaining portion of the Financial Products Annual Caps is cater for possible Securities and Financial Product Transactions amount of the Company's other subsidiaries/departments).

- **Estimated amounts from fixed income business:**

  We noticed that the estimated amount (outflow) from fixed income business was approximately RMB26,654 million for FY2026 while the estimated amount (inflow) from fixed income business was approximately RMB26,734 million for FY2026. The aforesaid estimation was made by the Company's Fixed Income Business Committee.

  Based on our discussion with staff of Fixed Income Business Committee regarding the estimated amounts (outflow) from fixed income business, we understood that they mainly considered the followings:

  (i) Estimated fund subscription amount of approximately RMB5,654 million by a relevant department of fixed income business of the Company for FY2026, which was made with reference to historical amounts from 2023 to 2025; and

  (ii) Estimated innovative funds amounts of approximately RMB21,000 million to be subscribed by the relevant department of fixed income business of the Company from HuaAn Funds for FY2026.

  In respect of the estimated fund subscription amounts of approximately RMB5,654 million, we obtained supporting information and noted that such amount was made with reference to historical amount of approximately RMB4,680 million and further adjusted after considering the possible increase in scale of relevant businesses. Accordingly, we are of the view that the estimated fund subscription amount of approximately RMB5,654 million for FY2026 is fair and reasonable.

In respect of the estimated innovative funds amount of approximately RMB21,000 million, we obtained the Group's monthly subscription amount of an innovative fund issued by HuaAn Funds in 2025. Based on the monthly amount (after considering certain buffers) and the assumption that there will be another innovative fund to be subscribed by the Group for FY2026 (i.e. under the assumption that a total of two innovative funds to be subscribed by the Group for FY2026), the implied subscription amount would be approximately RMB20,000 million. Accordingly, we are of the view that the estimated innovative funds amount of approximately RMB21,000 million for FY2026 is fair and reasonable.

Based on the above, we are of the view that the estimated amounts (outflow) from fixed income business for FY2026 is fair and reasonable.

The estimated amounts (outflow) from fixed income business (i) for FY2027 was approximately RMB38,505 million, representing an increase of approximately RMB11,851 million as compared to that for FY2026; and (ii) for FY2028 was approximately RMB46,510 million, representing an increase of approximately RMB8,005 million as compared to that for FY2027. Based on our discussion with staff of Fixed Income Business Committee, such increase was mainly due to the possible increase in number of innovative fund to be issued by HuaAn Funds and subscribed by the Group. Having considered that the average implied amounts of RMB10,000 million per innovative fund according to the estimation for FY2026 as aforementioned, we consider the annual increase in the estimated amounts (outflow) from fixed income business for FY2027 and FY2028 to be fair and reasonable.

Accordingly, we are of the view that the estimated amounts (outflow) from fixed income business for FY2027 and FY2028 are fair and reasonable.

In respect of estimated amounts (inflow) for each of the three years ending 31 December 2028 (i.e. approximately RMB26,734 million, RMB38,655 million and RMB46,810 million respectively), the estimated amounts (inflow) were made reference to the estimated amounts (outflow) for the corresponding period. Given that after the subscription of fund products from HuaAn Funds, the Group may also redeem such funds. The cash outflow will become cash inflow upon redemption. Therefore, it is reasonable for the total estimated amounts of the Securities and Financial Products Transactions (inflow) for each of the three years ending 31 December 2028 to be set at the same/similar amount with estimated amounts (outflow) for the same year.

Given the above and that the estimated amounts (inflow) for each of the three years ending 31 December 2028 were respectively very close to the estimated amounts (outflow) for the corresponding period (with difference of less than 1%), we are of the view that the estimated amounts (inflow) from fixed income business for the three years ending 31 December 2028 are fair and reasonable.

- **Estimated amounts from Guotai Junan International:**

  We noticed that the estimated amounts (outflow) and estimated amounts (inflow) of Guotai Junan International were respectively the same for each of the three years ending 31 December 2028, ranging from RMB5,250 million to RMB5,340 million.

  Based on our discussion with staff of Guotai Junan International, we noted that Guotai Junan International proposed to (i) conduct bond repo transaction (the "**Bond Repo Transaction**", i.e. a short-term financing transaction in which bonds pledged as collateral; in a repo, the party sells bonds simultaneously commits to repurchase such bonds); and (ii) issue financial products which will be subscribed by Qualified Domestic Institutional Investor (QDII) (the "**Relevant Financial Products**").

  Based on the information provided by Guotai Junan International, we noted that the total amounts of Bond Repo Transaction and the amounts of the Relevant Financial Products amounted to RMB5,040 million for FY2026. Upon our further request, we obtained the following information, (i) size of funds (managed by HuaAn Funds or its members who may be the counterparty to one of departments of Guotai Junan International under the Bond Repo Transaction); and (ii) QDII qualification of HuaAn Funds together with its approved amounts. Based on the aforesaid information, (i) the Bond Repo Transaction amount was determined according to the fund size; and (ii) the amount of the Relevant Financial Products was determined with reference to the approved QDII amounts of HuaAn Funds (being the subscriber of the Relevant Financial Products) and such amounts will be recorded as cash inflow upon subscription and cash outflow upon redemption. Accordingly, we consider that the estimated amounts (outflow) for the three years ending 31 December 2028 (i.e. ranging from RMB5,250 million to RMB5,340 million), which were close to the total amounts of aforesaid transactions and subscription of RMB5,040 million, are fair and reasonable.

  Given the nature of Bond Repo Transaction (under these transactions, a cash outflow is recorded when the Group lends to HuaAn Funds Group against pledged bonds, and a cash inflow is recorded when the roles are reversed) and the subscription of the Relevant Financial Products by HuaAn Funds, we consider that it is reasonable to set estimated amounts (inflow) the same as the estimated amounts (outflow).

  Therefore, we are of the view that the estimated amounts of Guotai Junan International for the three years ending 31 December 2028 are fair and reasonable.

- **Estimated amounts from Haitong Innovation Securities:**

  We noticed that the estimated amounts (outflow) and the estimated amounts (inflow) from Haitong Innovation Securities were RMB5,000 million and RMB4,800 million for the three years ending 31 December 2028 respectively.

  We discussed with a staff of Haitong Innovation Securities and understood that the estimated amounts (outflow) for FY2026 were determined with reference to (i) historical amounts (outflow) for the eight months ended 31 August 2025; (ii) the cash balance and outstanding amounts of money market funds as at 31 August 2025; (iii) the potential internal shareholders' loan from parent company; and (iv) the possible subscription of fund of HuaAn Funds by utilising idle cash from (ii), the potential funds from shareholders' loan as mentioned in (iii) and funds from redemption of existing money market funds as mentioned in (ii). Based on the figures provided by Haitong Innovation Securities, the summation of aforesaid (i) and (ii) were approximately RMB5,050 million, which is close to the estimated amounts (outflow) of RMB5,000 million. Accordingly, we are of the view that the estimated amounts (outflow) for the three years ending 31 December 2028 are fair and reasonable.

  Given that the invested funds may be redeemed by the department during the year and the annual inflow amounts were generally lower than the annual outflow amounts, we are of the view that the estimated amounts (inflow), which is less than but close to the estimated amounts (outflow), for the three years ending 31 December 2028 are fair and reasonable.

- **Estimated amounts from Assets and Liabilities Department of the Company:**

  We noticed that the estimated amounts (outflow) and the estimated amounts (inflow) from Assets and Liabilities Department of the Company were the same (i.e. RMB2,000 million) for each the three years ending 31 December 2028.

  We discussed with staff of Assets and Liabilities Department of the Company and understood that the department may subscribe bond funds and money market funds from different fund firms for the purpose of cash management. In addition, for the purpose of risk control, there was a whitelist which limits the maximum investment amounts of funds subscribed by Assets and Liabilities Department of the Company.

  According to the whitelist, the estimated amounts (outflow) fall within the large-amount investments.

  We were further advised the range of large-amount investments for single funds subscribed for 2023-2025. The estimated amounts (outflow) represented the lower limit of the range of large-amount investments for single funds, which we consider a prudent estimation.

Given that the invested bond fund and money market fund may be redeemed by the department during the year, we consider that the estimated amounts (inflow), which is the same as the estimated amounts (outflow), to be fair and reasonable.

Based on the above, we are of the view that the estimated amounts (outflow) and estimated amounts (inflow) from Assets and Liabilities Department of the Company, which are the same for the three years ending 31 December 2028, are fair and reasonable.

- **Estimated amounts from Guotai Junan Zhengyu:**

We noticed that the estimated amounts (outflow) and the estimated amounts (inflow) from Guotai Junan Zhengyu for FY2026 were RMB1,500 million and RMB1,300 million respectively.

We discussed with the staff of Guotai Junan Zhengyu and understood that the estimated amounts (outflow) for FY2026 were determined with reference to (i) historical amounts (outflow) for the eight months ended 31 August 2025 (including the shared amounts with Haitong Innovation Securities); (ii) anticipated cash inflow of Guotai Junan Zhengyu for the four months ending 31 December 2025 from its different types of existing investments; and (iii) the possible subscription of fund of HuaAn Funds by utilising idle cash from (ii). Based on the figures provided by Guotai Junan Zhengyu, the summation of aforesaid (i) and (ii) were approximately RMB1,718 million.

Furthermore, a staff of Guotai Junan Zhengyu advised us that the estimated amount (inflow) for FY2026 was determined with reference to (i) historical amount (inflow) for the eight months ended 31 August 2025; (ii) anticipated cash outflow of Guotai Junan Zhengyu for the four months ending 31 December 2025 for the potential investment opportunities and the possible redemption of fund from HuaAn Funds. Based on the figures provided by Guotai Junan Zhengyu, the summation of aforesaid (i) and (ii) were approximately RMB1,242 million.

In light of the above, we are of the view that the estimated amounts from Guotai Junan Zhengyu (both inflow and outflow) for FY2026 are fair and reasonable.

The estimated amounts from Guotai Junan Zhengyu (for both inflow and outflow) for FY2027 were respectively RMB500 million more than those for FY2026. This was mainly due to the possible capital injection of RMB500 million to Guotai Junan Zhengyu, which was expected to be in place in 2026 and to be used in 2027. For our due diligence purpose, we obtained documents substantiating the capital injection amounts of RMB500 million. Therefore, we are of the view that the estimated amounts from Guotai Junan Zhengyu (for both inflow and outflow) for FY2027 are fair and reasonable.

The estimated amounts from Guotai Junan Zhengyu (for both inflow and outflow) for FY2028 were RMB200 million more than those for FY2027 respectively. The increase of RMB200 million was determined with reference to historical capital gain from investments of Guotai Junan Zhengyu for the two years ended 31 December 2024, the average of which was approximately RMB260 million. Therefore, we are of the view that the estimated amounts from Guotai Junan Zhengyu (for both inflow and outflow) for FY2028 were fair and reasonable.

Having considered the above, including the sum of (i) estimated amounts of fixed income business; (ii) estimated amounts from Guotai Junan International; (iii) estimated amounts from Assets and Liabilities Department of the Company; (iv) estimated amounts from Guotai Junan Zhengyu; and (v) estimated amounts from Haitong Innovation Securities accounted for over 95% of the Financial Products Annual Cap (for both outflow and inflow) of the Securities and Financial Product Transactions, each of item (i) to (v) were fair and reasonable as analysed above, we are of the view that the Financial Products Annual Caps (outflow) and Financial Products Annual Caps (inflow) for the three years ending 31 December 2028 are fair and reasonable.

Shareholders should note that as the Financial Products Annual Caps for the three years ending 31 December 2028 are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of revenue/income/cost to be recorded/incurred from the Securities and Financial Product Transactions. Consequently, we express no opinion as to how closely the actual revenue/income/cost to be recorded/incurred from the Securities and Financial Product Transactions will correspond with the Financial Products Annual Caps.

B. FINANCIAL SERVICES

Pricing basis for Financial Services

- **Financial products agency sale services** – The price is determined after arm's length negotiation, based on market prices, industry management and the total amount of financial products covered under the sales agency arrangements, with reference to the fees charged by HuaAn Funds or the Company for similar sales agency services to independent customers;

- **Brokerage services** – The price is determined after arm's length negotiation with reference to the prevailing market rates for similar securities or futures;

- **Rental of trading booths** – The commission rates for the rental of trading booths are fairly transparent in the market. The Company calculates the commission as a percentage of the amount of each transaction conducted through the trading booth and such percentage is determined based on prevailing market prices and industry practice;

- **Custody and outsourcing** – The rates for the services are generally transparent and standardized. The Company performs its responsibilities including asset custody, investment liquidation, valuation calculation, investment supervision, information disclosure and reporting in accordance with laws and regulations and fund contracts. Relevant rates are determined after arm's length negotiation, in consideration of factors including market competition;

- **Entrusted asset management services** – The rates are determined after arm's length negotiation, with reference to factors such as prevailing market rates, the value of products sold or the size of the entrusted assets and the complexity of providing the specified services;

- **Other securities and financial services including securities and financial consulting and advisory services and commodity services** – The prices are determined by the nature of the transaction in accordance with applicable laws and regulations with reference to prevailing market prices.

For our due diligence purpose, we searched over the Stock Exchange's website in respect of pricing policies of securities and financial services transactions as conducted between securities firms (which were listed on the Stock Exchange and Shanghai Stock Exchange/Shenzhen Stock Exchange) and their connected persons. We reviewed over three transactions as announced by the aforesaid listed issuers. We noted that the pricing policies under the Financial Services are generally in line with pricing policies for the same/similar transactions between the aforesaid listed issuers and their connected persons.

Pricing approval and supervision

The Group has adopted a series of internal pricing policies and approval procedures to regulate the provision of securities and financial products and financial services between the Group and HuaAn Funds Group. Details of the procedures are set out under the section headed "3. Internal Control Measures to Regulate the Continuing Connected Transactions" of the Board Letter.

We noted from the internal procedures that:

- for Financial Services provided by the Group to HuaAn Funds Group, the Group will offer similar pricing terms to HuaAn Funds Group as those to other Independent Third Parties and no preferential terms shall be provided to HuaAn Funds Group. Prior to conducting such transactions, the relevant departments of the Company would conduct inspection and due diligence, assess whether the pricing is in compliance with relevant policies and procedures of the Group and whether the price is fair and reasonable after considering specific factors such as services provided, and grant approval, where appropriate; and

- for Financial Services provided by HuaAn Funds Group to the Group, the Company will select suppliers and determine the relevant terms of the transactions through inquiry and negotiation process. The Company will also gather information on its suppliers and their levels of fees and prices and compare the fees/prices and quality of services before selection. A prior assessment will be conducted by the responsible officer to assess whether the proposed prices by suppliers are fair and reasonable before submission for consideration and approval to the head of the relevant department. In such case, any offer from HuaAn Funds Group needs to pass through the selection process the same as other suppliers before it could be appointed. As the Company will consider various updated market information available and because of the uniqueness of financial transactions, there is no specific internal requirement as to the number of suppliers that will be selected for a particular type of service.

For our due diligence purpose, we obtained a summary list of Financial Services for the two years ended 31 December 2024 and the eight months ended 31 August 2025. We have randomly selected one transaction for each of (i) Financial Services provided by the Group to HuaAn Funds Group; and (ii) Financial Services provided by HuaAn Funds Group to the Group, for each period (six transactions were selected in total) from such list (the "**Selected Financial Services Samples**") which covered (i) rental of trading booths under the Financial Services provided by the Group to HuaAn Funds Group; and (ii) entrusted asset management services under the Financial Services provided by HuaAn Funds Group to the Group. As the Selected Financial Services Samples cover (i) the principal types of the Financial Services; and (ii) the period for the two years ended 31 December 2024 and the eight months ended 31 August 2025, we consider that the Selected Financial Services Samples are fair and representative. Upon our request, the Company provided us with the relevant documents relating to the Selected Financial Services Samples, including the corresponding executed agreements and comparable agreements entered into between the Company and the Independent Third Parties for the same period. After reviewing the aforesaid documents, nothing has come to our attention that causes us to believe that the Selected Financial Services Samples did not comply with the internal pricing policies and approval procedures as aforementioned. Hence, we do not doubt the effectiveness of the internal pricing policies and approval procedures as aforementioned.

Based on the above, in particular, there will be (a) inspection, due diligence and assessment procedures prior to conducting such transactions; or (b) information gathering procedures, we consider that the internal control procedures are sufficient for the Company to monitor the Financial Services and the effective implementation of such procedures would help to ensure fair pricing of the Financial Services according to the pricing policies.

In light of the above and that (i) the pricing policies under the Financial Services are generally in line with pricing policies for the same/similar transactions between the securities firms (which were listed on the Stock Exchange and Shanghai Stock Exchange/Shenzhen Stock Exchange) and their connected persons; and (ii) there will be (a) inspection, due diligence and assessment procedures prior to conducting such transactions; or (b) information gathering procedures, we are of the view that the pricing policy of the Financial Services are on normal commercial terms and are fair and reasonable.

The historical amounts and the proposed annual caps

Set out below are the (i) historical transaction amounts of the Financial Services for the two years ended 31 December 2024 and the eight months ended 31 August 2025; and (ii) the proposed annual caps for the Financial Services for the three years ending 31 December 2028 (the "**Financial Services Annual Cap(s)**"):

	For the year ended 31 December 2023 *RMB'million*	**For the year ended 31 December 2024** *RMB'million*	**For the year ending 31 December 2025** *RMB'million*
Revenue generated by the Group			
Historical transaction amounts	127.99	79.87	54.41 *(Note)*
Existing annual caps	256.32	241.67	272.47
Fees payable by the Group			
Historical transaction amounts	6.48	4.83	3.61 *(Note)*
Existing annual caps	43.94	49.70	58.52

	For the year ending 31 December 2026 *RMB'million*	**For the year ending 31 December 2027** *RMB'million*	**For the year ending 31 December 2028** *RMB'million*
Financial Services Annual Caps			
Revenue to be generated by the Group	252.15	255.69	259.69
Fees payable by the Group	71.00	82.50	94.23

Note: The figures were for the eight months ended 31 August 2025.

With reference to the Board Letter, the Financial Services Annual Caps for the three years ending 31 December 2028 were determined after taking into account of various factors, details of which are set out under the section headed "Basis for Determining the Proposed New Annual Caps" of the Board Letter.

To assess the fairness and reasonableness of the Financial Services Annual Caps for the three years ending 31 December 2028, we requested the Company to provide us calculation showing the breakdown of Financial Services Annual Caps for the three years ending 31 December 2028. As further advised by the Directors, the Financial Services Annual Caps for the three years ending 31 December 2028 were determined with reference to the estimated demand of Financial Services for the corresponding period. Based on the calculation, we performed following analyses:

Financial Services Annual Caps (revenue nature)

We discussed with the Company and understood that the determination of the Financial Services Annual Caps (revenue nature) for the three years ending 31 December 2028 were based on the estimated income to be recorded from various business department and subsidiaries of the Company, which were principally engaged in relevant businesses and would become counterparties of members of HuaAn Funds Group under the Financial Services. Such business department and subsidiaries of the Company includes Guotai Junan International (the businesses of which with HuaAn Funds Group include, among other things, Bond Repo Transaction and issue of the Relevant Financial Products), Institutional Sales Department of the Company (the businesses of which is to take the lead in conducting equity sales and trading and relevant services for domestic institutions including funds, banks, and insurance companies).

We noted from the calculation that the sum of (i) estimated income to be recorded by Guotai Junan International from transactions with HuaAn Funds; and (ii) estimated income from institutional sales business by Institutional Sales Department of the Company, representing around 90% of the Financial Services Annual Cap (revenue nature) of approximately RMB252.15 million for FY2026.

- **Guotai Junan International**:

  We noticed that the estimated income to be recorded by Guotai Junan International from transactions with HuaAn Funds for FY2026 were approximately RMB172.27 million.

  As advised by the Directors, such revenue is mainly considered the interest income to be generated from Bond Repo Transaction and the possible gross revenue from the issue of Relevant Financial Products by Guotai Junan International (which will be subscribed by HuaAn Funds Group).

  Based on the total amounts of Bond Repo Transaction and the Relevant Financial Products amounted to RMB5,040 million for FY2026 and prevailing interest rate of Bond Repo Transaction and issuer fee rates, the estimated income would be approximately RMB165 million.

  Having considered the above, we are of the view that the estimated income to be recorded by Guotai Junan International from transactions for FY2026 is fair and reasonable.

- **Institutional Sales Department**:

  We noticed that the estimated income from institutional sales business by Institutional Sales Department of the Company for FY2026 was approximately RMB53.39 million.

  Based on our discussion with staff of Institutional Sales Department of the Company, we understood that the estimated income was determined with reference to income generated by this business from HuaAn Funds for the eight months ended 31 August 2025.

  Based on revenue generated by this business from HuaAn Funds for the eight months ended 31 August 2025, it would be approximately RMB57.02 million after annualization, representing a decrease of approximately 9.6% as compared to that for FY2024. Based on the aforesaid decrease, implied income to be generated by this business from HuaAn Funds for FY2026 would be approximately RMB51.55 million. Given that the difference between the estimated income for FY2026 and implied income for FY2026 was less than 5%; and the estimated income to be generated by this business from HuaAn Funds for FY2027 and FY2028 were at similar level of that for FY2026, we are of the view that the estimated income for the three years ending 31 December 2028 is fair and reasonable.

In light of the above factors, we are of the view that the Financial Services Annual Cap (revenue nature) for FY2026 is fair and reasonable.

The Financial Services Annual Cap (revenue nature) for the three years ending 31 December 2028 (i.e. RMB252.15 million, RMB255.69 million and RMB259.69 million) remains stable. Given that (i) the Group recorded a decrease of historical transaction amounts of Financial Services (revenue nature) from FY2023 to FY2024; and (ii) the annualised transaction amounts of Financial Services (revenue nature) for FY2025 (i.e. RMB81.62 million based on RMB54.41 million for the eight months ended 31 August 2025) was close to the historical transaction amounts of Financial Services (revenue nature) for FY2024 (i.e. RMB79.87 million), we consider that it is reasonable and prudent to set the Financial Services Annual Cap (revenue nature) for the three years ending 31 December 2028 at the same level. Accordingly, we are of the view that the Financial Services Annual Caps (revenue nature) for FY2027 and FY2028 are fair and reasonable.

Financial Services Annual Caps (expense nature)

We noted from the calculation that the Financial Services Annual Cap (expense nature) of RMB71.00 million for FY2026 comprised, among other things, estimated fees to be paid by the Group for asset management services to HuaAn Funds (the "**Estimated AM Expenses**"), which was the single largest proportion of expenses under and accounted for approximately 87% of the Financial Services Annual Cap (expense nature) for FY2026.

- **Estimated AM Expenses**:

  We noticed that the estimated AM Expenses for FY2026 were approximately RMB62 million.

  In determining the estimated AM Expenses for FY2026, the Directors made reference to (i) estimated subscription amounts of funds of HuaAn Funds of approximately RMB36,676 million; and (ii) estimated asset management fee rate. The AM Expenses equals to estimated subscription amounts of funds of HuaAn Funds x estimated asset management fee rate.

  In respect of the estimated asset management fee rate, we searched asset management fee rates of all funds charged by HuaAn Funds through Wind Financial Terminal. Based on the available information as at the Latest Practicable Date, the asset management fee rates charged by HuaAn Funds ranged from 0.15% to 1.20%. As the implied average estimated asset management fee rate (approximately 0.17%) fell within and was close to the lower limit of the aforesaid asset management rates range, we are of the view that the estimated asset management fee rate is justifiable.

  In respect of the estimated subscription amounts of funds of HuaAn Funds, we noted that the estimated subscription amounts of funds of HuaAn Funds of approximately RMB36,676 million was in line with the estimated subscription amounts of funds as summarised by different departments/subsidiaries of the Company according to the calculation. We also noted that the estimated subscription amounts of funds of HuaAn Funds accounted for approximately 88% of the estimated cash outflow of the Securities and Financial Product Transactions.

  Based on the above, we consider the estimated AM Expenses for FY2026 is fair and reasonable.

In light of the above factors, we are of the view that the Financial Services Annual Cap (expense nature) for FY2026 is fair and reasonable.

The Financial Services Annual Cap (expense nature) for (i) FY2027 represented an increase of approximately RMB11.50 million as compared to that for FY2026; and (ii) for FY2028 represented an increase of approximately RMB11.73 million as compared to that for FY2027. According to the calculation, we noticed that the aforesaid increases was mainly due to the anticipated increases in AM Expenses for FY2027 and FY2028 as a result of the increases in estimated subscribed amounts of funds of HuaAn Funds for the corresponding period (evidenced by the increases in the Financial Products Annual Caps (outflow) for the corresponding period). Based on the aforesaid, we are of the view that the aforesaid increase for FY2027 and FY2028 to be justifiable. Accordingly, we are of the view that the Financial Services Annual Caps (expense nature) for FY2027 and FY2028 are fair and reasonable.

Shareholders should note that as the Financial Services Annual Caps for the three years ending 31 December 2028 are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of revenue/income/cost to be recorded/incurred from the Financial Services. Consequently, we express no opinion as to how closely the actual revenue/income/cost to be recorded/incurred from the Financial Services will correspond with the Financial Services Annual Caps.

Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the values of the Continuing Connected Transactions must be restricted by the Financial Services Annual Caps and/or the Financial Products Annual Caps for the period concerned under the New Framework Agreement; (ii) the Continuing Connected Transactions must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the Continuing Connected Transactions must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the Continuing Connected Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the listed issuer's group if the transactions involve the provision of goods or services by the listed issuer's group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the annual caps.

In the event that the total amounts of the Continuing Connected Transactions are anticipated to exceed the annual caps, or that there are any proposed material amendment to the terms of the New Framework Agreement, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Continuing Connected Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Continuing Connected Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Continuing Connected Transactions are in the interests of the Company and the Shareholders as a whole and conducted in the ordinary and usual course of business of the Group. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Continuing Connected Transactions and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name	Positions	Nature of Interest	Class	Number/ Nature of Shares Directly or Indirectly Held	As an Approximate Percentage of the Relevant Class of Shares *(%)*	As an Approximate Percentage of the Total Issued Share Capital *(%)*
LI Junjie	Executive Director, president	Beneficial owner	A Shares	599,686/ Long positions	0.0042	0.0034
NIE Xiaogang	Executive Director, vice president, chief risk officer, secretary to the Board	Beneficial owner	A Shares	315,000/ Long positions	0.0022	0.0018

Save as disclosed above, as at the Latest Practicable Date, the Company was not aware of any Directors and the chief executive of the Company who had any interests or short positions in the Shares, underlying shares or debentures of the Company or its associated corporations which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Hong Kong Stock Exchange.

3. DIRECTORS' POSITIONS IN SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, save as disclosed below, none of the Directors or proposed Directors was a director or employee of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name	Name of Shareholder	Position in the Shareholder
ZHOU Jie	International Group	Chairman
GUAN Wei	International Group	Deputy General Manager and Chief Financial Officer
	Shanghai State-owned Assets Management Co., Ltd.	Chairman
ZHONG Maojun	International Group	Director, General Legal Counsel and chief auditor
CHEN Hangbiao	International Group	General Manager of the capital operation department and the financial institution management department
LV Chunfang	International Group	General Manager of the financial management department
CHEN Yijiang	New China Asset Management (Hong Kong) Limited	Chairman
	New China Asset Management Company Limited	Director, General Manager

4. SERVICE CONTRACTS OF THE DIRECTORS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

Mr. Chen Yijiang, a non-executive Director of the Company since 27 September 2024. He currently acts as the chairman of New China Asset Management (Hong Kong) Limited. Since New China Asset Management (Hong Kong) Limited currently holds the licenses under the SFO for engaging in the regulated activities of Type 4 (Advising on Securities) and Type 9 (Asset Management), it may compete or is likely to compete, either directly or indirectly, with certain businesses of Guotai Junan Financial Holdings Co., Ltd. and its subsidiaries. Mr. Chen Yijiang was not involved in the daily management and operation of the Company. As such, the directorship held by Mr. Chen Yijiang in New China Asset Management (Hong Kong) Limited

would not give rise to any material competition issue under Rule 8.10 of the Listing Rules. Save as disclosed above, as at the Latest Practicable Date, none of the Directors of the Company or their respective close associates (as if each of them was treated as a controlling shareholder under Rule 8.10 of the Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors of the Company had any interest, direct or indirect, in any assets that had been acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024 (being the date to which the latest published audited consolidated accounts of Guotai Junan Securities).

As at the Latest Practicable Date, none of the Directors of the Company was materially interested in any contract or arrangement subsisting at such date which was significant in relation to the business of the Group.

7. NO MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, they are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited accounts of Guotai Junan Securities were made up.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, arbitration or claim of material importance and there was no litigation, arbitration or claim of material importance known to Directors to be pending or threatened by or against any member of the Group.

9. EXPERT AND CONSENT

The following are the qualification of the expert who has given opinions or advice, which are contained or referred to in this Circular:

Name	Qualifications
Gram Capital	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As of the Latest Practicable Date, Gram Capital:

(a) has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its letter and references to its name, in the form and context in which it appears;

(b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

(c) did not have any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2024 (being the date to which the latest published audited consolidated accounts of Guotai Junan Securities).

The letter and recommendation from Gram Capital Limited are given as of the date of this Circular for incorporation herein.

10. DOCUMENTS AVAILABLE ON DISPLAY

The draft of New Framework Agreement will be published on the website of the Hong Kong Stock Exchange (https://www.hkexnews.hk) and the website of the Company (http://www.gtht.com) for a period of 14 days from the date of this Circular.

11. GENERAL

In the event of any inconsistencies between the Chinese version and English version of the circular, the English version shall prevail.

Guotai Haitong Securities Co., Ltd.
國泰海通證券股份有限公司

(A joint-stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02611)

NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Guotai Haitong Securities Co., Ltd. (the "**Company**") will be held at 2:00 p.m. on Monday, 29 December 2025 at Room 405, 768 Nanjing West Road, Jingan District, Shanghai, the PRC, to consider and, if thought fit, pass the following resolution. Unless otherwise specified, capitalized terms used in this notice shall have the same meaning as those defined in the circular of the Company dated 5 December 2025 (the "**Circular**").

ORDINARY RESOLUTION

1. To consider and approve the renewal of the New Framework Agreement for securities and financial products transactions and services with HuaAn Funds.

By Order of the Board
Guotai Haitong Securities Co., Ltd.
ZHU Jian
Chairman

Shanghai, the PRC

5 December 2025

As at the date of this notice, the executive directors of the Company are Mr. ZHU Jian, Mr. LI Junjie and Mr. NIE Xiaogang; the non-executive directors of the Company are Mr. ZHOU Jie, Ms. GUAN Wei, Mr. ZHONG Maojun, Mr. CHEN Hangbiao, Ms. LV Chunfang, Ms. HA Erman, Mr. SUN Minghui and Mr. CHEN Yijiang; the employee director of the Company is Mr. WU Hongwei; and the independent non-executive directors of the Company are Mr. LI Renjie, Mr. WANG Guogang, Mr. PU Yonghao, Mr. MAO Fugen, Mr. CHEN Fangruo and Mr. JIANG Xian.

Notes:

(1) In order to determine the holders of H Shares who are entitled to attend the EGM, **the H Share register of members of the Company will be closed from Monday, 22 December 2025 to Monday, 29 December 2025 (both days inclusive), during which period no share transfer will be registered**. In order for holders of H Shares to be qualified for attending the EGM, all share certificates together with the share transfer documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Tel: (852) 2862 8555), by **4:30 p.m. on Friday, 19 December 2025**. Holders of H Shares who are registered with Computershare Hong Kong Investor Services Limited on **Monday, 29 December 2025** are entitled to attend the EGM.

(2) Holders of H Shares who are entitled to attend and vote at the EGM may designate one or more proxies to attend and vote at the EGM on his/her behalf. A proxy need not be a shareholder of the Company.

To be valid, the proxy form together with the power of attorney (if any) and other relevant authorization document(s) (if any) which have been notarized shall be deposited at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time designated for the EGM (i.e., by 2:00 p.m. on Sunday, 28 December 2025). Completion and return of the proxy form will not preclude the shareholders of H Shares from attending and voting at the EGM should they so wish.

The address of the Board's office is at 768 Nanjing West Road, Jingan District, Shanghai, the PRC, Postal code: 200041 (Tel: (8621) 3867 6798, Fax: (8621) 3867 0798). The address of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Fax: (852) 2865 0990).

(3) Any voting on any resolution at the EGM shall be taken by poll.

(4) In case of joint Shareholders, if more than one of them are presented at the meeting, either in person or by proxy, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint Shareholders. For this purpose, seniority shall be determined by the order in which the names of the joint Shareholders stand in the register of members of the Company in respect of the joint shareholding.

(5) The EGM is expected to last for half a day. Shareholders attending (in person or by proxy) the EGM shall be responsible for their own travel and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the EGM.

(6) The ordinary resolution 1 will be voted by the Shareholders who do not have any interest in such resolution. International Group and its associates and Shanghai Industrial shall abstain from voting on the ordinary resolution 1.

(7) Please refer to the Circular of the EGM dated 5 December 2025 for the details of the above resolution to be proposed at the EGM for consideration and approval.