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If you are in any 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 the Company, you should at once hand this circular together with the accompanying form of proxy and reply slip to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was affected for transmission to the purchaser(s) or the transferee(s).



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC) (Stock Code: 6886)

2018 WORK REPORT OF THE BOARD 2018 WORK REPORT OF THE SUPERVISORY COMMITTEE **2018 FINAL FINANCIAL REPORT 2018 PROFIT DISTRIBUTION PLAN 2018 ANNUAL REPORT** ESTIMATED ORDINARY TRANSACTIONS WITH RELATED PARTIES **FOR 2019** ESTIMATED INVESTMENT AMOUNT FOR THE PROPRIETARY **BUSINESS FOR 2019 RE-APPOINTMENT OF ACCOUNTING FIRM FOR 2019** AMENDMENTS TO THE DECISION MAKING SYSTEM FOR EXTERNAL **GUARANTEE** AMENDMENTS TO THE PROCEEDS MANAGEMENT SYSTEM AMENDMENTS TO THE ARTICLES OF ASSOCIATION AMENDMENTS TO THE RULES OF PROCEDURES OF THE GENERAL **MEETING** AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD **GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS** AND **NOTICE OF AGM**

A notice convening the AGM of the Company to be held at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No.139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Wednesday, June 26, 2019 at 2:00 p.m. is set out on pages 16 to 20 of this circular.

If you are not able to attend the AGM, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the AGM and deposit it together with the notarised power of attorney or other documents of authorization with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Share). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person should you so desire.

Shareholders intending to attend the AGM in person or by their proxies should complete and return the reply slip for attending the AGM to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Share) on or before Thursday, June 6, 2019.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"A Share(s)"	domestic share(s) 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
"AGM"	the annual general meeting of 2018 to be held by the Company at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No.139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Wednesday, June 26, 2019 at 2:00 p.m.
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board" or "Board of the Company"	the board of directors of the Company
"Company"	a joint stock company incorporated in the PRC with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from our predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on December 7, 2007, carrying on business in Hong Kong as "HTSC", and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of "華泰六八八 六股份有限公司" and English name of "Huatai Securities Co., Ltd."; the H Shares of which have been listed on the main board of Hong Kong Stock Exchange since June 1, 2015 (Stock Code: 6886); the A Shares of which have been listed on the Shanghai Stock Exchange since February 26, 2010 (Stock Code: 601688), unless the context otherwise requires, including its predecessor
"CEO"	the chief executive officer of the Company
"Company Law"	Company Law of the People's Republic of China (as amended from time to time)
"CSRC"	the China Securities Regulatory Commission (中國證券監督 管理委員會)
"Director(s)"	the director(s) of the Company
"Decision Making System of the Company for External Guarantee"	the Decision Making System of Huatai Securities Co., Ltd. for External Guarantee (as amended from time to time)

DEFINITIONS

"Group"	the Company and its subsidiaries, and their respective predecessors
"HK dollar(s)"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"H Share(s)"	foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange
"Independent Non-executive Director(s)"	the independent non-executive Director(s) of the Company
"Jiangsu SASAC"	State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government (江蘇省人民 政府國有資產監督管理委員會)
"Latest Practicable Date"	May 6, 2019, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PBOC"	the People's Bank of China
"PRC" or "China"	the People's Republic of China, excluding for the purposes of this circular, Hong Kong, Macau and Taiwan
"Proceeds Management System"	the Proceeds Management System of Huatai Securities Co., Ltd. (as amended from time to time)
"Reporting Period"	the period from January 1, 2018 to December 31, 2018
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rules of Procedures of the Board of Directors"	the Rules of Procedures of the Board of Directors of Huatai Securities Co., Ltd. (as amended from time to time)
"Rules of Procedures of the General Meeting"	the Rules of Procedures of the General Meeting of Huatai Securities Co., Ltd. (as amended from time to time)
"Share(s)"	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares

DEFINITIONS

"Shareholder(s)"	the holder(s) of the share(s)
"Supervisor(s)"	the supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company
"Terms of Reference of the Committees of the Board of Directors"	the Terms of Reference of the Committees of the Board of Directors of Huatai Securities Co., Ltd. (as amended from time to time)
"%"	per cent.



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC) (Stock Code: 6886)

Executive Directors: Mr. Zhou Yi (*Chairman, President*) Mr. Zhu Xuebo

Non-executive Directors:

Mr. Ding Feng Mr. Chen Yongbing Mr. Xu Qing Ms. Hu Xiao Ms. Fan Chunyan

Registered office:

No. 228 Middle Jiangdong Road, Nanjing, Jiangsu Province, the PRC

Principal place of business in Hong Kong:
4201, 42/F, The Centre,
99 Queen's Road Central,
Hong Kong

Independent Non-executive Directors:

Mr. Chen Chuanming Mr. Liu Hongzhong Mr. Lee Chi Ming Ms. Liu Yan Mr. Chen Zhibin

May 10, 2019

To the Holders of H Shares

Dear Sir and Madam,

Introduction

The purpose of this circular is to provide you, as holders of H Shares, with the notice of AGM (set out on pages 16 to 20 of this circular) and provide you with information reasonably necessary to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM.

At the AGM, ordinary resolutions will be proposed to approve (i) the 2018 work report of the Board of the Company ("2018 Work Report of the Board"); (ii) the 2018 work report of the Supervisory Committee of the Company ("2018 Work Report of the Supervisory Committee"); (iii) the 2018 final financial report of the Company ("2018 Final Financial Report"); (iv) the 2018 profit distribution plan of the Company ("2018 Profit Distribution Plan"); (v) the 2018 annual report of the Company ("2018 Annual Report"); (vi) the resolution on the estimated ordinary transactions with related parties of the Company for 2019; (vii) the resolution on the estimated investment amount for

the proprietary business of the Company for 2019; (viii) the resolution on re-appointment of accounting firm of the Company for 2019; (ix) the resolution on amendments to the Decision Making System of Huatai Securities Co., Ltd. for External Guarantee; and (x) the resolution on amendments to the Proceeds Management System of Huatai Securities Co., Ltd. Besides, special resolutions will be proposed to approve (xi) the resolution on amendments to the Articles of Association of Huatai Securities Co., Ltd.; (xii) the resolution on amendments to the Rules of Procedures of the General Meeting of Huatai Securities Co., Ltd.; (xiii) the resolution on amendments to the Rules of Procedures of the Board of Huatai Securities Co., Ltd.; and (xiv) the resolution on the general authorization of the Company's domestic and foreign debt financing instruments.

Ordinary Resolutions:

1. 2018 Work Report of the Board

At the AGM, an ordinary resolution will be proposed to approve 2018 Work Report of the Board. Please see the relevant parts of the 2018 Annual Report for information about 2018 Work Report of the Board.

The 2018 Work Report of the Board was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

2. 2018 Work Report of the Supervisory Committee

At the AGM, an ordinary resolution will be proposed to approve 2018 Work Report of the Supervisory Committee. Details of the 2018 Work Report of the Supervisory Committee are set out in Appendix I to this circular.

The 2018 Work Report of the Supervisory Committee was considered and approved by the Supervisory Committee on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

3. 2018 Final Financial Report

At the AGM, an ordinary resolution will be proposed to approve 2018 Final Financial Report. Details of the 2018 Final Financial Report are set out in the Appendix II to this circular.

The 2018 Final Financial Report was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

4. Resolution on the 2018 Profit Distribution Plan of the Company

At the AGM, an ordinary resolution will be proposed to approve the 2018 Profit Distribution Plan.

As audited by KPMG Huazhen LLP, the net profit for 2018 of the Company reached RMB5,359,763,895.61. According to relevant requirements of the Company Law, the Securities Law

of the People's Republic of China, Financial General Rules for Enterprises and Financial Rules for Financial Enterprises (《企業財務通則金融企業財務規則》) and the Articles of Association, the Company had appropriated 10% for statutory surplus reserve, 10% for general risk reserve and 10% for trading risk reserve of RMB1,607,929,168.68 in total, after which, the profit available for distribution for the year was RMB3,751,834,726.93.

Plus the balance of undistributed profit in previous years and less the dividend distributed by the Company for the year, the accumulated profit available for distribution to investors in cash for the year was RMB14,480,534,816.47.

According to relevant requirements of the No. 3 Regulatory Guideline for the Supervision of Listed Companies — Cash Dividend of Listed Companies (《上市公司監管指引第3號 — 上市公司現金分紅》) of the CSRC and Guidelines for Cash Dividend Distribution of SSE-listed Companies (《上海證券交易所上市公司現金分紅指引》) and based on the actual needs of the Company for business development, the profit distribution plan is proposed as follows:

The Company will make profit distribution by way of cash dividend for 2018, to distribute cash dividend to all the holders of A Shares and H Shares whose names appeared on the register of Shareholders on the record date for cash dividend distribution for 2018, the amount of which will be RMB3.00 (tax included) per 10 shares in cash based on the total share capital of 8,251,500,000 shares as at the end of 2018, with an aggregate amount of RMB2,475,450,000.00. The remaining profit available for distribution to investors will be carried forward to the next year.

Cash dividend is denominated and declared in Renminbi, and paid to holders of A Shares in Renminbi and to holders of H Shares in HK dollars. The actual distribution amount in HK dollars would be calculated at the average basic exchange rate of Renminbi against HK dollars published by the PBOC five business days prior to the date of 2018 AGM.

The Company will make further notice on the record date and the book closure date for such dividend distribution.

The resolution was considered and approved by the Board and the Supervisory Committee on March 29, 2019, and is now submitted to the AGM for its consideration and approval. Upon the approval at the AGM, the Company will distribute cash dividend to its Shareholders according to the distribution plan within two months from the date of convening the AGM.

5. Resolution on 2018 Annual Report of the Company

At the AGM, an ordinary resolution will be proposed to approve the 2018 Annual Report. The 2018 Annual Report was dispatched on April 26, 2019, and meanwhile has been published on the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the website of the Company (www.htsc.com.cn).

The 2018 Annual Report was considered and approved by the Board and the Supervisory Committee on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

6. Resolution on the estimated ordinary transactions with related parties of the Company for 2019

At the AGM, an ordinary resolution will be proposed to authorize, within the scope of the ordinary transactions with related parties of the Company for 2019 estimated in the resolution, the Company's management to sign or renew relevant agreements according to the Company's need for normal business operation. Details of the resolution on the estimated ordinary transactions with related parties of the Company for 2019 are set out in the Appendix III to this circular.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

7. Resolution on the estimated investment amount for the proprietary business of the Company for 2019

As an essential part of the primary business of the Company, the proprietary investment business is affected by various factors such as national policies and market volatility. The proprietary investment scale is subject to adjustment based on the actual situation so as to seize investment opportunities in a timelier manner. Article 7 of the Provisions on Strengthening the Supervision and Administration of Listed Securities Companies (Revised in 2010) (《關於加強上市證券公司監管的規 定 (2010年修訂)》) promulgated by the CSRC provides that "pursuant to the requirements of the listing rules of Shanghai Stock Exchange and Shenzhen Stock Exchange with respect to transactions which shall be disclosed, where material foreign investments including securities proprietary business of listed securities companies exceeding certain amounts may need to be disclosed and submitted to the shareholders' general meeting for resolution in time, the aggregate amount of proprietary investments can be considered and disclosed by shareholders' general meeting of such companies each year; in the event that any changes occurred in proprietary investments, shareholders' general meeting can authorize the Board to vote and provide announcements in compliance with the Articles of Association". The Board considered the Proposal on the Estimated Investment Amount for the Proprietary Business of the Company for 2019 and formed the Resolution on the Estimated Investment Amount for the Proprietary Business of the Company for 2019, which is submitted to the AGM for consideration. The resolution mainly includes:

Subject to the compliance with the relevant requirements of proprietary management and risk monitor and control issued by the CSRC, propose to authorize the operation management of the Company to determine and adjust the total amount investment of the proprietary business of the Company within the following limits according to the market condition:

- 1. The aggregate amount for proprietary equity securities and derivatives thereof shall not exceed 100% of the net capital of the Company;
- 2. The aggregate amount for proprietary non-equity securities and its derivatives shall not exceed 400% of the net capital of the Company.

The above limit excludes long-term equity investment and passive position arising from underwriting business of the Company. The aggregate amount for "proprietary equity securities and

derivatives" and "proprietary non-equity securities and its derivatives" shall be calculated as per Regulations on Risk Control Indicators of Securities Company (《證券公司風險控制指標管理辦法》) and Calculation Standards for Risk Control Indicators of Securities Company (《證券公司風險控制指標計算標準規定》).

It should be noted that the above-mentioned limits, being cap amounts of the proprietary investment, are set in accordance with relevant requirements of the CSRC and subject to market volatility, and the total amounts of proprietary investment to be made and any variance thereof, do not represent the judgment of the operation management of the Company or the Board on the market. The actual amounts of proprietary investment depend on the market conditions at the time of making such proprietary investment(s).

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

8. Resolution on the re-appointment of accounting firm of the Company for 2019

After the bid evaluation by the team of experts organized by the Bidding Center of Jiangsu Province, and as considered and approved by the shareholders' general meeting of the Company, for the years from 2014 to 2018, the Company continuously engaged KPMG Huazhen LLP as the audit services institution of the Company and its holding subsidiaries to audit the annual accounting statements and internal control. The Company intends to re-appoint KPMG Huazhen LLP as the audit services institution to audit the annual accounting statements and internal control of the Company and its holding subsidiaries for 2019 and issue audit reports on A Shares and H Shares, respectively. Due to the rapid growth of the Company's overseas business scale, the increase of special audit reports of regulatory authorities and the increase of regulatory requirements for information disclosure on the three stock exchanges where the Company has been listed the annual audit service fee increased from not more than RMB5 million to not more than RMB5.5 million.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

9. Resolution on the Amendments to the Decision Making System for External Guarantee

Reference is made to the announcement dated Friday, March 29, 2019 in relation to, inter alia, the Board's proposed amendment to the Decision Making System for External Guarantee.

In order to actively explore and establish a new business management system to improve work efficiency and specify work responsibilities, the Company intends to establish an executive committee and the position of CEO, and no longer keeps the positions of president and vice president. The Executive Committee of the Company is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board, with members from senior management and the CEO being the director of the Executive Committee of the Company. Meanwhile, according to the requirements of regulatory authorities on the external guarantee amount management of securities companies and listed companies, in accordance with the relevant

requirements under relevant laws, regulations and regulatory documents, and based on its actual situation, the Company proposes to amend some of the provisions of the current Decision Making System for External Guarantee (the "**Proposed Amendments to the Decision Making System for External Guarantee**").

The Proposed Amendment to the Decision Making System for External Guarantee is subject to the approval of the shareholders at the general meeting. The amended Decision Making System for External Guarantee shall be effective at the same time as the proposed newly amended Articles of Association. Prior to this, the current Decision Making System for External Guarantee shall continue to be effective.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

Details of the explanation table of the Proposed Amendments to the Decision Making System of the Company for External Guarantee are set out in Appendix IV to this circular.

10. Resolution on the Amendments to the Proceeds Management System of Huatai Securities Co., Ltd.

Reference is made to the announcement dated Friday, March 29, 2019 in relation to, inter alia, the Board's proposed amendment to the Proceeds Management System.

In order to actively explore and establish a new business management system to improve work efficiency and specify work responsibilities, the Company intends to establish an executive committee and the position of CEO, and no longer keeps the positions of president and vice president. The Executive Committee of the Company is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors, with members from senior management and the CEO being the director of the Executive Committee of the Company.

Therefore, in accordance with the relevant requirements of the relevant laws, regulations and regulatory documents, and taking into account the actual situation of the Company, the Company proposes to amend some of the provisions of the current Proceeds Management System (the "**Proposed Amendments to the Proceeds Management System**").

The Proposed Amendment to the Proceeds Management System is subject to the approval of the shareholders at the general meeting. The amended Proceeds Management System shall be effective at the same time as the proposed newly amended Articles of Association. Prior to this, the current Proceeds Management System shall continue to be effective.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

Details of the explanation table of the Proposed Amendments to the Proceeds Management System are set out in Appendix V to this circular.

Special resolutions:

11. Resolution on the Amendments to the Articles of Association of Huatai Securities Co., Ltd.

Reference is made to the announcements dated Friday, March 29, 2019 and Monday, April 29, 2019, respectively, in relation to, inter alia, the Board's proposed amendment to the Articles of Association.

In order to actively explore and establish a new business management system to improve work efficiency and specify work responsibilities, the Company intends to establish an executive committee and the position of CEO, and no longer keeps the positions of president and vice president. The Executive Committee of the Company is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors, with members from senior management and the CEO being the director of the Executive Committee of the Company.

Meanwhile, according to the relevant requirements of the Guidance on Articles of Association of Listed Companies (《上市公司章程指引》), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (《上海證券交易所股票上市規則》), the Administrative Regulations on Private Investment Fund Subsidiaries of Securities Companies (《證券公司私募投資基金子公司管理規範》) and the Administrative Regulations on Alternative Investment Subsidiaries of Securities Companies (《證券公司另類投資子公司管理規範》), etc., the Company proposed to amend the general requirements for external guarantee, and made specific requirement on the relevant provisions regarding the establishment of private investment fund subsidiaries and alternative investment subsidiaries.

In addition, the 6th meeting of the Standing Committee of the 13th National People's Congress held on October 26, 2018 considered and approved the "Decision on Amending the Company Law of the People's Republic of China" (《關於修改<中華人民共和國公司法>的決定》), which revised the provisions relating to share repurchase of the Company Law.

Therefore, in accordance with the relevant requirements of the relevant laws, regulations and regulatory documents, and taking into account the actual situation of the Company, the Company proposes to amend some of the provisions of the current Articles of Association (the "**Proposed Amendments to the Articles of Association**").

The Board has made a proposal to the general meeting to authorize the operational management of the Company to complete the filing and approval for the Proposed Amendments to the Articles of Association and related matters. The Proposed Amendments to the Articles of Association are still

required to be approved by Shareholders at the general meeting and subject to the approval by the securities regulatory authority. The amended Articles of Association shall be effective after the approval from the securities regulatory authority and the completion of the procedures for the change in industrial and commercial registration. Prior to this, the current Articles of Association shall continue to be effective.

The relevant resolutions were considered and approved by the Board on March 29, 2019 and April 29, 2019, and are now submitted to the AGM for its consideration and approval.

Details of the explanation table of the Proposed Amendments to the Articles of Association are set out in Appendix VI to this circular.

12. Resolution on the Amendments to the Rules of Procedures of the General Meeting of Huatai Securities Co., Ltd.

Reference is made to the announcement dated Friday, March 29, 2019 in relation to, inter alia, the Board's proposed amendment to the Rules of Procedures of the General Meeting.

In order to actively explore and establish a new business management system to improve work efficiency and specify work responsibilities, the Company intends to establish an executive committee and the position of CEO, and no longer keeps the positions of president and vice president. The Executive Committee of the Company is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors, with members from senior management and the CEO being the director of the Executive Committee of the Company.

Therefore, in accordance with the relevant requirements of the relevant laws, regulations and regulatory documents, and taking into account the actual situation of the Company, the Company proposes to amend some of the provisions of the current Rules of Procedures of the General Meeting (the "**Proposed Amendments to the Rules of Procedures of the General Meeting**").

The Proposed Amendments to the Rules of Procedures of the General Meeting is subject to the approval of the shareholders at the general meeting. The amended Rules of Procedures of the General Meeting shall be effective at the same time as the proposed newly amended Articles of Association. Prior to this, the current Rules of Procedures of the General Meeting shall continue to be effective.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

Details of the explanation table of the Proposed Amendments to the Rules of Procedures of the General Meeting are set out in Appendix VII to this circular.

13. Resolution on the Amendments to the Rules of Procedures of the Board of Huatai Securities Co., Ltd.

Reference is made to the announcement dated Friday, March 29, 2019 in relation to, inter alia, the Board's proposed amendment to the Rules of Procedures of the Board.

In order to actively explore and establish a new business management system to improve work efficiency and specify work responsibilities, the Company intends to establish an executive committee and the position of CEO, and no longer keeps the positions of president and vice president. The Executive Committee of the Company is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors, with members from senior management and the CEO being the director of the Executive Committee of the Company.

Therefore, in accordance with the relevant requirements of the relevant laws, regulations and regulatory documents, and taking into account the actual situation of the Company, the Company proposes to amend some of the provisions of the current Rules of Procedures of the Board (the "**Proposed Amendments to the Rules of Procedures of the Board**").

The Proposed Amendments to the Rules of Procedures of the Board is subject to the approval of the shareholders at the general meeting. The amended Rules of Procedures of the Board shall be effective at the same time as the proposed newly amended Articles of Association. Prior to this, the current Rules of Procedures of the Board shall continue to be effective.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

Details of the explanation table of the Proposed Amendments to the Rules of Procedures of the Board are set out in Appendix VIII to this circular.

14. Resolution on the general authorization of the Company's domestic and foreign debt financing instruments

Reference is made to the circular issued on Friday, May 5, 2017 and the announcement issued on Wednesday, June 21, 2017 by the Company in relation to, among others, the Resolution on the General Authorization of the Company's Domestic and Foreign Debt Financing Instruments considered and approved at the 2016 AGM of the Company, which authorized the Company to carry out debt financing with a total amount of not more than RMB200 billion by using various domestic and foreign debt financing instruments except for inter-bank borrowing and bond repurchase. The authorization shall be valid for 36 months from the date of consideration and approval by the AGM, which means it will expire on June 20, 2020. Although this general authorization has not yet expired, the capital strength of the Company has achieved a substantial growth and indicated a tendency of further expansion since the Company's completion of the private placement during the authorization period. As a result, the available amount of various debt financing instruments of the Company has increased simultaneously. Coupled with the adjustments of bond repurchase quotas by regulators and the increasing number of new debt financing instruments (including Pledge-style Repo., box options, credit-linked notes, etc.), it is necessary to adjust the current authorization. In order to ensure the smooth development of relevant financing activities, timely grasp market opportunities, meet the Company's needs for business development, timely supplement the Company's working capital, adjust the debt structure, and improve the Company's capital operation efficiency under the premise of controllable risks, the Company intends to once again propose at the general meeting of Shareholders to authorize the Board to and approve that the Board may further authorize the authorized persons (an

authorized group consisting of the Chairman, CEO and Chief Financial Officer of the Company) to make decisions on the issuance of domestic and foreign debt financing instruments of the Company. Depending on the importance of the authorized issues, the authorized persons may jointly or separately sign the relevant documents.

The resolution was considered and approved by the Board on March 29, 2019, and is now submitted to the AGM for its consideration and approval.

Details of the resolution on the general authorization of the Company's domestic and foreign debt financing instruments are set out in Appendix IX to this circular.

Information about the Attendance of AGM

The AGM will be held at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Wednesday, June 26, 2019 at 2:00 p.m. The notice of AGM is also set out on pages 16 to 20 of this circular.

The summary of the important dates for H Shareholders is as follows:

Last Registration Date	:	At or before 4:30 p.m. on Friday, May 24, 2019
Closure of Register of Members	:	Monday, May 27, 2019 to Wednesday, June 26, 2019
for H Shareholders		
Submission of Reply Slip	:	On or before Thursday, June 6, 2019
Submission of Proxy Form	:	At or before 2:00 p.m. on Tuesday, June 25, 2019

The register of members of H Shares will be closed from Monday, May 27, 2019 to Wednesday, June 26, 2019 (both days inclusive), during which period no Share transfers of H Shares will be effected. Purchasers of Shares who have submitted their Share transfer documents to the H Share Registrar of the Company and registered as Shareholders on the H Share register of members of the Company at or before 4:30 p.m. on Friday, May 24, 2019 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.

In order to attend the AGM, holders of H Shares should ensure that all transfer documents, accompanied by the relevant Share certificates, are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Friday, May 24, 2019.

The reply slip and the proxy form for the AGM have been despatched on Friday, May 10, 2019 and have also been published on the website of Hong Kong Stock Exchange (www.hkexnews.hk). Shareholders intending to attend the AGM in person or by their proxies should complete and return the reply slip for attending the AGM to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Share) on or before Thursday, June 6, 2019.

To be valid, for holders of H Shares, the form of proxy and notarised power of attorney or other documents of authorization must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM in person should you so wish.

For reference purpose only, the record date for determining the eligibility of members of A Shares for attending the AGM will be on Tuesday, June 18, 2019. For details, please refer to the notice of AGM published on the website of the Shanghai Stock Exchange (http://www.sse.com.cn/) on Friday, May 10, 2019.

Voting arrangements

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a shareholders' general meeting must be taken by poll. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM in accordance with Article 114 of Articles of Association.

The aforesaid resolutions 1 to 10 are ordinary resolutions to be passed by the affirmative votes representing at least one half of the total number of Shares held by the attending Shareholders having voting rights; and resolutions 11 to 14 are special resolutions to be passed by the affirmative votes representing at least two-thirds of the total number of Shares held by the attending Shareholders having voting rights.

Pursuant to Rule 2.15 of the Listing Rules, where shareholders' approval is required with regard to a transaction, any shareholder that has a material interest in such transaction shall abstain from voting on the resolution(s) approving such transaction at the shareholders' general meeting.

As far as the Directors are aware, as at the Latest Practicable Date, Jiangsu Guoxin Investment Group Limited, the Shareholder who has substantial interests in the resolution 6.1, will abstain from voting in this matter; Jiangsu Communications Holding Company Limited, who has substantial interests in the resolution 6.2, will abstain from voting in this matter; Govtor Capital Group Co., Ltd., who has substantial interests in the resolution 6.3, will abstain from voting in this matter; Jiangsu SOHO Holdings Group Co., Ltd. and Jiangsu SOHO International Group Corporation, who have substantial interests in the resolution 6.4, will abstain from voting in this matter. Saved as disclosed above, no Shareholder is considered to have a material interest in any of the resolutions proposed at the AGM and has to abstain from voting at the AGM approving the resolutions.

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 therein or this circular misleading.

Recommendation

The Board believes that all the resolutions mentioned above are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the AGM as set out in the notice of AGM attached to the circular.

Yours faithfully, By order of the Board of the Company **Zhou Yi** *Chairman*

NOTICE OF AGM



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC) (Stock Code: 6886)

Notice of AGM

NOTICE IS HEREBY GIVEN that the AGM will be held at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Wednesday, June 26, 2019 at 2:00 p.m. to consider the following issues:

Ordinary Resolutions

- 1. To consider and approve the 2018 Work Report of the Board
- 2. To consider and approve the 2018 Work Report of the Supervisory Committee
- 3. To consider and approve the 2018 Final Financial Report
- 4. To consider and approve the 2018 Profit Distribution Plan
- 5. To consider and approve the 2018 Annual Report
- 6. To consider and approve the resolution on the estimated ordinary transactions with related parties of the Company for 2019:
 - 6.1 Ordinary related-party transactions with Jiangsu Guoxin Investment Group Limited and its related companies
 - 6.2 Ordinary related-party transactions with Jiangsu Communications Holding Co., Ltd. and its related companies
 - 6.3 Ordinary related-party transactions with Govtor Capital Group Co., Ltd. and its related companies
 - 6.4 Ordinary related-party transactions with Jiangsu SOHO Holdings Group Co., Ltd. and its related companies
 - 6.5 Ordinary related-party transactions with other related parties
- 7. To consider and approve the resolution on the estimated investment amount for the proprietary business of the Company for 2019

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- 8. To consider and approve the resolution on the re-appointment of the accounting firm of the Company for 2019
- 9. To consider and approve the resolution on amendments to Decision Making System for External Guarantee of Huatai Securities Co., Ltd.
- 10. To consider and approve the resolution on amendments to the Proceeds Management System of Huatai Securities Co., Ltd.

Special Resolutions

- 11. To consider and approve the resolution on amendments to the Articles of Association of Huatai Securities Co., Ltd.
- 12. To consider and approve the resolution on amendments to Rules of Procedures of the General Meeting of Huatai Securities Co., Ltd.
- 13. To consider and approve the resolution on amendments to Rules of Procedures of the Board of Directors of Huatai Securities Co., Ltd.
- 14. To consider and approve the resolution on General Authorization of the Company's Domestic and Foreign Debt Financing Instruments

INFORMATION OF THE RESOLUTIONS

Information of the resolutions to be considered at the AGM and the recommendations of the Directors will be set out in detail in a circular to be despatched by the Company on Friday, May 10, 2019.

DEFINITIONS

In this notice, the following expressions have the meanings set out below unless the context otherwise requires.

"AGM"	the annual general meeting of 2018 to be held by the Company at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No.139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Wednesday, June 26, 2019 at 2:00 p.m.
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board" or "Board of the Company"	the board of directors of the Company

NOTICE OF AGM

"Company"	a joint stock company incorporated in the PRC with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from our predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on December 7, 2007, carrying on business in Hong Kong as "HTSC", and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of "華泰 六八八六股份有限公司" and English name of "Huatai Securities Co., Ltd."; the H Shares of which have been listed on the main board of The Stock Exchange of Hong Kong Limited since June 1, 2015 (Stock Code: 6886); the A Shares of which have been listed on the Shanghai Stock Exchange since February 26, 2010 (Stock Code: 601688), unless the context otherwise requires, including its predecessor
"Director(s)"	the director(s) of the Company
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"H Share(s)"	foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are listed on The Stock Exchange of Hong Kong Limited and to be traded in HK dollars
"Latest Practicable Date"	May 6, 2019, being the latest practicable date for the purpose of ascertaining certain information contained in this notice prior to its publication
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC" or "China"	the People's Republic of China, excluding for the purposes of this notice, Hong Kong, Macau and Taiwan
"Share(s)"	the ordinary share(s) of RMB1.00 each in the share capital of the Company, comprising A Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Share(s)
"Supervisory Committee"	the supervisory committee of the Company
	By order of the Board of the Company Zhou Yi <i>Chairman</i>

Jiangsu, the PRC, May 10, 2019

NOTICE OF AGM

As at the date of this notice, the Board comprises Mr. Zhou Yi and Mr. Zhu Xuebo as executive Directors; Mr. Ding Feng, Mr. Chen Yongbing, Mr. Xu Qing, Ms. Hu Xiao and Ms. Fan Chunyan as non-executive Directors; and Mr. Chen Chuanming, Mr. Liu Hongzhong, Mr. Lee Chi Ming, Ms. Liu Yan and Mr. Chen Zhibin as independent non-executive Directors.

Notes:

1. Eligibility for attending the AGM and date of registration of members for H Shares

The register of members of H Shares will be closed from Monday, May 27, 2019 to Wednesday, June 26, 2019 (both days inclusive), during which period no Share transfers of H Shares will be effected. Purchasers of Shares who have submitted their instruments of Share transfer to the H Share Registrar of the Company and registered as Shareholders on the H Share register of members of the Company before 4:30 p.m. on Friday, May 24, 2019 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.

In order to attend the AGM, holders of H Shares should ensure that all transfer documents, accompanied by the relevant Share certificates, are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 - 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Friday, May 24, 2019.

2. Proxy

- (1) Each Shareholder entitled to attend and vote at the AGM may appoint one or more proxies in writing to attend and vote on his/her behalf. A proxy need not be a Shareholder.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of the attorney authorizing that the attorney to sign or other documents of authorization must be notarised.

To be valid, for holders of H Shares, the form of proxy and notarised power of the attorney or other documents of authorization must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the AGM.

(3) Any voting at the AGM shall be taken by poll.

3. Registration procedures for attending the AGM

- (1) A Shareholder attending in person should present proof of identity or stock account cards when attending the AGM. In the case of attendance by proxy, the proxy should present proof of identity and the proxy form(s) from the Shareholders. If a Shareholder is a legal person, its legal representative may attend the AGM by providing his/her identity card and valid proof of its capacity as a legal representative of such Shareholder appointing such person to attend the meeting. In the case of attendance by proxy of the legal representative, the proxy should present his/her identity card and a written letter of authorization duly issued by such legal representative when attending the AGM.
- (2) Shareholders of the Company intending to attend the AGM in person or by their proxies should complete and return the reply slip for attending the AGM to Computershare Hong Kong Investor Services Limited (for holders of H Shares) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Thursday, June 6, 2019.

4. Voting by poll

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a shareholders' general meeting must be taken by poll. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM in accordance with Article 114 of Articles of Association.

The aforesaid resolutions 1 to 10 are ordinary resolutions to be passed by the affirmative votes representing at least one half of the total number of Shares held by the attending Shareholders having voting rights; and resolutions 11 to 14 are special resolutions to be passed by the affirmative votes representing at least two-thirds of the total number of Shares held by the attending Shareholders having voting rights.

Pursuant to Rule 2.15 of the Listing Rules, where shareholders' approval is required with regard to a transaction, any shareholder that has a material interest in such transaction shall abstain from voting on the resolution(s) approving such transaction at the shareholders' general meeting.

As far as the Directors are aware, as at the Latest Practicable Date, Jiangsu Guoxin Investment Group Limited, the Shareholder who has substantial interests in the resolution 6.1, will abstain from voting in this matter; Jiangsu Communications Holding Company Limited, who has substantial interests in the resolution 6.2, will abstain from voting in this matter; Govtor Capital Group Co., Ltd., who has substantial interests in the resolution 6.3, will abstain from voting in this matter; Jiangsu SOHO Holdings Group Co., Ltd. and Jiangsu SOHO International Group Corporation, who have substantial interests in the resolution 6.4, will abstain from voting in this matter. Saved as disclosed above, no Shareholder is considered to have a material interest in any of the resolutions proposed at the AGM and has to abstain from voting at the AGM approving the resolutions.

5. Miscellaneous

- (1) The AGM is expected to be held for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited is: Shops 1712 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (3) The registered address of the Company:

No. 228 Middle Jiangdong Road, Nanjing, Jiangsu Province, People's Republic of China

Contact Office: Board Office Telephone No.: +86 25 8338 8272/8338 7793 Facsimile No.: +86 25 8338 7784 E-mail: boardoffice@htsc.com

Dear Shareholders,

On behalf of the Supervisory Committee, I hereby present the 2018 Work Report of the Supervisory Committee to the shareholders' general meeting for review.

In 2018, in the spirit of being accountable to all Shareholders and in compliance with the provisions under the Company Law, the Securities Law, the Articles of Association and the Rules of Procedures of the Supervisory Committee, the Supervisory Committee of the Company seriously fulfilled and independently exercised its supervisory functions and duties, and effectively supervised the Company's operations, financial condition and major decision-makings of the Board of the Company as well as the compliance with laws and regulations of the operation management in performance of their duties, so as to proactively safeguard the interests of the Company and its Shareholders and to ensure the healthy and long-term development of the Company.

I. Meetings of the Supervisory Committee and Attendance of Supervisors during the Reporting Period

The Supervisory Committee of the Company convened four meetings during the Reporting Period, details of which are as follows:

Name of meeting	Date	Location	Resolutions at the meeting		
The 6th Meeting of the Fourth Session of the Supervisory Committee	2018-03-28	Small Conference Room, Floor 12, Building 1, Huatai Securities Square, No. 228, Middle Jiangdong Road, Nanjing	 To consider the 2017 Work Report of the Supervisory Committee of the Company; To consider the proposal on the 2017 Profit Distribution of the Company; To consider the resolution on the 2017 Annual Report of the Company; To consider the resolution on the 2017 Internal Control Evaluation Report of the Company; To consider the resolution on change of accounting policies and amendments to the Accounting System of the Company; To consider the Report on Performance Assessment and Remuneration of the Supervisors of the Company in 2017; 		

Name of meeting	Date	Resolutions at the meeting			
			 Debriefing of the Report on Internal Audit of the Company in 2017; Debriefing of the Internal Audit Work Plan of the Company for 2018. 		
The 7th Meeting of the Fourth Session of the Supervisory Committee	2018-04-26	SmallConferenceRoom,Floor12,Building1,HuataiSecuritiesSquare,No.228,MiddleJiangdongRoad,Nanjing	To consider the resolution on the First Quarterly Report of the Company for 2018.		
The 8th Meeting of the Fourth Session of the Supervisory Committee	2018-08-30	Small Conference Room, Floor 12, Building 1, Huatai Securities Square, No. 228, Middle Jiangdong Road, Nanjing	 To consider the resolution on the 2018 Interim Report of the Company; To consider the proposal on the 2018 Interim Profit Distribution of the Company; To consider the proposal on the election of members for the fourth session of the Supervisory Committee of the Company. 		
The 9th Meeting of the Fourth Session of the Supervisory Committee	2018-10-30	SmallConferenceRoom,Floor12,Building1,HuataiSecuritiesSquare,No.228,MiddleJiangdongRoad,Nanjing	To consider the resolution on the Third Quarterly Report of the Company for 2018.		

Details of attendance of all Supervisors of the Company at the meetings of the Supervisory Committee, Board meetings and shareholders' general meetings during the Reporting Period and the detailed information are set out below:

		Attendance at meetings of the Supervisory Committee							
Names of Supervisors	Position	Number of attendance required	Attendance in person	Attendance by way of teleconference	Attendance by proxy	Absence	Whether or not he/she failed to attend the meeting in person for two successive times	Number of attendance at Board meeting	Attendance at shareholders' general meeting
Yu Yimin	Chairman of the Supervisory Committee	4	3	_	1	_	No	8	4
Wang Huiqing	Supervisor	3	2	—	1	_	No	5	1
Chen Ning	Supervisor	1	1	_	_	_	No	2	_
Du Wenyi	Supervisor	3	1	_	2	_	No	4	_
Yu Lanying	Supervisor	1	_	_	1	_	No	1	_
Liu Zhihong	Supervisor	3	2	_	1	_	No	5	_
Yang Yaling	Supervisor	1	1	_	_	_	No	2	_
Peng Min	Employee Supervisor	4	4	—	_	_	No	9	1
Zhou Xiang	Employee Supervisor	4	4	_	_	_	No	9	4
Meng Qinglin	Employee Supervisor	4	3	_	1	_	No	7	4
Number of meetings of the Supervisory Committee convened during the year			1		4				
Of which: number of meetings held on site						4			
number of meetings held by way of teleconference						_			
number of meetings held on site and by way of teleconference							_		

On October 22, 2018, the Company held the first extraordinary general meeting for 2018, which considered and approved the Resolution on the Election of Members for the Fourth Session of the Supervisory Committee of the Company, according to which, Mr. Chen Ning, Ms. Yu Lanying and Ms. Yang Yaling were elected to replace Mr. Wang Huiqing, Mr. Du Wenyi and Ms. Liu Zhihong as Supervisors of the fourth session of the Supervisory Committee of the Company and perform relevant duties until the end of the term of office of this session of the Supervisory Committee.

II. Strengthening the Auditing and Inspection of the Company to Actively Perform the Supervisory Duties

From April 16 to April 20, 2018, Mr. Yu Yimin, the chairman of the Supervisory Committee, led Mr. Du Wenyi, a Supervisor, as well as Mr. Meng Qinglin and Mr. Zhou Xiang, Employee Supervisors, to carry out routing inspection and supervision on Guangdong Branch and the local business departments. By directly going deep into the front line, through ways such as hearing reports from branches and sub-branches as well as communications and forums, and based on the current business development trend of securities companies, they put forward their supervision opinions and improvement requirements on risk management, internal control compliance and other aspects, and

also instructed the audit department to supervise and implement them in place. After this routing inspection, the Supervisory Committee of the Company further enriched its performance means and practically improved its capability of supervision and management for the Company's operational and management activities.

III. Opinions Raised by the Supervisory Committee on the Company's Relevant Issues in 2018

During the Reporting Period, the Supervisory Committee convened 4 meetings in total during the whole year, at which 13 resolutions and reports were considered or heard. The members of the Supervisory Committee sat in all the Board meetings and shareholders' general meetings of the Company, monitored the decision-making process of the Board on material matters on a real-time basis, and kept abreast of the management's implementation of the decisions made by the Board by carefully reading the reports of the Company such as Work Newsletter (monthly) and Brief Report on Audit Work (quarterly) and making field trips to the Company's branches and business departments. On this basis, the Supervisory Committee expressed the following independent opinions on the Company's relevant issues:

- 1. In respect of legal operation: during the Reporting Period, the Company operated in accordance with laws and regulations under relevant laws and regulations such as the Company Law, the Securities Law and the Articles of Association of the Company as well as the requirements of the Company's systems. Major operational decisions of the Company were reasonable, and the decision-making procedures were lawful. The Company established a relatively sound internal management system and internal control system, under which various regulations were able to be effectively implemented. During the Reporting Period, the Supervisory Committee did not detect any behaviors of the Directors or senior management of the Company that violate the laws, regulations or the Articles of Association or damage the interests of the Company and its shareholders in the performance of their duties in the Company, and there occurred no material risks in the Company.
- 2. In respect of the financial affairs of the Company: during the Reporting Period, the Supervisors of the Company regularly read the main financial information of the Company's monthly operations, convened meetings of the Supervisory Committee to review the quarterly reports, interim reports, annual financial reports, annual evaluation reports on internal control and other documents of the Company, and inspected the business and financial conditions of the Company for 2018 had been audited by KPMG Huazhen LLP which had issued a standard and unqualified audit report. The financial statements of the Company were prepared in compliance with relevant requirements under the Accounting Standards for Business Enterprises, and the financial report has truly reflected the financial conditions and operational achievements of the Company. Regular reports were prepared and reviewed in compliance with relevant laws, regulations and various requirements of the CSRC and the company.

- 3. In respect of the implementation of the management and confidential system for the registration of persons with knowledge of the inside information of the Company: during the Reporting Period, the Company managed to carry out the registration, management, disclosure and filing of inside information and kept the confidentiality thereof in accordance with the requirements under the system, and continued to optimize the working procedures. There were no incidents found in the Company in violation of the management of insider registration and the confidentiality obligation thereof.
- 4. During the Reporting Period, the Company revised the Management System for Related-party Transactions of Huatai Securities Co., Ltd. to further regulate the decision-making issues on related-party transactions of the Company. The related-party transactions of the Company were fair and reasonable, and no circumstances impairing the interests of the Company and its shareholders have been found. When the Board of Directors of the Company considered the related-party issues, the independent directors expressed their independent opinions, the related directors abstained from voting, and the voting procedures were legal and valid.
- 5. Upon the approval of the CSRC, the Company completed the issuance of H Shares in 2015. The funds raised from the issuance of H Shares were verified by KPMG Huazhen LLP, and the KPMG capital verification report (Yan Zi No. 1501031) was issued. According to the Capital Verification Report issued by KPMG Huazhen LLP, the net funds raised from the initial public issuance of H Shares in 2015 were equivalent to RMB30,587,689,604.94 (excluding the related listing fees) in total, and the raised funds after deducting the underwriting and issuing fees were equivalent to RMB30,015,054,696.76 in total. As of the end of the Reporting Period, the interest income and exchange gains/losses of the Company on the basis of the total raised funds from the issuance of H Shares were equivalent to RMB64,999,611.89, and RMB30,046,408,013.41 (including the interest of raised funds and exchange gains/losses) of the funds raised from the issuance of H Shares was used in total.

As of the end of the Reporting Period, the use of proceeds from the initial public offering of new shares and the issuance of new shares as a result of the partial exercise of over-allotment options by the Company for its listing on the Hong Kong Stock Exchange is as follows: RMB18,352,613,762.96 was used for developing capital intermediary businesses such as margin financing and securities lending, RMB3,058,768,960.49 was used for expanding the investment and trading businesses, RMB3,058,768,960.49 was used for increasing investment in Huatai Purple Gold Investment and Huatai Asset Management, RMB3,058,768,960.49 was used for expanding overseas business. and RMB2,517,487,368.98 was used for working capital and other general corporate purposes. Apart from the above usage of funds, the surplus of the Company's proceeds of RMB606,281,203.42 (including the interest of raised funds and exchange gains/losses) has not yet been used and is deposited in the Company's bank account. As of December 31, 2018, the planned usage of the Company's funds raised from the issuance of H Shares was consistent with the contents disclosed in the prospectus with no change. The Company will successively put the funds raised from the issuance of H Shares into operation according to its development strategy, the market conditions and the usage plan of funds raised from the issuance of H Shares.

6. Upon receiving the Approval in Relation to the Non-Public Issuance of Shares by Huatai Securities Co., Ltd. (Zheng Jian Xu Ke [2018] No. 315) (《關於核准华泰证券股份有限公司 非公開發行股票的批覆》(證監許可[2018]315號)) from the CSRC, the Company completed the non-public issuance of RMB-denominated ordinary shares (A Shares) in July 2018, with a total of 1,088,731,200 ordinary shares (A Shares) issued and a total of RMB14,207,942,160.00 raised. After deducting the issuing fees related to this non-public issuance of RMB74,736,488.79 (including the underwriting and sponsor fee, attorney fee, accountant fee, information disclosure fee, issuance registration fee, stamp duty and other fees), the net funds raised were RMB14,133,205,671.21, which were all in place on July 31, 2018 and were verified by KPMG Huazhen LLP with the KPMG capital verification report (Yan Zi No. 1800286) issued. As of the end of the Reporting Period, the Company obtained the interest income of RMB46,140,100.04 on the basis of the net funds raised from the non-public issuance of A Shares.

As of the end of the Reporting Period, the Company used the funds raised from its non-public issuance of ordinary shares (A Shares) as follows: RMB4,800,000,000.00 was used for further expanding credit trading businesses such as margin financing, securities lending and stock pledge; RMB7,867,959,300.00 was used for expanding the scale of investment in fixed income products and increasing the reserves of high-quality liquid assets of the Company; RMB500,000,000.00 was used for increasing investment in Huatai Purple Gold Investment; RMB265,515,106.73 was used for increasing the investment in continuously improving information system and the informatization; RMB425,003,002.50 was used for other working capital arrangements. Apart from the above usages, surplus of the Company's proceeds of RMB325,368,644.82 (including the interest of raised funds and outstanding issuing fees) has not yet been used and is deposited in the special bank account of the Company. As of December 31, 2018, the planned usage of the Company's funds raised from the non-public issuance of A Shares was consistent with the contents disclosed in the prospectus with no change. The Company will successively put the funds into operation according to its development strategy, the market conditions and the usage plan of the funds raised from the non-public issuance of A Shares.

- 7. During the Reporting Period, the Company successfully issued two tranches of subordinated bonds of RMB3.8 billion, publicly issued one tranche of corporate bonds of RMB4 billion and privately issued one tranche of corporate bonds of RMB4.6 billion. In 2018, the Company cumulatively issued 3,242 structured notes with a total amount of RMB43.269 billion. As of December 31, the Company had 1,715 structured notes in duration period, with an amount of RMB20.327 billion. All funds raised were used to supplement the Company's working capital, which was consistent with the contents disclosed in the prospectus.
- 8. Written reviews and opinions on the 2018 annual report of the Company prepared by the Board of Directors were as follows:

The 2018 annual report of the Company was prepared and reviewed in compliance with relevant laws, regulations and requirements of regulators, and the contents therein were true, accurate and complete to reflect the actual conditions of the Company.

9. The Supervisory Committee reviewed the 2018 Assessment Report on Internal Control of the Company, and had no objections to the contents therein.

IV. Recommendations for the future works of the Company

- 1. Continue to strengthen and improve the compliance and risk control system. Under the background of an increasingly strict supervision, the Company shall pay close attention to the supervision focus, so as to proactively and effectively screen potential risks; strengthen the group-based compliance and control, improve its capability in compliance and risk management and enhance the awareness of risk prevention at the frontline of businesses, and strengthen the compliance accountability.
- 2. Further improve the risk management mechanisms of the innovation business. During the Reporting Period, the Company obtained the qualification of tier-1 dealer on OTC options, and was approved to carry out credit derivatives business. With the development of innovation business of the Company, the Company is suggested to improve the risk assessment methods for innovation business and strictly control the business scale in view of the characteristics of the risks in innovation business, so as to ensure that all innovation businesses are carried out constantly and steadily on the premise that the risks are measurable, controllable and bearable.

In 2019, the Supervisory Committee will continue to diligently perform its duties to promote the company-wide compliance and development of risk management system, and to practically safeguard interests of the Company and legitimate rights of its Shareholders. All Supervisors will further enhance their capacity and improve their performance through continuous study, so as to foster the regulated, orderly and healthy development of the Company.

This report has been considered and approved at the 10th meeting of the fourth session of the Supervisory Committee, and is now submitted to the Shareholders for your consideration.

The Supervisory Committee of the Company

APPENDIX II

Dear Shareholders,

The 2018 Final Financial Report is as follows:

I. Overall situation of the Company

In 2018, under the internal and external dilemmas of internal deleveraging and external trade friction, the valuation of A-shares continued to fall, and the overall performance of the industry declined. According to disclosure of the Securities Association of China, in 2018, the operating income of 131 brokerages amounted to RMB266.287 billion, representing a year-on-year decrease of 14.47%. The scale and structure of various main operating incomes were passively adjusted; the industry achieved net profit of RMB66.620 billion, representing a year-on-year decrease of 41.04%. The main reason for the decline in profit greater than the decline in income was that the frequent occurrence of credit risk events led to an industry-wide provision for impairment loss of RMB28.432 billion, representing an increase of RMB22.576 billion over last year.

The Company adhered to reform and transformation in an extremely complicated and severe market environment, actively adjusted and responded to new challenges, and was committed to building a new service system and differentiated core capabilities for the future. The Company maintained industry leadership in financial technology, its main business performance was above the industry average, and it continued to consolidate the leading edge in the investment banking, asset management business and other aspects.

(1) Main financial data

In 2018, the operating income of the Company amounted to RMB16.108 billion, representing a year-on-year decrease of 23.69%. The operating expenses amounted to RMB9.633 billion, representing a year-on-year decrease of 6.11%. The net profits attributable to the Parent Company amounted to RMB5.033 billion, representing a year-on-year decrease of 45.75%.

2018 FINAL FINANCIAL REPORT

Brief income and expenditure of the Group

(Unit: RMB100 million Currency: RMB)

	2018	201	7	Year-on-y	ear change	
			Figure after		Compared to figure after	
			deducting		deducting	
			non-		non-	
			recurring	Compared	recurring	Year-on-year
	Actual	Actual	gains and	to actual	gains and	change of the
Item	figure	figure	losses	figure	losses	industry
Operating income	161.08	211.09	173.83	-23.69%	-7.33%	-14.47%
Operating expenses	96.33	102.60	93.37	-6.11%	3.17%	8.34%
Of which: Operation						
and management						
expenses	81.67	97.50	88.27	-16.24%	-7.48%	—
Operating profit	64.75	108.48	80.46	-40.31%	-19.53%	-42.76%
Net profit	51.61	94.08	62.22	-45.14%	-17.05%	-41.04%
Net profit attributable to the						
Parent Company	50.33	92.77	60.91	-45.75%	-17.37%	—

Note: The figure after deducting non-recurring gains and losses in 2017 deducted the non-recurring gains and losses arising from the conversion of accounting methods of Bank of Jiangsu Co., Ltd. and Huatai Ruilian Fund Management Co., Ltd.

After deducting the non-recurring gains and losses arising from the conversion of accounting methods of Bank of Jiangsu Co., Ltd. and Huatai Ruilian Fund Management Co., Ltd. in 2017, the Group's operating income in 2018 decreased by only 7.33% year-on-year, net profit decreased by 17.05% year-on-year, and net profit attributable to the Parent Company fell by 17.37% year-on-year, all of which were lower than the industry decline.

To ensure the comparability of the data, the following profit and loss data and related financial indicators for 2017 deducted the above non-recurring gains and losses.

2018 FINAL FINANCIAL REPORT

Brief Balance Sheet of the Group

(Unit: RMB100 million Currency: RMB)

				Industry changes from the end of the
Item	As at the end of 2018	As at the end of 2017	Year-on-year change	previous period
Total assets	3,686.66	3,814.83	-3.36%	1.86%
Total liabilities	2,639.16	2,928.93	-9.89%	1.70%
Net assets	1,047.50	885.90	18.24%	2.22%
Net capital (Parent Company)	595.60	467.43	27.42%	-0.21%

At the end of 2018, the Company's total assets were RMB368.666 billion, representing a year-on-year decrease of 3.36%, which was stable as compared with the end of the previous period; total debts were RMB263.916 billion, representing a year-on-year decrease of 9.89%, mainly due to the decline in client funds and bond payables; net assets were RMB104.75 billion, representing a year-on-year increase of 18.24%, and the net capital of the Parent Company was RMB59.560 billion, representing a year-on-year increase of 27.42%. The Company significantly increased its capital strength through private placement to promote the Company's business development.

(2) Main financial indicators

In terms of asset-liability structure and profitability, the Company performed well in adversity, and all major financial indicators were superior to the industry.

Main financial indicators of the Group

Financial indicator	2018	2017	Year-on-year change	Industry indicator
Asset-liability ratio	66.12%	71.80%	-5.68%	64.46%
Long-term debt ratio	24.47%	26.36%	-1.88%	30.17%
Income-expense ratio	59.80%	53.71%	6.09%	70.14%
Net income ratio	32.04%	35.79%	-3.75%	25.02%
Return on net assets	5.32%	7.09%	-1.77%	3.56%
Earnings per share (RMB/share)	0.6605	0.8503	-0.1898	

Note: 1. Long-term debt ratio = (long-term borrowing + bonds payable)/total liabilities;

2. Income-expense ratio = operating expenses/operating income, net income ratio = net profit/operating income.

The Company's asset-liability ratio was 66.12%, representing a year-on-year decrease of 5.68 percentage points, mainly due to a decrease in financial leverage through increasing capital and shares. The asset-liability ratio was slightly higher than the industry level. The Company continued to optimize the debt structure through active capital operation and liquidity management. The proportion of long-term liabilities decreased steadily, and the proportion was significantly lower than the industry average; the return on net assets was 5.32%, representing a year-on-year decrease of 1.77 percentage points, mainly due to the impact of market adjustment factors and increase in the Company's net asset upon completion of private placement. The Company's return on net assets is significantly higher than the industry average of 3.56%, reflecting a better profitability; net income interest rate was 32.04%, representing a year-on-year decrease of 3.75 percentage points, mainly due to the decline in net profits greater than the decline in income resulting from provision of asset impairment; the income-expense ratio was 59.80%, which was significantly lower than the industry's 70.14%.

II. Financial income and expenditure and budget implementation

Due to the sluggish market turnover in 2018, the balance of the securities margin trading continued to fall. The daily average stocks and funds trading volume of the market throughout the year was RMB413.6 billion, which was significantly lower than the market assumption of RMB500 billion at the beginning of the year, and exceeded the lower limit of the budget assumption of RMB450 billion. The average daily balance of the securities margin trading in the market was RMB913.1 billion, which was significantly lower than the market assumption of RMB1,000 billion at the beginning of the year and close to the lower limit of the budget assumption of RMB900 billion. At the same time, as the first batch of A+H listed securities companies to implement the new financial instruments guidelines, the sharp market volatility has a greater impact on income and profits, which has aggravated the current performance fluctuations. Considering above, the budgetary prudent value set at the beginning of the year should be used to calculate the budget implementation for the current year. The budget implementation rates mentioned below are the implementation rates of budget prudent value.

(1) Implementation of the Group's income budget

The Company achieved operating income of RMB16.108 billion this year, and the budget implementation rate was 94.08%. Except for institutional services, all other businesses completed the annual budget.

2018 FINAL FINANCIAL REPORT

Implementation of income budget of the business segments of the Group

(Unit: RMB100 million Currency: RMB)

		Budget value		Budget implementation rate		Compared with the same period of last year Year-on-	
	Actual						
Item	figure in 2018	Target value	Prudent value	Target value	Prudent value	2017	year change
Wealth management	79.52	82.10	77.26	96.86%	102.93%	84.49	-5.88%
Institutional service	12.19	41.13	34.92	29.64%	34.91%	40.09	-69.59%
Investment management	29.65	25.39	23.39	116.79%	126.77%	26.16	13.34%
International Business	20.39	21.14	20.51	96.45%	99.41%	17.00	19.94%
Other	19.33	15.34	15.15	125.99%	127.59%	6.09	217.41%
Total	161.08	185.10	171.22	87.03%	94.08%	173.83	-7.33%

- Wealth management. Under the sluggish market with a decrease of 17.69% in the average daily volume, the Company continued to reshape the wealth management transformation, achieving net income of RMB7.952 billion and a budget implementation rate of 102.93%. Among them, net income of the brokerage business and capital intermediary business amounted to RMB4.436 billion and RMB3.266 billion, respectively.
- 2. Institutional service. Net income of institutional service amounted to RMB1,219 million, with a budget implementation rate of 34.91%, and performance was lower than expected, mainly due to higher average daily investment scale in the equity investment business in the year, reaching RMB10.1 billion. Under the circumstances of limited investment strategy and structure, a massive retracement was seen affected by the market with a loss of RMB2.976 billion. At the same time, the implementation of new financial instrument guidelines intensified the fluctuations in the performance of self-operated income in the current period; FICC business has continuously innovated its trading strategy by grasping market opportunities. The average daily investment was RMB20 billion, with a yield of 8.8% and an income of RMB1.76 billion, representing a year-on-year increase of 269.75%. Investment banking completed a number of benchmark projects, achieving a net income of RMB1.985 billion, representing a year-on-year decrease of 8.27%, which was substantially lower than the industry's average decrease of 27.40%.
- 3. Investment management. The net income was RMB2.965 billion and the budget implementation rate was 126.77%, mainly due to the obvious advantages of asset management business. The asset management scale ranked the top in the industry. The capital management subsidiaries logged revenue of RMB2.355 billion in the current period, representing a year-on-year increase of 10.74%.

APPENDIX II

- 4. International business. Giving full play to the linkage synergy of cross-border resources, the net income reached RMB2.039 billion with the budget implementation rate of 99.41%. The asset management scale of AssetMark Financial Holdings, Inc., a subsidiary of the Company, increased to US\$44.9 billion, with the market share increased by 0.7 percentage point to 10.2% and the income reaching RMB1.630 billion, representing a year-on-year increase of 28.58%; the overseas investment banking business made a great breakthrough with the business scale reaching HK\$4.695 billion, and income from investment banking business was RMB227 million, representing a significant increase of 158.22%.
- 5. Other net income was RMB1,933 million, and the budget execution rate was 127.59%, reflecting a satisfying completion of the annual budget.

(2) Implementation of the Group's operating expenses budget

The Group's operating expenses were RMB9.633 billion, and the budget implementation rate was 101.94%. The reason for the slightly higher implementation rate was that the amount of provision for asset impairment losses in the current period amounted to RMB868 million, representing a year-on-year increase of 235.14%.

Implementation of the operating expenses budget

Item	Actual figure in 2018	Budget value	Budget implementation rate	Same period in the last year	Year-on-year change
Taxes and surcharges	1.40	1.42	98.59%	1.52	-7.89%
Business and management					
fees	81.67	90.8	89.94%	88.27	-7.48%
Asset impairment loss	8.68	1.14	761.40%	2.59	235.14%
Other operating costs	4.58	1.14	401.75%	0.99	362.63%
Total	96.33	94.50	101.94%	93.37	3.17%

(Unit: RMB100 million Currency: RMB)

With the exposure of equity pledge risk in 2018, the Securities Industry Association's new rules on impairment set higher requirements for impairment provision of credit business. At the same time, as A+H listed brokers took the lead in adopting the expected loss model, the Company's impairment provision was relatively adequate.

The Company carried out source increase and expenditure reduction in various aspects, and strengthened cost reduction and efficiency increase. Net profit attributable to the Parent Company reached RMB5.033 billion and the budget implementation rate was 86.92% for the whole year with a significant increase in the proportion of impairment and an improvement of the risk offsetting capability.

(3) Budget implementation of the Parent Company

In 2018, operating income of the Parent Company amounted to RMB10.748 billion, and the budget implementation rate was 109.23%; operating expenses were RMB4.967 billion, and the budget implementation rate was 100.75%; net profit amounted to RMB5.36 billion and the budget implementation rate was 139.40%.

Budget implementation of the Parent Company

(Unit: RMB100 million Currency: RMB)

				201	2017		Year-on-year change	
					Figure		Figure	
					after		after	
					deducting		deducting	
					non-		non-	
	Actual		Budget		recurring		recurring	
	figure in	0	implementation		gains and		gains and	
Item	2018	value	rate	figure	losses	figure	losses	
Operating								
income	107.48	98.40	109.23%	155.53	125.50	-30.89%	-14.36%	
Operating								
expenses	49.67	49.30	100.75%	59.44	50.21	-16.44%	-1.08%	
operating								
profit	57.82	49.10	117.76%	96.08	75.29	-39.82%	-23.20%	
Total profit	57.71	49.30	117.06%	103.52	75.20	-44.25%	-23.26%	
Net profit	53.60	38.45	139.40%	84.83	63.59	-36.81%	-15.71%	

Note: The figure after deducting non-recurring gains and losses in 2017 deducted the non-recurring gains and losses arising from the conversion of accounting methods of Bank of Jiangsu Co., Ltd.

The decrease in operating expenses was less than the decrease in income this year. On the one hand, it was due to the increase in the provision for asset impairment losses. On the other hand, it was affected by the increase in the cost of rent and the increase in the depreciation and amortization of R&D related assets. The overall cost reduction was slightly less than the decline in income.

III. Assets and liabilities of the Group

In 2018, the Company's asset-liability structure remained stable overall. The completion of the private placement increased the Company's net asset size, and the asset-liability ratio fell slightly.

Implementation of assets and liabilities budget

(Unit: RMB100 million Currency: RMB)

C

				Same	
	Actual		Budget	period	
	figure in	Budget	implementation	in the last	Year-on-year
Item	2018	value	rate	year	change
Total assets	3,686.66	3,722.63	99.03%	3,814.83	-3.36%
Monetary capital	901.71	1,025.63	87.92%	934.77	-3.54%
Margin loans	461.89	477.00	96.83%	599.91	-23.01%
Financial assets	1,938.59	1,831.00	105.88%	1,913.31	1.32%
Other assets	384.47	389.00	98.84%	366.84	4.81%
Total liabilities	2,639.16	2,809.00	93.95%	2,928.93	-9.89%
Deposits for securities					
transaction	594.94	653.00	91.11%	673.67	-11.69%
Active liabilities	1,406.14	1,385.00	101.53%	1,518.29	-7.39%
Other liabilities	638.08	771.00	82.76%	736.97	-13.42%
Net assets	1,047.50	913.63	114.65%	885.90	18.24%

Note: the active liabilities include short-term loans, accounts payable for short-term financing, placements from other financial institutions, trading financial liabilities, derivative financial liabilities, financial assets sold for repurchase, long-term loans and bonds payable.

- 1. Total assets. At the end of the period, total assets were RMB368.666 billion and the budget implementation rate was 99.03%. Affected by the market, the margin loans decreased by 23.01% year-on-year, slightly lower than the industry level, and other assets were relatively stable.
- 2. Total liabilities. At the end of the period, total liabilities were RMB263.916 billion and the budget implementation rate was 93.95%. The deviation of the implementation rate was mainly due to the overall decline in the brokerage business, the deposits for securities transaction decreased by 11.69% year-on-year, which was the same as the industry decline. The deviation of other liabilities was mainly due to the fact that the size of the structured products in the consolidated statement was significantly lower than expected.
- 3. Net assets. At the end of the period, net assets were RMB104.75 billion, and the budget implementation rate was 114.65%. The main reason for the higher implementation rate was that the Company increased its equity capital through private placement.

IV. Capital expenditure of the Group

In 2018, the capital expenditure was RMB530 million, representing a year-on-year increase of 44.45%, and the budget implementation rate was 97.81%. The main reason for the year-on-year growth was that the Company continued to invest in information technology research and development, and was committed to building the core competitiveness of financial technology. Investment in system development and software purchase in the year totaled RMB304 million, representing a year-on-year increase of 51.24%.

Implementation of capital expenditure budget

Item	Actual figure in 2018	Budget value	Budget implementation rate	Same period in the last year	Year-on-year change
Office equipment	0.08	0.12	70.38%	0.08	_
Electronic equipment	1.37	1.46	93.98%	1.01	35.86%
Transportation equipment	0.01	0.02	69.97%	0.07	-80.01%
Renovation expenses	0.79	0.89	89.21%	0.50	58.79%
System development	2.23	2.18	102.19%	1.63	36.67%
Software purchase	0.81	0.75	107.86%	0.38	112.89%
Total	5.30	5.42	97.81%	3.67	44.45%

(Unit: RMB100 million Currency: RMB)

Although the Company's performance has declined compared with the same period of last year due to market adjustments, the decline in main business was less than the decline in the industry, and the performance of certain business was impressive. At the same time, in the context of increasing market credit risk, the Company continued to promote the construction of credit risk platform, enhance risk control capabilities, and strengthen risk identification. There was no default in bond investment this year.

From the perspective of budget implementation, the Company overcame the unfavorable market environment, further strengthened budget control, improved budget implementation, and maintained the advantages and industry position of the leading broker.

This report has been considered and approved at the 20th meeting of the fourth session of the Board of Directors, and is now submitted to the Shareholders for your consideration.

The Board of Directors of the Company

Dear Shareholders,

According to the requirements under relevant laws, regulations, the Listing Rules and the Management System for Related-party Transactions of the Company, with reference to the actual situation of related-party transactions of the Company in recent years and based on its needs in ordinary operations and business development, the Company made expectations on the ordinary transactions with related parties of the Company in 2019 with details as follows:

I. General situation of estimated ordinary transactions with related parties of the Company in 2019

(1) Jiangsu Guoxin Investment Group Limited and its related companies

No.	Item	Estimated amount	Brief description of relevant business or item
1	Securities trading commission	The actual amount for 2018 was RMB409,149.65. The amount for 2019 will be calculated based on the actual amount as the securities market conditions and securities trading amount cannot be estimated accurately.	The business department of the Company provides brokerage services to it in exchange of a commission determined with reference to the market price.
2	Investment banking income	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company or its subsidiaries provide share underwriting, financial advisory and other services to it in exchange of fees determined with reference to the market price.
3	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The actual income from underwriting of bonds in the primary market was RMB13,604,952.84 and the net amount of bonds subscribed was RMB396,433,650.00 for 2018. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.

the bond market conditions and

specific business scale.

No.	Item	Estimated amount	Brief description of relevant business or item
4	Investment income	The actual amount for 2018 was RMB9,584,558.08. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Holding and disposal of financial assets held for trading and holding and disposal of debt investment.
5	Liquidity coordination	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Mainly includes inter-bank lending, overdraft facility of legal person's account, repurchase of bonds, liquidity support and commitment.
6	Disposal of financial products	The actual amount for 2018 was RMB90,000,000.00. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company sells non-publicly issued financial products such as non-public corporate bonds, structured notes, asset securitization and private equity fund.

(2) Jiangsu Communications Holding Co., Ltd. and its related companies

No.	Item	Estimated amount	Brief description of relevant business or item
1	Securities trading commission	The actual amount for 2018 was RMB50,322.43. The amount for 2019 will be calculated based on the actual amount as the securities market conditions and securities trading amount cannot be estimated accurately.	The business department of the Company provides brokerage services to it in exchange of a commission determined with reference to the market price.
2	Investment banking income	The actual amount for 2018 was RMB69,811,287.14. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company or its subsidiaries provide share underwriting, financial advisory and other services to it in exchange of fees determined with reference to the market price.

No.	Item	Estimated amount	Brief description of relevant business or item
3	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The actual income from underwriting of bonds in the primary market was RMB7,539,622.63, the net amount of bonds subscribed was RMB54,770,000.00, the amount of collateralized securities repurchase was RMB3,715,850,000.00 and the corresponding interest expense was RMB1,428,953.39 for 2018.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.
		The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	
4	Investment income	The actual amount for 2018 was RMB7,511,881.82. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Holding and disposal of financial assets held for trading and holding and disposal of debt investment.
5	Liquidity coordination	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Mainly includes inter-bank lending, overdraft facility of legal person's account, repurchase of bonds and liquidity support and commitment.
6	Disposal of financial products	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company sells non-publicly issued financial products such as non-public corporate bonds, structured notes, asset securitization

and private equity fund.

(3) Govtor Capital Group Co., Ltd. and its related companies

No.	Item	Estimated amount	Brief description of relevant business or item
1	Securities trading commission	The actual amount for 2018 was RMB19,452.00. The amount for 2019 will be calculated based on the actual amount as the securities market conditions and securities trading amount cannot be estimated accurately.	The business department of the Company provides brokerage services to it in exchange of a commission determined with reference to the market price.
2	Investment banking income	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company or its subsidiaries provide share underwriting, financial advisory and other services to it in exchange of fees determined with reference to the market price.
3	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The actual net amount of bonds subscribed was RMB50,316,600.00 for 2018. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.
4	Investment income	The actual amount for 2018 was RMB2,688,680.95. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Holding and disposal of financial assets held for trading and holding and disposal of debt investment.
5	Rental income	The actual amount for 2018 was RMB1,598,950.00. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company rents/leases business premises and office equipment to it in exchange of/by paying rental.

(4) Jiangsu SOHO Holdings Group Co., Ltd. and its related companies

No.	Item	Estimated amount	Brief description of relevant business or item
1	Securities trading commission	The actual amount for 2018 was RMB199,983.61.	The business department of the Company provides brokerage services to it in exchange of a
		The amount for 2019 will be calculated based on the actual amount as the securities market conditions and securities trading amount cannot be estimated accurately.	commission determined with reference to the market price.
2	Investment banking income	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company or its subsidiaries provide share underwriting, financial advisory and other services to it in exchange of fees determined with reference to the market price.
3	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.
4	Investment income	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Holding and disposal of financial assets held for trading and holding and disposal of debt investment.
5	Disposal of financial products	The actual amount for 2018 was RMB30,000,000.00.	The Company sells non-publicly issued financial products such as non-public corporate bonds,
		The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	structured notes, asset securitizatio and private equity fund.

(5) Huatai-PineBridge Fund Management Co., Ltd.

No.	Item	Estimated amount	Brief description of relevant business or item
1	Trading seat compartment commission and sales service charge	The actual amount for 2018 was RMB37,505,086.12. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company acts as an agent for sales of and retains its fund products and leases trading seats and provides brokerage services to it in exchange of commission and other income determined with reference to the market price.
2	Rental income	The actual amount for 2018 was RMB95,238.10. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company rents/leases business premises and office equipment to it in exchange of/by paying rental.
3	Other business income from the related party	The actual amount for 2018 was RMB9,789.03. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Other business income.
4	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.
5	Disposal of financial products	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company sells non-publicly issued financial products such as non-public corporate bonds, structured notes, asset securitization and private equity fund.

(6) China Southern Asset Management Co., Ltd.

of bonds in the primary market

No.	Item	Estimated amount	Brief description of relevant business or item
1	Trading seat compartment commission and sales service charge	The actual amount for 2018 was RMB42,620,305.37. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company acts as an agent for sales of and retains its fund products and leases trading seats and provides brokerage services to it in exchange of commission and other income determined with reference to the market price.
2	Rental income	The actual amount for 2018 was RMB3,212,584.12. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company rents/leases business premises and office equipment to it in exchange of/by paying rental.
3	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.

4 Disposal of The amount for 2019 will be The Company sells non-publicly financial products calculated based on the actual amount as it is difficult to estimate the specific business scale. Structured notes, asset securitization and private equity fund.

(7) Bank of Jiangsu Co., Ltd.

No.	Item	Estimated amount	Brief description of relevant business or item
1	Trading in and subscription of bonds in the fixed income business and acting as a lead underwriter of bonds in the primary market	The actual income from underwriting of bonds in the primary market was RMB4,603,773.58, the net amount of bonds redeemed was RMB642,241,108.05, the amount of collateralized securities repurchase was RMB1,378,000,000.00 and the corresponding interest expense was RMB72,297.80 for 2018.	Subscription of bonds in the primary market, investment in and repurchase of bonds in the secondary market and acting as a lead underwriter of bonds in the primary market.
		The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the bond market conditions and specific business scale.	
2	Investment banking income	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company or its subsidiaries provide share underwriting, financial advisory and other services to it in exchange of fees determined with reference to the market price.
3	Advisory fee	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Commission expenses.
4	Interest income from bank deposits	The actual amount for 2018 was RMB15,604,284.58. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Net interest income.

No.	Item	Estimated amount	Brief description of relevant business or item
5	Investment income	The actual amount for 2018 was RMB9,864,135.07. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Holding and disposal of financial assets held for trading and holding and disposal of debt investment.
6	Rental income	The actual amount for 2018 was RMB6,434,290.66. The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company rents/leases business premises and office equipment to it in exchange of/by paying rental.
7	Liquidity coordination	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Mainly includes inter-bank lending, overdraft facility of legal person's account, repurchase of bonds, liquidity support and commitment.
8	Disposal of financial products	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	The Company sells non-publicly issued financial products such as non-public corporate bonds, structured notes, asset securitization and private equity fund.
9	OTC derivatives trading	The amount for 2019 will be calculated based on the actual amount as it is difficult to estimate the specific business scale.	Includes income swap, OTC option trading, etc.

(8) Related Natural Persons

In 2018, the amount of securities trading agency commission received by the Company from related natural persons was RMB37,161.11. As of the end of 2018, some of the Directors, Supervisors and senior management of the Company acquired an aggregate of 26,865,800 units of wealth management products managed by the Company. In 2019, the Directors, Supervisors and senior management of the Company may exit, participate in or continue to participate in the collective asset management plan managed by the Company or entrust the Company to carry out targeted asset management. The Company will accept the trust according to the uniform agreements of asset management contracts and charge participation fee, exit fee, management fee, performance fee and other fees based on uniform standards. In the daily operation of the Company, the related natural

persons accepted the securities, futures brokerage services provided by the Company, or subscribed for the wealth management products issued by the Company in accordance with the requirements under laws and regulations and regulatory requirements. The income from this segment cannot be estimated and will be calculated based on the actual amount as the occurrence time and amount of the business cannot be accurately estimated.

II. Introduction of the related parties and the relationship

(1) Introduction of the related parties of the Shareholders and their related companies

- 1. Jiangsu Guoxin Investment Group Limited held 1,271,072,836 Shares at the end of 2018, accounting for 15.4041% of the total share capital of the Company, as the largest holder of A Shares. Jiangsu Guoxin Investment Group Limited was established in February 2002 as a wholly state-owned enterprise under Jiangsu SASAC with registered capital of RMB30.0 billion. The current legal representative of Jiangsu Guoxin Investment Group Limited is Wang Hui.
- 2. Jiangsu Communications Holding Company Limited held 467,146,618 Shares at the end of 2018, accounting for 5.6614% of the total share capital of the Company, as the second largest holder of A Shares. Jiangsu Communications Holding Company Limited was established in March 1993 as a wholly state-owned enterprise under Jiangsu SASAC with registered capital of RMB16.8 billion. The current legal representative of Jiangsu Communications Holding Company Limited is Cai Renjie.
- 3. Govtor Capital Group Co., Ltd. held 351,678,006 Shares at the end of 2018, accounting for 4.2620% of the total share capital of the Company, as the third largest holder of A Shares, where a director of the Company serves as a member of its senior management. Govtor Capital Group Co., Ltd. was established in July 1992 as a wholly state-owned enterprise under Jiangsu SASAC with registered capital of RMB3.0 billion. The current legal representative of Govtor Capital Group Co., Ltd. is Zhang Wei.
- 4. Jiangsu SOHO Holdings Group Co., Ltd. held 133,707,554 Shares as at the end of 2018, accounting for 1.6204% of the total share capital of the Company, as the ninth largest holder of A Shares, where a former director of the Company, who has resigned for less than 12 months, serves as a member of its senior management. Jiangsu SOHO Holdings Group Co., Ltd. was established in April 1994 as a wholly state-owned enterprise under Jiangsu SASAC with registered capital of RMB2.0 billion. Its current legal representative is Wang Zhengxi. Jiangsu SOHO International Group Corporation, the holding subsidiary of Jiangsu SOHO Holdings Group Co., Ltd., held 79,955,000 shares of the Company at the end of 2018, accounting for 0.9690% of the total share capital of the Company.

(2) Introduction of related parties who do not hold controlling interest

1. Huatai-PineBridge Fund Management Co., Ltd. is an associate of the Company (with the direct shareholding of 49% at the end of 2018) established in November 2004. It has registered capital of RMB200 million and was registered in Shanghai. It primarily engages in businesses including fund management and promotion and establishment of funds.

- 2. China Southern Asset Management Co., Ltd. is an associate of the Company (with the direct shareholding of 45% at the end of 2018) established in March 1998. It has registered capital of RMB300 million and was registered in Shenzhen. It primarily engages in businesses including fund raising, fund sales and asset management.
- 3. Bank of Jiangsu Co., Ltd. is an associate of the Company (with the direct shareholding of 5.54% at the end of 2018) established in January 2007. It has registered capital of RMB11.54445 billion and was registered in Nanjing. It primarily engages in businesses including deposit, loan and settlement business.

III. The purpose of the transactions and the effect on the Company

- 1. The abovementioned transactions with related parties that were generated from the ordinary business operation would facilitate the normal development of the business and would bring certain benefit to the Company;
- 2. The abovementioned transactions with related parties were fair, the transaction prices of which were determined with reference to market prices, and they did not impair the interests of the Company;
- 3. The abovementioned transactions with related parties did not affect the independence of the Company and the principal business of the Company did not rely on the related parties as the result of the abovementioned transactions with related parties.

IV. The review procedures

- 1. All the Independent Directors of the Company have considered the Proposal on the Estimated Ordinary Transactions with Related Parties of the Company for 2019 and provided their independent opinions;
- 2. The third meeting of the fourth session of the audit committee of the Board of the Company for 2019 has pre-considered the Proposal on the Estimated Ordinary Transactions with Related Parties of the Company for 2019;
- 3. The 20th meeting of the fourth session of the Board of the Company has considered the Proposal on the Estimated Ordinary Transactions with Related Parties of the Company for 2019; the related Directors of the Company respectively abstained from voting on proposal in relation to matters of their respective transactions with related parties. After the approval of such proposal, the Resolution on the Estimated Ordinary Transactions with Related Parties of the Company for 2019 has formed and will be submitted to the 2018 Annual General Meeting of the Company for consideration and approval;
- 4. During the consideration of the abovementioned transactions with related parties in the Annual General Meeting, related Shareholders and the affiliates shall abstain from voting on the matters in relation to their respective transactions with related parties.

V. The signing of agreement on transactions with related parties

It is proposed that the operation management be authorized to sign or renew relevant agreements according to the needs of business development at the AGM, so long as such transactions are within the scope of the transactions with related parties expected in the ordinary course of business in 2019.

This resolution has been considered and approved at the 20th meeting of the fourth session of the Board of Directors, and is now submitted to the Shareholders for your consideration.

The Board of Directors of the Company

Explanatory Table of the Proposed Amendments to the Decision Making System for External Guarantee of Huatai Securities Co., Ltd.

Original terms	Revised terms	Basis for modification
Article 2 Principles of	Article 2 Principles of	Additional overall
guarantee: The Company's	guarantee: The Company's external	requirements for the Company's
external guarantees shall be in line	guarantees shall be in line with the	external guarantees.
with the principles of equality,	principles of equality, voluntariness,	
voluntariness, honesty, and	honesty, and creditability. Provision	
creditability. The Company shall	of external guarantees by the	
not provide financing or	Company shall be related to business	
guarantees for shareholders or	needs and shall match the business	
affiliated persons of shareholders.	scale. The Company shall not provide	
	financing or guarantees for its	
	shareholders or affiliated parties of	
	shareholders;	
Article 3 The Company's	Article 3 The Company's	In order to actively
directors, supervisors, president,	directors, supervisors, and senior	explore and establish a new
and other senior management	management officers must abide by	business management system,
officers must abide by the	the principles of good faith when	improve the management and
principles of good faith when	performing their duties. They must not	operational efficiency as well as
performing their duties. They must	misappropriate the Company's funds	clarify work responsibilities, the
not misappropriate the Company's	or irregularly lend the Company's	amendments are made by the
funds or irregularly lend the	funds to others. They must not allocate	Company based on its actual
Company's funds to others. They	the Company's assets in accounts	situations and in accordance
must not allocate the Company's	opened under their own names or other	with relevant requirements under
assets in accounts opened under	names, nor shall they guarantee any	related laws, regulations and
their own names or other names,	irregular financing of the Company's	regulatory documents.
nor shall they guarantee any	shareholders or other individuals with	
irregular financing of the	the Company's assets.	
Company's shareholders or other		
individuals with the Company's		
assets.		

Article 4The Company shall not directly or indirectly provide loans or loan guarantees to the directors, supervisors, president, or other senior management officers of the Company or its parent company; nor shall it provide loans or loan guarantees to the relevant persons of the aforementioned personnel.Article 4 The provisions of the preceding paragraph shall not apply to the following situations:Same as the above(1)When the Company provides loans to its subsidiaries or provides loan guarantees to its (1)(1)When the Company (2)When the Company provides (2)(2)(1)When the Company provides loan guarantees to its (2)(2)When the Company provides (2)(2)
subsidiaries; (2) When the Company provides loans, loan guarantees or other payments to the directors, supervisors, president or other senior management officers of the Company in accordance with the employment contract approved by the general meeting of shareholders, in order for them to pay for the expenses incurred for the purpose of the Company or for the performance of their duties; (3) If the Company's normal business scope includes providing loans and loan guarantees, the Company may provide loans or loans guarantees to relevant directors, supervisors, supervisors, management officers or their affiliated persons, but the conditions for providing

Original terms	Revised terms	Basis for modification
Article 6 In case a loan	Article 6 In case a loan	Same as the above
guarantee provided by the	guarantee provided by the Company is	
Company is in violation of the	in violation of the provisions of the	
provisions of the first paragraph of	first paragraph of Article 4 of this	
Article 4 of this system, the	system, the Company shall not be	
Company shall not be obliged to	obliged to fulfil the guarantee, except	
fulfil the guarantee, except under	under the following circumstances:	
the following circumstances:		
	(1) The lender had no knowledge	
(1) The lender had no	of the loan at the time it was provided	
knowledge of the loan at the time	to the directors, supervisors, or senior	
it was provided to the directors,	management officers of the Company	
supervisors, president, or other	or its parent company;	
senior management officers of the		
Company or its parent company;	(2) The collateral provided by	
	the Company has been legally sold by	
(2) The collateral provided	the lender to a well-intentioned buyer.	
by the Company has been legally		
sold by the lender to a		
well-intentioned buyer.		

Original terms	Revised terms	Basis for modification
Article 8 Decision	Article 8 Decision procedures	The amendments are made
procedures and permission scope	and permission scope for external	by the Company based on its
for external guarantees:	guarantees:	actual situations and in
		accordance with relevant
The Company's external	The Company's external	requirements including the
guarantees must be reviewed by	guarantees must be reviewed by the	Guidelines for the Articles of
the board of directors or at the	board of directors or at the	Association of Listed Companies
shareholders' meeting; the	shareholders' meeting; the external	and the Stock Listing Rules of
external guarantees that should be	guarantees that should be approved at	the Shanghai Stock Exchange.
approved at the shareholders'	the shareholders' meeting must be	
meeting must be reviewed and	reviewed and approved by the board of	
approved by the board of directors	directors before they can be submitted	
before they can be submitted to	to the shareholders' meeting for	
the shareholders' meeting for	approval.	
approval.		
	1. The following external	
1. The following external	guarantees (including but not limited	
guarantees (including but not	to) by the Company shall be reviewed	
limited to) by the Company shall	and approved at the shareholders'	
be reviewed and approved at the	meeting:	
shareholders' meeting:		
	(1) A guarantee for a collateral	
(1) A guarantee for a	with an asset-liability ratio exceeding	
collateral with an asset-liability	70%;	
ratio exceeding 70%;		
	(2) The guaranteed amount of a	
(2) The guaranteed amount	single guarantee exceeding 10% of the	
of a single guarantee exceeding	latest audited net assets.	
10% of the latest audited net		
assets.		

Original terms	Revised terms	Basis for modification
The amount of guarantee	(3) Any guarantee provided by	
provided by the Company shall not	the Company and its wholly-owned,	
exceed 20% of the Company's	holding subsidiaries after the total	
latest audited net assets.	amount of external guarantees has	
	reached or exceeded 50% of the	
Any guarantee provided by	latest audited net assets;	
the Company to affiliated persons,		
regardless of the amount, shall be	(4) Any guarantee provided by	
disclosed in time after being	the Company after the total amount	
reviewed and approved by the	of external guarantees has reached	
board of directors, and then	or exceeded 30% of the latest	
submitted to the shareholders	audited total assets.	
meeting for review.		
	Any guarantee provided by the	
As the board of directors	Company to affiliated persons,	
reviews the guarantee, it shall be	regardless of the amount, shall be	
approved by over two-thirds of the	disclosed in time after being reviewed	
directors present at the board	and approved by the board of	
meeting, after being passed by	directors, and then submitted to the	
over half of all directors.	shareholders meeting for review.	
2. Those external guarantee	As the board of directors reviews	
matters that must be approved by	the guarantee, it shall be approved by	
the Board shall be approved by	over two-thirds of the directors present	
over two-thirds of the directors	at the board meeting, after being	
present at the board meeting, after	passed by over half of all directors.	
being passed by over half of all		
directors.	2. The operational management	
	of the Company is responsible for the	
3. The operational	actual implementation of guarantees.	
management of the Company is		
responsible for the actual		
implementation of guarantees.		

Original terms	Revised terms	Basis for modification
Article 9 Information	Article 9 Information disclosure	The explanation for the
disclosure of external guarantee:	of external guarantee:	amendments is the same as that
		for Article 8.
The external guarantees	The external guarantees	
considered and approved at the	considered and approved at the Board	
Board or general meeting of the	or general meeting of the Company	
Company shall be timely disclosed	shall be timely disclosed on the	
on the designated information	designated information disclosure	
disclosure newspapers of the	newspapers of the CSRC. The	
CSRC. The disclosures include the	disclosures include the resolutions of	
resolutions of the Board or the	the Board or the general meeting, the	
general meeting, the total amount	total amount of external guarantees of	
of external guarantees of the	the Company and its wholly-owned	
Company and its holding	and holding subsidiaries as of the date	
subsidiaries as of the date of	of disclosure, and the total amount of	
disclosure, and the total amount of	guarantees provided by the Company	
guarantees provided by the	to its wholly-owned and holding	
Company to the holding	subsidiaries.	
subsidiaries.		
Article 10 Internal	Article 10 Internal management	In order to actively
management of external	of external guarantees:	explore and establish a new
guarantees:		business management system,
	1. Signing of guarantee	improve the management and
1. Signing of guarantee	contracts:	operational efficiency as well as
contracts:		clarify work responsibilities, the
	A guarantee provided by the	amendments are made by the
A guarantee provided by the	Company shall be approved by the	Company based on the latest
Company shall be approved by the	shareholders' meeting and the board of	situation of the division of
shareholders' meeting and the	directors in accordance with the	responsibilities of its
board of directors in accordance	Company's articles of association or	departments and in accordance
with the Company's articles of	the relevant systems, resolutions, and	with relevant requirements under
association or the relevant	decisions. Guarantees of the Company	related laws, regulations and
systems, resolutions, and	concerning self-operated securities,	regulatory documents.
decisions. Guarantees of the	asset management, warrant creation,	
Company concerning	and financing and securities lending	
self-operated securities, asset	shall be carried out in accordance with	
management, warrant creation,	the relevant provisions of the	
and financing and securities	Company's authorisation system.	
lending shall be carried out in		
accordance with the relevant		
provisions of the Company's		
authorisation system.		

Original terms	Revised terms	Basis for modification
The directors, president, and	The directors, CEO, and	
branches of the Company shall not	branches of the Company shall not	
sign guarantee contracts on behalf	sign guarantee contracts on behalf of	
of the Company without the	the Company without the approval of	
approval of competent	competent departments.	
departments.		
	(1) A written contract shall be	
(1) A written contract shall	signed for a guarantee of other	
be signed for a guarantee of other	persons;	
persons;		
	(2) The guarantee contract shall	
(2) The guarantee contract	be legal, reasonable, and compliant;	
shall be legal, reasonable, and		
compliant;	(3) The guarantee contract shall	
	clearly stipulate the scope and limits	
(3) The guarantee contract	of the creditor's rights, the guarantee	
shall clearly stipulate the scope	method, and the guarantee period in	
and limits of the creditor's rights,	accordance with the Guarantee Law;	
the guarantee method, and the		
guarantee period in accordance	(4) In principle, the Company	
with the Guarantee Law;	only provides general guarantees and	
	strictly regulates guarantees with joint	
(4) In principle, the	and several liability;	
Company only provides general		
guarantees and strictly regulates	(5) In order to maintain	
guarantees with joint and several	precautions against the risk of the	
liability;	guarantee business, counter-guarantee	
	measures must be taken.	
(5) In order to maintain		
precautions against the risk of the		
guarantee business, counter-		
guarantee measures must be taken.		

Original terms	Revised terms	Basis for modification
2. The Company's	2. The Company's guarantees	
guarantees shall be submitted or	shall be submitted or proposed by the	
proposed by the Company's	Company's departments or branches	
departments or branches with	with respect to their duties.	
respect to their duties.		
	The departments or branches	
The departments or branches	that submit the application or proposal	
that submit the application or	in accordance with the provisions of	
proposal in accordance with the	the preceding paragraphs shall assume	
provisions of the preceding	the following management	
paragraphs shall assume the	responsibilities:	
following management		
responsibilities:	(1) Conduct due diligence, credit	
	analysis, and risk prediction on the	
(1) Conduct due diligence,	principal debtors providing the	
credit analysis, and risk prediction	guarantee, and verify their	
on the parties involved in the	qualifications;	
guarantee, and verify their		
qualifications;	(2) Provide argument over the	
	necessity and feasibility of the	
(2) Explain the necessity	guarantee and disclose the risk factors	
and feasibility of the guarantee	that may be involved in the guarantee;	
and disclose the risk factors that		
may be involved in the guarantee;	(3) Draft the documents related	
	to the guarantee, and specifically	
(3) Draft the documents	handle the relevant formalities in the	
related to the guarantee, and	process of reviewing, approving, and	
specifically handle the relevant	filing the guarantees;	
formalities in the process of		
reviewing, approving, and filing	(4) Deal with specific matters	
the guarantees;	within the duration of the guarantee;	
(4) Deal with specific	(5) Follow and supervise the	
matters within the duration of the	parties involved in the guarantee with	
guarantee;	respect to their fulfilment of	
	obligations, and timely report and give	
(5) Follow and supervise the	feedback information related to the	
parties involved in the guarantee	guarantee;	
with respect to their fulfilment of		
obligations, and timely report and	(6) Handle other matters related	
give feedback information related	to the guarantee and deal with	
to the guarantee;	disputes arising from the handling of	
	the guarantee;	

Original terms	Revised terms	Basis for modification
(6) Handle other matters		Basis for mounication
related to the guarantee and assist	(7) Timely report the relevant information of the guarantee to the	
in solving disputes arising from	planning and finance department,	
the handling of the guarantee.	and put on a written report to the	
the nandring of the guarantee.	board of directors within one week	
2 The Company's planning	of handling the guarantee business.	
3. The Company's planning	of nanoning the guarantee business.	
and finance department is responsible for the control over	3. The Company's the planning	
the total amount of the Company's		
guarantee matters. The department	and finance department has the following major responsibilities:	
	following major responsionnes.	
has the following management responsibilities:	(1) D esting the first the last	
	(1) Participate in the due	
(1) Formulate a total are t	diligence on the debtors who provide	
(1) Formulate a total amount	guarantees to the Company, identify	
control plan for guarantees and	the financial risks involved in the	
dynamically manage the	guarantees, and propose response	
implementation of the plan;	plans and disposal measures;	
(2) Review the application	(2) Register the guarantee	
or proposal for guarantee	submitted by the departments that	
provision submitted by the	initiated or approved the guarantee	
Company's departments or	and establish a business account;	
branches, and express a handling		
opinion;	(3) Express financial processing	
	opinions on major issues or disputes	
(3) Identify and reveal the	involved in the guarantee;	
financial risks involved in the		
guarantee, and propose response	(4) Collect the financial	
plans and disposal measures;	information and audit report of the	
	guaranteed party, regularly analyse	
(4) Register the Company's	the financial status and solvency,	
guarantee business account;	establish a financial file of the	
	guaranteed party, and report to the	
(5) Monitor the performance	board of directors on a regular basis.	
of the guarantee and supervise the		
timely lifting of the guarantee;		
(6) Express financial		
processing opinions on major		
issues or disputes involved in the		
guarantee.		

Original terms	Revised terms	Basis for modification
4. The Company's risk	4. The Company's fund	
management department is	operation department has the	
responsible for the risk control	following major responsibilities:	
over the Company's guarantee		
matters. The department has the	(1) Review the Company's	
following management	financing guarantee application,	
responsibilities:	assess the impact on the Company's	
	liquidity, and propose handling	
(1) Formulate rules and	opinions;	
regulations for guarantees;		
	(2) Conduct on-the-spot risk	
(2) Implement risk control	monitoring and follow-up	
over the guarantee application or	supervision on the performance of	
proposal submitted by the	financing guarantees, and supervise	
Company's departments or	the timely lifting of the guarantees;	
branches, and conduct due		
diligence on the principal debtor	(3) Participate in the due	
guaranteed by the Company;	diligence on the principal debtor	
	who provides guarantee to the	
(3) Review the legality and	Company, identify liquidity risks	
compliance of the guarantees and	and other financial risks involved in	
relevant legal documents;	the guarantee, and propose response	
	plans and handling measures;	
(4) Conduct on-the-spot risk		
monitoring of the performance of	(4) Submit applications or	
the guarantee, supervise the	proposals for the Company's own	
elimination of hidden dangers, or	debt financing guarantees, and track	
take remedial measures;	and monitor the status after they are	
	initiated.	
(5) Handle disputes and		
litigation and arbitration matters	5. The Company's risk	
involved in the guarantee, and	management department has the	
claim for compensation from	following major responsibilities:	
relevant parties to the guarantee;		
	(1) Review the Company's	
(6) Other matters	application for net capital	
concerning the guarantee.	guarantees, assess the impact on the	
	Company's risk control indicators,	
	and propose handling opinions;	

Original terms	Revised terms	Basis for modification
5. The Company's inspection department supervises and inspects the guarantees and matters involved in the Company's departments and	(2) Participate in the due diligence on the debtors who provide guarantees to the Company, identify the credit risk, market risk, and operational risk involved in the	
branches, and conducts regular or special audits and checks on the guarantees.	guarantees, and propose response plans and disposal measures;	
6. The Company shall put on a written report to the board of directors within one week of handling the guarantee business.	(3) Conducting on-the-spot risk monitoring and follow-up supervision on the performance of net capital guarantees, and supervise the timely lifting of the guarantees.	
	6. The Company's compliance and legal department has the following major responsibilities:	
	(1) Review the legality and compliance of the guarantees and relevant legal documents;	
	(2) Handle disputes and litigation and arbitration matters involved in the guarantee, and claim for compensation from relevant parties to the guarantee;	
	(3) Participate in the due diligence on the debtors who provide guarantees to the Company, identify the compliance risks involved in the guarantees, and propose response plans and disposal measures.	
	7. The Company's inspection department supervises and inspects the guarantees and matters involved in the Company's departments and branches, and conducts regular or special audits and checks on the guarantees.	

Original terms	Revised terms	Basis for modification
Article 11 Procedures for	Article 11 Procedures for	In order to actively
external guarantee:	external guarantee:	explore and establish a new
		business management system,
1. Application: The	1. Application: The guaranteed	improve the management and
guaranteed party shall submit a	party shall submit a guarantee	operational efficiency as well as
guarantee application and relevant	application and relevant materials.	clarify work responsibilities, the
materials.		amendments are made by the
	2. Review: The materials	Company based on its actual
2. Review: The materials	submitted by the guaranteed party will	situations and in accordance
submitted by the guaranteed party	be examined and verified. After the	with relevant requirements under
will be examined and verified.	preliminary review, the relevant	related laws, regulations and
After the preliminary review, the	materials will be submitted to the CEO	regulatory documents.
relevant materials will be	of the Company for review.	
submitted to the president of the		
Company for review.	3. The CEO of the Company	
	shall report to the board of directors	
3. The president of the	for deliberation after the review.	
Company shall report to the board	According to the provisions of Article	
of directors for deliberation after	8 of this system, the board of directors	
the review. According to the	shall approve and implement the	
provisions of Article 8 of this	application, or the board of directors	
system, the board of directors	shall submit the review process,	
shall approve and implement the	opinions after discussion, and opinions	
application, or the board of	after voting to the Company's	
directors shall submit the review	shareholders meeting for deliberation.	
process, opinions after discussion,		
and opinions after voting to the		
Company's shareholders meeting		
for deliberation.		
Article 12 The Company's	Deleted.	The responsibilities
planning and finance department		stipulated in this article shall be
is responsible for tracking the		reflected in the division of
information of the guaranteed		responsibilities under Article 10.
party, collecting the financial		
information and audit report of the		
guaranteed party, regularly		
analysing the financial status and		
solvency, establishing a financial		
file of the guaranteed party, and		
reporting to the board of directors		
on a regular basis.		

Original terms	Revised terms	Basis for modification
Article 14 The external	Article 13 The external	The explanation for the
guarantee of the holding	guarantee of the wholly-owned,	amendments is the same as that
subsidiaries of the Company shall	holding subsidiaries of the Company	for Article 8.
be implemented in accordance	shall be implemented in accordance	
with the above regulations. The	with the above regulations. The	
holding subsidiaries of the	wholly-owned, holding subsidiaries of	
Company shall inform the	the Company shall inform the	
Company to perform the relevant	Company to perform the relevant	
information disclosure obligation	information disclosure obligation in a	
in a timely manner after	timely manner after resolutions made	
resolutions made in its board of	in its board of directors or general	
directors or general meeting.	meeting.	
Article 15 "External	Article 14 "External guarantee"	The explanation for the
guarantee" in this system refers to	in this system refers to the guarantees	amendments is the same as that
the guarantees provided by the	provided by the Company to others,	for Article 8.
Company to others, including the	including the guarantees provided by	
guarantees provided by the	the Company for its wholly-owned,	
Company for its holding	holding subsidiaries. The term "total	
subsidiaries. The term "total	amount of external guarantees of the	
amount of external guarantees of	Company and wholly-owned, holding	
the Company and its holding	subsidiaries" refers to the sum of the	
subsidiaries" refers to the sum of	total amount of external guarantees of	
the total amount of external	the Company including the guarantee	
guarantees of the Company	for the wholly-owned, holding	
including the guarantee for the	subsidiaries, and the total amount of	
holding subsidiaries, and the total	external guarantees of the Company's	
amount of external guarantees of	wholly-owned, holding subsidiaries.	
the Company's holding		
subsidiaries.		

Note: The relevant numberings of the non-amended articles of the original External Guarantee Decision Making Rules shall be adjusted correspondingly with the amended contents.

APPENDIX V EXPLANATION TABLE OF THE PROPOSED AMENDMENTS TO THE PROCEEDS MANAGEMENT SYSTEM

Explanation Table of the Proposed Amendments to the Proceeds Management System of Huatai Securities Co., Ltd.

Original terms	Terms after proposed amendment	Basis for amendment
Article 9 When the	Article 9 When the Company	In order to actively
Company uses the proceeds, it	uses the proceeds, it must abide by the	explore and establish a new
must abide by the following	following requirements:	business management system,
requirements:		improve the management and
	(1) The application, approval	operational efficiency as well as
(1) The application,	authority at different levels and	clarify work responsibilities, the
approval authority at different	decision procedures in respect of the	amendments are made by the
levels and decision procedures in	use of proceeds;	Company based on its actual
respect of the use of proceeds;		situations and in accordance
	The using department (unit) fills	with relevant requirements under
The using department (unit)	in an application slip which shall be	related laws, regulations and
fills in an application slip which	signed by the person in charge of the	regulatory documents.
shall be signed by the person in	department (unit), reviewed by the	
charge of the department (unit),	Chief Financial Officer, executed by	
reviewed by the person in charge	the relevant financial and treasury	
of finance, executed by the	management departments after being	
relevant financial and treasury	approved by the Chief Executive	
management departments after	Officer and filed with the Office of the	
being approved by the president	Board;	
and filed with the Office of the		
Board;	(2) The proceeds shall be used in	
	accordance with the investment plan	
(2) The proceeds shall be	for proceeds as committed in the	
used in accordance with the	offering application documents;	
investment plan for proceeds as		
committed in the offering	(3) Where any circumstances	
application documents;	occur that materially affect the normal	
	operation of the use plan of proceeds,	
(3) Where any	the person in charge of the using	
circumstances occur that	department (unit) shall timely report to	
materially affect the normal	the Chief Executive Officer of the	
operation of the use plan of	Company. Meanwhile, the Company	
proceeds, the person in charge of	shall timely report to the SSE and	
the using department (unit) shall	make a public announcement;	
timely report to the president of		
the Company. Meanwhile, the		
Company shall timely report to the		
SSE and make a public		
announcement;		

APPENDIX V EXPLANATION TABLE OF THE PROPOSED AMENDMENTS TO THE PROCEEDS MANAGEMENT SYSTEM

Original terms	Terms after proposed amendment	Basis for amendment
(4) Where any of the	(4) Where any of the following	
following circumstances occurs to	circumstances occurs to the proceeds	
the proceeds investment project,	investment project, the Chief	
the president of the Company shall	Executive Officer of the Company	
organize the relevant departments	shall organize the relevant	
and agencies of the Company to	departments and agencies of the	
re-evaluate the feasibility,	Company to re-evaluate the feasibility,	
expected income, etc. of such	expected income, etc. of such	
investment projects, decide	investment projects, decide whether to	
whether to continue the	continue the implementation of such	
implementation of such projects,	projects, and disclose in the latest	
and disclose in the latest periodic	periodic reports of the progress of the	
reports of the progress of the	projects, reasons for the abnormal	
projects, reasons for the abnormal	circumstances and the investment	
circumstances and the investment	projects after adjustments (if any):	
projects after adjustments (if any):		
	1. The market environment	
1. The market environment	where the investment projects are	
where the investment projects are	made changes significantly;	
made changes significantly;		
	2. The investment projects delay	
2. The investment projects	for more than 1 year;	
delay for more than 1 year;		
	3. The period for proceeds	
3. The period for proceeds	investment plan has expired, and the	
investment plan has expired, and	investment plan has expired, and the investment amount of the proceeds has	
the investment amount of the	not reached 50% of relevant planned	
proceeds has not reached 50% of	amount:	
relevant planned amount;	unount,	
	4. Other abnormal situations	
4. Other abnormal situations	occur to the investment projects.	
occur to the investment projects.	occur to the investment projects.	
beeur to the investment projects.		

APPENDIX V EXPLANATION TABLE OF THE PROPOSED AMENDMENTS TO THE PROCEEDS MANAGEMENT SYSTEM

Original terms	Terms after proposed amendment	Basis for amendment
Article 27 The internal audit	Article 27 The internal audit	Same as the above
department of the Company shall	department of the Company shall	
inspect the deposit and use of the	inspect the deposit and use of the	
proceeds at least once on a	proceeds at least once on a quarterly	
quarterly basis and timely report	basis and timely report the inspection	
the inspection result to the Audit	result to the Audit Committee.	
Committee.		
	If the Audit Committee is of the	
If the Audit Committee is of	opinions that non-compliance exists in	
the opinions that non-compliance	the management of proceeds of the	
exists in the management of	Company or the internal audit	
proceeds of the Company or the	department fails to submit the report	
internal audit department fails to	on inspection result pursuant to the	
submit the report on inspection	provisions of the preceding clause, it	
result pursuant to the provisions of	shall report timely to the Board. The	
the preceding clause, it shall	Board shall report to the SSE within 2	
report timely to the Board. The	trading days after receipt of the report	
Board shall report to the SSE	from the Audit Committee and make	
within 2 trading days after receipt	an announcement. The contents of the	
of the report from the Audit	announcement include existing	
Committee and make an	non-compliance in the management of	
announcement. The contents of the	proceeds, the consequences that have	
announcement include existing	been or may be caused, and the	
non-compliance in the	measures that have been or intended to	
management of proceeds, the	be adopted.	
consequences that have been or	L	
may be caused, and the measures	The Chief Executive Officer of	
that have been or intended to be	the Company shall convene meetings	
adopted.	of the executive committee on a	
-	regular basis according to practical	
The President of the	circumstances or adopt other methods	
Company shall convene office	to examine the use of the relevant	
meetings on a regular basis	proceeds.	
according to practical	r	
circumstances or adopt other		
methods to examine the use of the		
relevant proceeds.		
Tere tant proceeds.		

EXPLANATION TABLE OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Explanation Table of the Proposed Amendments to the Articles of Association of Huatai Securities Co., Ltd.

Article 11 The Articles of Association has been adopted at the general meeting as a special resolution, and shall become effective on the date on which the overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong StockArticle 11 The Articles of Association has been adopted at the general meeting as a special resolution, and shall become effective on the date on which the overseas listed foreign share) issued by the Company are listed on Hong Kong StockIn order to active explore and establish a n business management syste improve the management a operational efficiency as w as clarify wo responsibilities, amendments are made by the Company based on its active on the date the Articles of Association enter into effective.Article 11 The Articles of Association has been adopted at the general meeting as a special resolution, and shall become effective on the date the original Articles of Association shall become null and void on the date the Articles of Association enter into effective.In order to active explore and establish a n business management syste as clarify wo company based on its active situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of Association shall constitute a legallyIn order to active explore and establish a n business management syste as clarify wo company based on its active and regulatory documents.
the general meeting as a special resolution, and shall become effective on the date on which the overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong Stockgeneral meeting as a special resolution, and shall become effective on the date on which the overseas listed foreign share) issued by the Company are are listed on Hong Kong Stockbusiness management syste improve the management a operational efficiency as w as clarify responsibilities, amendments are made by the Company based on its actu situations shall become null and void on the date the Articles of Association enter into effective.business management syste improve the management a operational efficiency as w as clarify worder company based on its actu situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of becomes effective, the Articles of becomes effective, the Articles of Association shall constitute a legallyBusiness management syste improve the management a operational efficiency as w as clarify company based on its actu situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.
resolution, and shall become and shall become effective on the date improve the management a operational efficiency as w overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong Stock Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective. From the date on which it becomes effective, the Articles of Association shall constitute a legally
effective on the date on which the overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong Stockon which the overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong Stockoperational efficiency as w as clarifylisted on Hong Kong Stock Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective.on which it the date on which it becomes effective, the Articles of Association shall constitute a legallyoperational efficiency as w as clarify
overseas listed foreign shares (H share) issued by the Company are listed on Hong Kong Stockshares (H share) issued by the Company are listed on Hong Kong Stockas clarifyclarify responsibilities, amendments are made by Company based on its act situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.
share) issued by the Company are listed on Hong Kong Stockare listed on Hong Kong Stock Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective.responsibilities, amendments are made by Company based on its act situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of Association shall constitute a legallyFrom the date on the and the articles of Association shall constitute a legally
listed on Hong Kong Stock Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective.Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective.amendments are made by it Company based on its act situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.
Exchange. The original Articles of Association shall become null and void on the date the Articles of Association enter into effective.Association shall become null and on the date the Articles of enter into effective.Company based on its act situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of Association shall constitute a legallyCompany based on its act situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.
Association shall become null and void on the date the Articles of Association enter into effective.on the date the Articles of Association enter into effective.situations and in accordar with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of Association shall constitute a legallysituations and in accordar with relevant requireme under related laws, regulation and regulatory documents.
void on the date the Articles of Association enter into effective.enter into effective.with relevant requireme under related laws, regulation and regulatory documents.From the date on which it becomes effective, the Articles of becomes effective, the Articles ofbecomes effective a legally
Association enter into effective. From the date on which it under related laws, regulation and regulatory documents. From the date on which it becomes effective, the Articles of and regulatory documents.
From the date on which itFrom the date on which itand regulatory documents.From the date on which itbecomes effective, the Articles ofAssociation shall constitute a legally
From the date on which it becomes effective, the Articles of Association shall constitute a legally
From the date on which it becomes effective, the Articles of Association shall constitute a legally
becomes effective, the Articles of Association shall constitute a legally
Association shall constitute a binding document that regulates the
legally binding document that organization and acts of the Company
regulates the organization and acts and the rights and obligations between
of the Company and the rights and the Company and its shareholders and
obligations between the Company between shareholders inter se, and is
and its shareholders and between binding upon the Company and its
shareholders inter se, and is shareholders, Directors, Supervisors
binding upon the Company and its and senior management officers. All
shareholders, Directors, the above persons may make claims
Supervisors, president and other related to Company matters in
senior management officers. All accordance with the Articles of
the above persons may make Association. Shareholders may sue
claims related to Company matters shareholders; shareholders may sue
in accordance with the Articles of Directors, Supervisors and senior
Association. Shareholders may sue management officers of the Company;
shareholders; shareholders may shareholders may sue the Company; and
sue Directors, Supervisors, the Company may sue shareholders,
president and other senior Directors, Supervisors and senior
management officers of the management officers in accordance
Company; shareholders may sue with the Articles of Association.
the Company; and the Company
may sue shareholders, Directors,
Supervisors, president and other
senior management officers in
accordance with the Articles of
Association.

Original Articles	Articles after proposed amendments	Basis for amendments
Article 12 For the purpose of	Article 12 For the purpose of the	Same as the above
the Articles of Association, the	Articles of Association, the term	
term "other senior management	"senior management officers" shall	
officers" shall include the	include the Company's Chief	
Company's vice president, the	Executive Officer, members of the	
chief financial officer, the chief	executive committee, Chief Financial	
compliance officer, the general	Officer, the chief compliance officer,	
counsel, the chief risk compliance	the general counsel, Chief Risk	
officer, the secretary to the Board	Officer, the secretary to the Board,	
and such other personnel to	Chief Information Officer and such	
actually fulfill aforesaid duties.	other personnel to actually fulfill	
	aforesaid duties.	
Article 15 Upon approval by	Article 15 Upon approval by the	The amendments have
the CSRC, the Company may	CSRC, the Company may establish a	been made pursuant to Article
establish a holding or	holding or wholly-owned subsidiary to	9 of the Administrative
wholly-owned subsidiary to	engage in businesses such as securities	Regulations on Private
engage in businesses such as	underwriting and sponsoring and	Investment Fund Subsidiaries
securities underwriting and	securities asset management.	of Securities Companies and
sponsoring and securities asset		Article 10 of the
management.	The Company may establish a	Administrative Regulations on
	private investment fund subsidiary	Alternative Investment
The Company may establish	and an alternative investment	Subsidiaries of Securities
a holding or wholly-owned	subsidiary to engage in related	Companies after taking into
subsidiaries to engage in	businesses such as private investment	account the actual situation of
investment businesses such as	fund and alternative investment,	the Company.
direct investment or financial	respectively in accordance with laws,	
products in accordance with the	administrative regulations and	
related regulations issued by	relevant regulatory requirements.	
CSRC.		
Article 26 The equity shares	Article 26 The equity shares held	In order to actively
held or controlled by the	or controlled by the Company's	explore and establish a new
Company's Directors, Supervisors,	Directors, Supervisors and senior	business management system,
president and other senior	management officers or staff pursuant	improve the management and
management officers or staff	to the medium-term and long-term	operational efficiency as well
pursuant to the medium-term and	incentive plans shall be subject to the	as clarify work
long-term incentive plans shall be	approval at the general meeting of the	responsibilities, the
subject to the approval at the	Company and shall be approved by or	amendments are made by the
general meeting of the Company	filed with the CSRC or its delegated	Company based on its actual
and shall be approved by or filed	authorities pursuant to laws.	situations and in accordance
with the CSRC or its delegated		with relevant requirements
authorities pursuant to laws.		under related laws, regulations
		and regulatory documents.

Original Articles	Articles after proposed amendments	Basis for amendments
Article 29 The Company	Article 29 The Company may, in	The amendments are
may, in the following	the following circumstances, buy back	made by the Company based
circumstances, buy back its issued	its issued shares pursuant to laws,	on its actual situations and in
shares pursuant to laws,	administrative regulations,	accordance with the "Decision
administrative regulations,	departmental rules, listing rules of the	on Amending the Company
departmental rules and the Articles	stock exchange where the shares of	Law of the People's Republic
of Association:	the Company are listed and the	of China" considered and
	Articles of Association:	approved at the 6th meeting of
(1) cancellation of shares in		the Standing Committee of the
order to reduce of its registered	(1) cancellation of shares in order	13th National People's
capital;	to reduce of its registered capital;	Congress on October 26, 2018.
(2) mergers with other	(2) mergers with other companies	
companies holding shares of the	holding shares of the Company;	
Company;		
	(3) use of shares in the employee	
(3) grant of shares to	shareholding scheme and equity	
employees of the Company as an	incentive;	
incentive;		
	(4) shareholders who object to	
(4) shareholders who object	<i>c c</i>	
to resolutions of the general	merger or division of the Company	
meeting on merger or division of	requesting the Company to buy back	
the Company requesting the	their shares;	
Company to buy back their shares;		
	(5) use of shares for conversion	
(5) other circumstances	into stocks of company-issued	
permitted by laws and	convertible corporate bonds;	
administrative regulations.	(6) when it is measure for the	
The Company shall not trade	(6) when it is necessary for the Company to preserve its value and	
its shares unless in the aforesaid	shareholders' interest.	
circumstances.	shureholders interest.	
	The Company shall not trade its	
	shares unless in the aforesaid	
	circumstances.	
<u> </u>	circumstanees.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 30 The Company	Article 30 The Company may	Same as the above
may redeem its issued shares by	redeem its issued shares by any of the	
any of the following ways:	following ways:	
(1) offering to buy back	(1) offering to buy back shares to	
shares to all shareholders on a pro	all shareholders on a pro rata basis;	
rata basis;		
	(2) buying back through open	
(2) buying back through	transaction on the stock exchange;	
open transaction on the stock		
exchange;	(3) buying back through	
	agreement outside the stock exchange;	
(3) buying back through		
agreement outside the stock	(4) other forms approved under	
exchange;	laws, administrative regulations and by	
	relevant competent authorities.	
(4) other forms approved		
under laws, administrative	The purchase by the Company	
regulations and by relevant	of its own shares for circumstances	
competent authorities.	provided in items (3), (5) and (6) of	
	Article 29 of the Articles of	
	Association shall be done by an open	
	and centralized trading method.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 31 The purchase by	Article 31 The purchase by the	Same as the above
the Company of its own shares for	Company of its own shares for	
a reason specified in items (1) to	circumstances provided in items (1) to	
(3) of Article 29 of the Articles of	(2) of Article 29 of the Articles of	
Association shall require a	Association shall require a resolution of	
resolution of the general meeting.	the general meeting; the purchase by	
After the Company buying back	the Company of its own shares for	
the shares pursuant to the	circumstances provided in items (3),	
provisions of Articles 29, such	(5) and (6) of Article 29 of the Articles	
shares shall be cancelled within 10	of Association shall be approved by a	
days from the date of buyback	board meeting attended by more than	
under the circumstance as	two-thirds of the Directors.	
described in Article 29(1); such		
shares shall be either transferred or	After the Company buying back	
cancelled within six months if it is	the shares pursuant to the provisions of	
under the circumstances as	Articles 29 of the Articles of	
described in Articles 29(2) and (4).	Association, such shares shall be	
	cancelled within 10 days from the date	
The number of shares bought	of buyback under the circumstance as	
back by the Company in	described in Article 29(1); such shares	
accordance with Article 29(3) of	shall be either transferred or cancelled	
the Articles of Association will not	within six months if it is under the	
exceed 5% of the entire issued	circumstances as described in Articles	
shares of the Company, and the	29(2) and (4).	
funds used for such purchase shall		
be paid from the Company's	The Company buys back its own	
after-tax profits; the shares bought	shares in accordance with Article	
back shall be transferred to	29(3) , (5) and (6) of the Articles of	
employees within one year.	Association. The aggregate number of	
	shares it holds will not exceed 10% of	
Upon the cancellation of the	the entire issued shares of the	
portion of shares bought back, the	Company and shall be transferred or	
Company shall apply to the	cancelled within three years.	
original company registration		
authority for the registration of the	Upon the cancellation of the	
change in registered capital. The	portion of shares bought back, the	
amount of the Company's	Company shall apply to the original	
registered capital shall be reduced	company registration authority for the	
by the total par value of the	registration of the change in registered	
cancelled shares.	capital. The amount of the Company's	
	registered capital shall be reduced by	
	the total par value of the cancelled	
	shares.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 44 During the listing	Article 44 During the listing of	In order to actively
of the H shares in Hong Kong, the	the H shares in Hong Kong, the	explore and establish a new
Company shall ensure that the	Company shall ensure that the	business management system,
following statements are enclosed	following statements are enclosed in the	improve the management and
in the H share documents and shall	H share documents and shall instruct	operational efficiency as well
instruct and procure its share	and procure its share registrar to reject	as clarify work
registrar to reject the registration	the registration of the subscription,	responsibilities, the
of the subscription, purchase or	purchase or transfer of shares in the	amendments are made by the
transfer of shares in the name of	name of any individual holder unless	Company based on its actual
any individual holder unless and	and until the individual holder submits	situations and in accordance
until the individual holder submits	the properly signed form relating to	with relevant requirements
the properly signed form relating	such shares to the share registrar and	under related laws, regulations
to such shares to the share registrar	the form shall include the following	and regulatory documents.
and the form shall include the	statements:	
following statements:		
	(1) the share purchaser, the	
(1) the share purchaser, the	Company and each of the shareholders,	
Company and each of the	and the Company and each of the	
shareholders, and the Company	shareholders agree to observe and	
and each of the shareholders agree	comply with the requirements of the	
to observe and comply with the	Company Law, Special Provisions and	
requirements of the Company Law,	other relevant laws, administrative	
Special Provisions and other	regulations, and the Articles of	
relevant laws, administrative	Association.	
regulations, and the Articles of		
Association.		

Original Articles	Articles after proposed amendments	Basis for amendments
(2) the purchaser of the	(2) the purchaser of the shares	
shares agrees with the Company	agrees with the Company and each of	
and each of the shareholders,	the shareholders, Directors ,	
Directors, Supervisors, president	Supervisors and senior management	
and other senior management	officers of the Company, and the	
officers of the Company, and the	Company, acting on behalf of itself and	
Company, acting on behalf of itself	each of Directors, Supervisors and	
and each of Directors, Supervisors,	senior management officers of the	
president and other senior	Company, agrees with each of the	
management officers of the	shareholders that, they will refer to the	
Company, agrees with each of the	arbitration for settling all disputes and	
shareholders that, they will refer to	claims arising from the Articles of	
the arbitration for settling all	Association, or of rights in relation to	
disputes and claims arising from	the Company's affairs arising from any	
the Articles of Association, or of	rights or obligations under the Company	
rights in relation to the Company's	Law or other relevant laws and	
affairs arising from any rights or	administrative regulations in	
obligations under the Company	accordance with the provisions of the	
Law or other relevant laws and	Articles of Association, and any	
administrative regulations in	reference to arbitration shall be deemed	
accordance with the provisions of	as the authorization to the arbitration	
the Articles of Association, and	tribunal to conduct an open hearing and	
any reference to arbitration shall	to publish its arbitration award. Such	
be deemed as the authorization to	arbitration shall be final and conclusive.	
the arbitration tribunal to conduct		
an open hearing and to publish its	(3) the purchaser of the shares	
arbitration award. Such arbitration	agrees with the Company and each of	
shall be final and conclusive.	the shareholders of the Company that	
	the shares of the Company may be	
(3) the purchaser of the	freely transferred by the holders.	
shares agrees with the Company		
and each of the shareholders of the		
Company that the shares of the		
Company may be freely transferred		
by the holders.		

Original Articles	Articles after proposed amendments	Basis for amendments
(4) the purchaser of the	(4) the purchaser of the shares	
shares authorizes the Company to	authorizes the Company to enter into a	
enter into a contract on his or her	contract on his or her behalf with each	
behalf with each of the Directors,	of the Directors and senior	
president and other senior	management officers, pursuant to	
management officers, pursuant to	which the Directors and senior	
which the Directors, president and	management officers would undertake	
other senior management officers	to observe and perform their duties	
would undertake to observe and	responsible to the shareholders under	
perform their duties responsible to	the Articles of Association.	
the shareholders under the Articles		
of Association.		
Article 45 The share	Article 45 The share certificates	Same as the above
certificates shall be signed by the	shall be signed by the Chairman. Where	
Chairman. Where the signatures of	the signatures of senior management	
the general manager or other senior	officers of the Company are required by	
management officers of the	the securities regulatory authorities or	
Company are required by the	the stock exchange(s) in the place where	
securities regulatory authorities or	the Company's shares are listed, the	
the stock exchange(s) in the place	share certificates shall also be signed by	
where the Company's shares are	senior management officers. The share	
listed, the share certificates shall	certificates shall become effective after	
also be signed by such general	the Company seal is affixed thereto or	
manager or other senior	imprinted thereon. The affixing of the	
management officers. The share	Company's seal on the share certificates	
certificates shall become effective	shall require the authorization of the	
after the Company seal is affixed	Board. The signature of the Chairman or	
thereto or imprinted thereon. The	senior management officers on the	
affixing of the Company's seal on	share certificates may also be in printed	
the share certificates shall require	form.	
the authorization of the Board. The		
signature of the Chairman, general	In the circumstance of paperless	
manager or such other senior	issuance and trading of the shares of the	
management officers on the share	Company, provisions provided by the	
certificates may also be in printed	securities regulatory authorities or the	
form.	stock exchange(s) in the place where the	
	Company's shares are listed shall apply.	
In the circumstance of		
paperless issuance and trading of		
the shares of the Company,		
provisions provided by the		
securities regulatory authorities or		
the stock exchange(s) in the place		
where the Company's shares are		
listed shall apply.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 57 The shareholder	Article 57 The shareholder of	Same as the above
of ordinary shares in the Company	ordinary shares in the Company shall	
shall enjoy the following rights:	enjoy the following rights:	
(1) to receive dividends and	(1) to receive dividends and other	
other distributions in proportion to	distributions in proportion to the shares	
the shares they hold;	they hold;	
the shares they hold,	they note,	
(2) to lawfully request,	(2) to lawfully request, convene,	
convene, preside over, and attend	preside over, and attend general	
general meetings either in person	meetings either in person or by proxy	
or by proxy and exercise the	and exercise the corresponding voting	
corresponding voting right;	right;	
(3) to supervise, raise	(3) to supervise, raise suggestions	
suggestions on or make inquiries	on or make inquiries about the	
about the operations of the	operations of the Company;	
Company;		
	(4) to transfer, gift or pledge their	
(4) to transfer, gift or pledge	shares in accordance with laws,	
their shares in accordance with	administrative regulations, relevant	
laws, administrative regulations, relevant requirements of the	requirements of the securities	
relevant requirements of the securities regulatory authorities in	regulatory authorities in the place where the Company's shares are listed and the	
the place where the Company's	Articles of Association;	
shares are listed and the Articles of		
Association:	(5) to obtain relevant information	
·····,	in accordance with the Articles of	
(5) to obtain relevant	Association, including:	
information in accordance with the		
Articles of Association, including:	1. receiving a copy of the Articles	
	of Association after payment of a charge	
1. receiving a copy of the	to cover costs;	
Articles of Association after		
payment of a charge to cover costs;		

Original Articles	Articles after proposed amendments	Basis for amendments
2. being entitled, after	2. being entitled, after payment of	
payment of reasonable charges, to	reasonable charges, to examine and	
examine and photocopy the following:	photocopy the following:	
(i) all parts of the register of shareholders';	(i) all parts of the register of shareholders';	
sharehorders ,	shareholders ,	
(ii) personal information of	(ii) personal information of	
Directors, Supervisors, managers	Directors, Supervisors and senior	
and other senior management of the Company, including:	management officers of the Company;	
	(iii) the status of the Company's	
(a) current and previous names and alias;	issued share capital;	
	(iv) a report showing the total par	
(b) principal addresses	value, quantity, the highest and lowest	
(domicile);	prices paid for each class of shares	
	repurchased by the Company since the	
(c) nationalities;	end of last fiscal year, and all the	
	expenses paid by the Company for such	
(d) professions and all other	repurchase;	
part time occupations and duties;		
	(v) minutes of general meetings;	
(e) identification documents		
and their numbers.	(vi) the latest audited financial	
	statements, and reports from the Board,	
(iii)the status of the Company's issued share capital;	auditor and the Supervisory Committee;	
	(vii) the special resolutions of the	
(iv) a report showing the	general meetings and/or the Board	
total par value, quantity, the	meetings;	
highest and lowest prices paid for		
each class of shares repurchased by	(viii) the duplicate of the latest	
the Company since the end of last	annual report (annual return) submitted	
fiscal year, and all the expenses	to the State Administration for Industry	
paid by the Company for such	& Commerce or other competent	
repurchase;	authorities for filing.	
(v) minutes of general		
meetings;		

Original Articles	Articles after proposed amendments	Basis for amendments
(vi) the latest audited	(6) upon termination or	
financial statements, and reports	liquidation of the Company, to	
from the Board, auditor and the	participate in the distribution of the	
Supervisory Committee;	remaining property of the Company in	
	proportion to the quantity of shares held	
(vii) the special resolutions	by them;	
of the general meetings and/or the		
Board meetings;	(7) to require the Company to buy	
	back their shares in the event of	
(viii) the duplicate of the	objection to resolutions of the general	
latest annual report (annual return)	meetings concerning merger or division	
submitted to the State	of the Company;	
Administration for Industry &		
Commerce or other competent	(8) to enjoy other rights stipulated	
authorities for filing.	by laws, administrative regulations,	
	departmental rules or the Articles of	
(6) upon termination or	Association.	
liquidation of the Company, to		
participate in the distribution of	The Company shall not exercise	
the remaining property of the	its power to freeze or otherwise impair	
Company in proportion to the	any right attaching to any shares by	
quantity of shares held by them;	reason solely that the person that	
1	directly or indirectly holds equity in	
(7) to require the Company	such shares has failed to disclose his or	
to buy back their shares in the	her interests to the Company.	
event of objection to resolutions of		
the general meetings concerning		
merger or division of the		
Company;		
company,		
(8) to enjoy other rights		
stipulated by laws, administrative		
regulations, departmental rules or		
the Articles of Association.		
The Company shall not		
exercise its power to freeze or		
otherwise impair any right		
attaching to any shares by reason		
solely that the person that directly		
or indirectly holds equity in such		
shares has failed to disclose his or		
her interests to the Company.		
ner interests to the Company.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 68 The business,	Article 68 The business,	Same as the above
institutions, assets, finance and place of business of the Company shall be strictly separated from those of the shareholders, de facto controllers or other connected persons. The operations and accounting shall be independent, and they shall assume the liabilities and risks independently.	institutions, assets, finance and place of business of the Company shall be strictly separated from those of the shareholders, de facto controllers or other connected persons. The operations and accounting shall be independent, and they shall assume the liabilities and risks independently. Staff of the shareholders of the Company who	
Staff of the shareholders of the Company who concurrently take positions in the Company shall comply with laws, administrative regulations and the requirements of the CSRC.	concurrently take positions in the Company shall comply with laws, administrative regulations and the requirements of the CSRC. The controlling shareholders and	
The controlling shareholders and de facto controller of the Company and their connected persons shall adopt effective measures to avoid engaging in competitive business with that of the Company. In case of controlling other securities companies, the Company shall not impair the interests of the	de facto controller of the Company and their connected persons shall adopt effective measures to avoid engaging in competitive business with that of the Company. In case of controlling other securities companies, the Company shall not impair the interests of the securities companies under its control. The connected transactions of the shareholders, de facto controllers of the	
securities companies under its control. The connected transactions of the shareholders, de facto controllers of the Company and their connected persons shall not impair the legal interests of the Company and its customers.	Company and their connected persons shall not impair the legal interests of the Company and its customers. Appropriation of the Company's funds is strictly restricted in the operating fund transactions of the Company with controlling shareholders and other connected persons. Controlling shareholders and other	
Appropriation of the Company's funds is strictly restricted in the operating fund transactions of the Company with controlling shareholders and other connected persons. Controlling shareholders and other connected persons shall not require advance payment of periodic expenses such as salary, welfare, insurance, advertisement, etc., to be paid by the Company; nor shall they undertake each other's cost and other expenditures.	connected persons shall not require advance payment of periodic expenses such as salary, welfare, insurance, advertisement, etc., to be paid by the Company; nor shall they undertake each other's cost and other expenditures.	

Original Articles	Articles after proposed amendments	Basis for amendments
The Company is not allowed	The Company is not allowed to	
to directly or indirectly provide	directly or indirectly provide funds to	
funds to the controlling	the controlling shareholders and other	
shareholders and other connected	connected persons in the following	
persons in the following manners:	manners:	
(1) providing funds of the	(1) providing funds of the	
Company to the controlling	Company to the controlling	
shareholders and other connected	shareholders and other connected	
persons with or without	persons with or without compensation;	
compensation;		
	(2) providing entrusted loans to	
(2) providing entrusted loans	controlling shareholders and other	
to controlling shareholders and	connected persons through banks or	
other connected persons through	non-banking financial institutions;	
banks or non-banking financial		
institutions;	(3) entrusting the controlling	
	shareholders or other connected persons	
(3) entrusting the controlling	to carry out investment activities on its	
shareholders or other connected	behalf;	
persons to carry out investment		
activities on its behalf;	(4) issuing bank or trade	
	acceptance bills without a real	
(4) issuing bank or trade	transaction background for its	
acceptance bills without a real	controlling shareholders and other	
transaction background for its	connected persons;	
controlling shareholders and other		
connected persons;	(5) repaying debts for its	
	controlling shareholders and other	
(5) repaying debts for its	connected persons;	
controlling shareholders and other		
connected persons;	(6) other manners recognized by	
	the CSRC.	
(6) other manners recognized		
by the CSRC.		

The Company shall, after the end of each financial year, engage the accounting firm with the securities qualification to conduct a specific audit on any of the Company's funds by the controlling shareholder and other connected persons. IndependentThe Company shall, after the end of each financial year, engage the accounting firm with the securities qualification to conduct a specific audit on any of the Company's funds by the connected persons. IndependentThe Company shall, after the end of each financial year, engage the accounting firm with the securities qualification to conduct a specific audit on any appropriation and illegal guarantee of the Company's funds by the controlling shareholder and other connected persons. IndependentDirector(s) shall, in case of disagreement to the audit result, be entitled to propose to the Board of the
 and the event that the company violates is the controlling shareholders and de facto controllers misappropriate the Company's assets and impair interests of the Company and public shareholders, the Board shall immediately apply for judicial freezing of the equity interest of the Company, so that if a compensation in cash is not effected, the misappropriated the controlling shareholders shall assume the fefeted, the misappropriated the compensation of equity interests, and the controlling shareholders shall assume the responsibilities for making compensation. In the event that the Directors, Supervisors, president of the Company violate the company violate the controlling shareholder or other connected persons in misappropriating the assets of the Company will impose penalties, including on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall submit the case to the general meeting for dismissal and others, on the person directly in charge, depending on the severity. The Company sonthall be referred to judicial organs.

Original Articles	Articles after proposed amendments	Basis for amendments
Article 69 The general	Article 69 The general meeting,	The amendments are
meeting, as the organ of authority	as the organ of authority of the	made by the Company based
of the Company, shall have the	Company, shall have the following	on its actual situations and in
following functions and powers in	functions and powers in accordance	accordance with the "Decision
accordance with law:	with law:	on Amending the Company Law of the People's Republic
(1) to decide on the business policies and investment plans of the Company;	(1) to decide on the business policies and investment plans of the Company;	of China" considered and approved at the 6th meeting of the Standing Committee of the 13th National People's
(2) to elect and replace a Director or Supervisor who is not an employee representative, and decide on the amount and payment method of to his or her remuneration;	(2) to elect and replace a Director or Supervisor who is not an employee representative, and decide on the amount and payment method of to his or her remuneration;	Congress on October 26, 2018.
(3) to consider and approve the report of the Board;	(3) to consider and approve the report of the Board;	
	(4) to consider and approve the	
(4) to consider and approve the report of the Supervisory	report of the Supervisory Committee;	
Committee;	(5) to consider and approve the	
	annual financial budgets and the final	
(5) to consider and approve the annual financial budgets and	accounts of the Company;	
the final accounts of the Company;	(6) to consider and approve the	
	profit distribution plans and the plans	
(6) to consider and approve the profit distribution plans and the	for making up losses of the Company;	
plans for making up losses of the	(7) to pass resolutions on any	
Company;	increase or decrease of the Company's registered capital;	
(7) to pass resolutions on any		
increase or decrease of the	(8) to pass resolutions on the	
Company's registered capital;	issue of corporate bonds;	
(8) to pass resolutions on the issue of corporate bonds;	(9) to pass resolutions on the merger, division, dissolution, liquidation, or change in corporate form	
(9) to pass resolutions on the merger, division, dissolution, liquidation, or change in corporate form of the Company;	of the Company;	

Original Articles	Articles after proposed amendments	Basis for amendments
(10) to amend the Articles of	(10) to amend the Articles of	
Association;	Association;	
(11) to pass resolutions on	(11) to pass resolutions on the	
the engagement and dismissal of	engagement and dismissal of any	
any accounting firm by the	accounting firm by the Company;	
Company;		
	(12) to consider and approve	
(12) to consider and approve	matters relating to guarantees under	
matters relating to guarantees	Article 70 of the Articles of	
under Article 70 of the Articles of	Association;	
Association;		
	(13) to consider and approve	
(13) to consider and approve	matters relating to the purchase and/or	
matters relating to the purchase	sale by the Company within one year of	
and/or sale by the Company within	material assets valued at more than 30%	
one year of material assets valued	of the Company's audited total asset of	
at more than 30% of the	the Company as at the most recent	
Company's audited total asset of	period;	
the Company as at the most recent		
period;	(14) to consider and approve any	
	change in the use of offer proceeds;	
(14) to consider and approve		
any change in the use of offer	(15) to consider and approve any	
proceeds;	share incentive scheme;	
(15) to consider and approve	(16) to consider and approve any	
any share incentive scheme;	(16) to consider and approve any proposal by the shareholders that hold,	
any share meentive scheme,	individually or collectively, 3% or more	
(16) to consider and approve	of shares with the voting rights in the	
any proposal by the shareholders	Company;	
that hold, individually or	company,	
collectively, 3% or more of shares	(17) to listen to specific	
with the voting rights in the	explanations, made by the Board and	
Company;	the Supervisory Committee, on the	
	performance appraisal and	
(17) to listen to specific	remunerations of the Directors and	
explanations, made by the Board	Supervisors;	
and the Supervisory Committee, on		
the performance appraisal and		
remunerations of the Directors and		
Supervisors;		

Original Articles	Articles after proposed amendments	Basis for amendments
(18) to listen to the specific	(18) to listen to the specific	
explanations, made by the Board,	explanations, made by the Board, on the	
on the implementation of duties,	implementation of duties, performance	
performance appraisal and	appraisal and remunerations of the	
remunerations of the senior	senior management officers;	
management officers;		
	(19) to decide on the purchase of	
(19) to examine and approve	the shares of the Company by the	
other matters as required by laws,	Company due to circumstances	
administrative regulations,	specified in items (1) and (2) of	
departmental rules, listing rules of	Article 29 of the Articles of	
the stock exchange where the	Association;	
shares of the Company are listed or		
the Articles of Association to be	(20) to examine and approve other	
approved at a general meeting.	matters as required by laws,	
	administrative regulations,	
The functions and powers of	departmental rules, listing rules of the	
the general meeting mentioned	stock exchange where the shares of the	
above shall not be delegated	Company are listed or the Articles of	
through authorization to the Board	Association to be approved at a general	
or any other body or individual.	meeting.	
	The functions and powers of the	
	general meeting mentioned above shall	
	not be delegated through authorization	
	to the Board or any other body or	
	individual.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 70 The following external guarantees given by the	Article 70 The following external guarantees given by the Company shall	The amendments are made by the Company based
Company shall be examined and approved by the general meeting:	be examined and approved by the general meeting:	on its actual situations and in accordance with relevant requirements including the
(1) any guarantee to be provided to a recipient of such security whose asset to liability ratio is over 70%;	(1) any guarantee to be provided to a recipient of such security whose asset to liability ratio is over 70%;	Guidelines for the Articles of Association of Listed Companies and the Stock Listing Rules of the Shanghai Stock Exchange.
(2) one item of security the amount secured by which exceeds 10% of the audited asset as at the most recent period.	(2) one item of security the amount secured by which exceeds 10% of the audited asset as at the most recent period;	Stori Zirininger
The amount of the external guarantees provided by the Company shall not exceed 20% of the latest audited net assets of the Company.	(3) the total amount of the external guarantees provided by the Company and wholly-owned, holding subsidiaries reaching or exceeding 50% of the latest audited net assets;	
Guarantees to be provided by the Company to the connected persons, regardless of the amount, should be examined and approved	(4) the total amount of the external guarantees provided by the Company reaching or exceeding 30% of the latest audited total assets.	
at the general meeting after the consideration and approval of the Board meeting. The Company shall not provide guarantee to the shareholders or the shareholders' connected persons.	External guarantees of the Company and wholly-owned, holding subsidiaries include guarantees provided by the Company to it's wholly-owned, holding subsidiaries and guarantees provided by the Company's wholly-owned, holding subsidiaries to their subsidiaries. External guarantees provided by the Company are relevant to its business needs and matches its business scale.	
	Guarantees to be provided by the Company to the connected persons, regardless of the amount, should be examined and approved at the general meeting after the consideration and approval of the Board meeting. The Company shall not provide guarantee to the shareholders or the shareholders' connected persons.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 85 A notice of	Article 85 A notice of general	In order to actively
general meeting shall be made in	meeting shall be made in writing and	explore and establish a new
writing and include the following	include the following contents:	business management system,
contents:		improve the management and
	(1) specifying the time, place and	operational efficiency as well
(1) specifying the time, place	duration of the meeting;	as clarify work
and duration of the meeting;		responsibilities, the
	(2) matters and motions submitted	amendments are made by the
(2) matters and motions	to the meeting for consideration. The	Company based on its actual
submitted to the meeting for	notice and the supplementary notice, if	situations and in accordance
consideration. The notice and the	any, of the general meeting shall	with relevant requirements
supplementary notice, if any, of the	disclose, fully and completely, the	under related laws, regulations
general meeting shall disclose,	contents of all the motions. Where the	and regulatory documents.
fully and completely, the contents	opinion of any independent Director is	
of all the motions. Where the	required in relation to any matter to be	
opinion of any independent	considered at the meeting, the opinion	
Director is required in relation to	and the reason of the independent	
any matter to be considered at the	Director shall also be disclosed in the	
meeting, the opinion and the	notice and the supplementary notice, if	
reason of the independent Director	any, of the general meeting;	
shall also be disclosed in the notice		
and the supplementary notice, if	(3) the notice shall provide	
any, of the general meeting;	shareholders with such information and	
	explanation as necessary for the	
(3) the notice shall provide	shareholders to make an informed	
shareholders with such information	decision on the matters to be discussed;	
and explanation as necessary for the shareholders to make an	without limiting the generality of the foregoing, when the Company propose a	
informed decision on the matters to	merger, repurchase of the shares of the	
be discussed; without limiting the	Company, reorganization of the share	
generality of the foregoing, when	capital or other restructuring, it shall	
the Company propose a merger,	provide the specific conditions and	
repurchase of the shares of the	contracts (if any) of the transaction	
Company, reorganization of the	contemplated and earnestly explain the	
share capital or other restructuring,	cause and effect of the transaction;	
it shall provide the specific		
conditions and contracts (if any) of		
the transaction contemplated and		
earnestly explain the cause and		
effect of the transaction;		

Original Articles	Articles after proposed amendments	Basis for amendments
(4) the notice shall contain a	(4) the notice shall contain a	
disclosure of the nature and extent	disclosure of the nature and extent of	
of the material interests, if any, of	the material interests, if any, of any	
any Director, Supervisor, the	Director, Supervisor or senior	
general manager or any other	management officers, and an	
senior management officers, and	explanation of the difference, if any,	
an explanation of the difference, if	between the way in which the matter to	
any, between the way in which the	be discussed would affect such Director,	
matter to be discussed would affect	Supervisor or senior management	
such Director, Supervisor, the	officer in his or her capacity as a	
general manager or other senior	shareholder and the way in which such	
management officer in his or her	matter would affect other shareholders	
capacity as a shareholder and the	of the same class;	
way in which such matter would		
affect other shareholders of the	(5) the notice shall contain the	
same class;	full text of any special resolution	
	proposed to be passed at the meeting;	
(5) the notice shall contain		
the full text of any special	(6) the notice shall specify the	
resolution proposed to be passed at	time and place for lodging a power of	
the meeting;	attorney for voting by proxy;	
	attorney for voting by proxy,	
(6) the notice shall specify	(7) containing conspicuously a	
the time and place for lodging a	statement that all shareholders have the	
power of attorney for voting by	right to attend and vote at the general	
proxy;	meeting either in person or by proxy in	
F,	writing, and that such proxy need not be	
(7) containing conspicuously	a shareholder of the Company;	
a statement that all shareholders	a shareholder of the Company,	
have the right to attend and vote at		
the general meeting either in		
person or by proxy in writing, and		
that such proxy need not be a		
shareholder of the Company;		
snarenoider of the Company;		

Original Articles	Articles after proposed amendments	Basis for amendments
(8) the date of record for shareholders entitled to attend the general meeting;	(8) the date of record for shareholders entitled to attend the general meeting;	
(9) the name and telephone number of a contact person for the meeting;	(9) the name and telephone number of a contact person for the meeting;	
(10) if a general meeting is held online or otherwise, the designated time and procedure for voting online or through other means shall be expressly stated in the notice of such meeting.	(10) if a general meeting is held online or otherwise, the designated time and procedure for voting online or through other means shall be expressly stated in the notice of such meeting.	
There shall be not more than 7 business days between the date of record and the date of the general meeting. The date of record shall not be changed once determined.	There shall be not more than 7 business days between the date of record and the date of the general meeting. The date of record shall not be changed once determined.	
Article 99 All Directors, Supervisors and secretary to the Board shall attend general meetings of the Company, and the president and other senior management shall attend the meeting as non-voting participants.	Article 99 All Directors, Supervisors and secretary to the Board shall attend general meetings of the Company, and the Chief Executive Officer and other senior management officers shall attend the meeting as non-voting participants.	Same as the above

Original Articles	Articles after proposed amendments	Basis for amendments
Article 105 Minutes shall be kept of the general meeting and the secretary to the Board shall be responsible therefore. The meeting minutes shall record the following particulars:	Article 105 Minutes shall be kept of the general meeting and the secretary to the Board shall be responsible therefore. The meeting minutes shall record the following particulars:	Same as the above
 (1) the time, place, agenda for, the meeting, and the name of the convener; (2) the names of the chairman of the meeting, and of Directors, Supervisors, the president and other senior 	 (1) the time, place, agenda for, the meeting, and the name of the convener; (2) the names of the chairman of the meeting, and of Directors, Supervisors and senior management officers in attendance or present in a non-voting capacity; 	
management officers in attendance or present in a non-voting capacity;	(3) the number of attending shareholders and proxies, and the total number of their voting shares and percentages to the total shares of the	
(3) the number of attending shareholders and proxies, and the total number of their voting shares and percentages to the total shares of the Company;	Company; (4) the deliberations on each proposal, the main points of each speaker's statements in respect of thereof, and the voting result;	
(4) the deliberations on each proposal, the main points of each speaker's statements in respect of thereof, and the voting result;	(5) the queries or suggestions from shareholders, and the relevant replies or explanations;	
(5) the queries or suggestions from shareholders, and the relevant replies or explanations;	 (6) the names of the attorney, vote counters and counting Supervisors; (7) other information to be entered into the minutes pursuant to the 	
 (6) the names of the attorney, vote counters and counting Supervisors; (7) other information to be 	Articles of Association.	
(7) other information to be entered into the minutes pursuant to the Articles of Association.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 110 The following	Article 110 The following shall	The amendment is made
shall be passed by a special	be passed by a special resolution of the	by the Company based on its
resolution of the general meeting:	general meeting:	actual situations and in
		accordance with relevant
(1) the increase or reduction	(1) the increase or reduction of	requirements such as the
of the registered capital, or the	the registered capital, or the issue of	Guidelines for the Articles of
issue of any class of shares,	any class of shares, warrants or other	Association of Listed
warrants or other similar securities	similar securities by the Company;	Companies.
by the Company;		
	(2) the issuance of corporate	
(2) the issuance of corporate	bonds;	
bonds;		
	(3) the division, merger, change in	
(3) the division, merger,	the form of the Company, dissolution or	
change in the form of the	liquidation of the Company;	
Company, dissolution or		
liquidation of the Company;	(4) any amendment to the Articles	
	of Association;	
(4) any amendment to the		
Articles of Association;	(5) the amount of purchase or	
	sale by the Company within one year of	
(5) the purchase or sale by	material asset(s) or guarantee	
the Company within one year of	exceeding, alone or in aggregation, 30%	
material asset(s) exceeding, alone	of the audited total assets of the	
or in aggregation, 30% of the	Company as at the most recent period;	
audited total assets of the		
Company as at the most recent	(6) any share incentive scheme;	
period;		
	(7) other matters which laws,	
(6) any share incentive	administrative regulations or the	
scheme;	Articles of Association require to be	
	adopted by special resolution or which	
(7) other matters which laws,	the general meeting considers will have	
administrative regulations or the Articles of Association require to	a material impact on the Company and	
be adopted by special resolution or	therefore require, by an ordinary resolution, to be adopted by special	
which the general meeting	resolution, to be adopted by special	
considers will have a material	resolution.	
impact on the Company and		
therefore require, by an ordinary		
resolution, to be adopted by		
special resolution.		
special resolution.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 118 Unless the	Article 118 Unless the Company	In order to actively
Company is in a crisis or under any	is in a crisis or under any other	explore and establish a new
other exceptional circumstance,	exceptional circumstance, the Company	business management system,
the Company shall not enter into a	shall not enter into a contract with any	improve the management and
contract with any person other than	person other than a Director, a	operational efficiency as well
a Director, a Supervisor, the	Supervisor or senior management	as clarify work
president or other senior	officers of the Company, according to	responsibilities, the
management officers of the	which the Company entrusts its	amendments are made by the
Company, according to which the	business, wholly or essentially, to such	Company based on its actual
Company entrusts its business,	person, unless this is approved at the	situations and in accordance
wholly or essentially, to such	general meeting in a special resolution.	with relevant requirements
person, unless this is approved at		under related laws, regulations
the general meeting in a special		and regulatory documents.
resolution.		
Article 141 Directors shall	Article 141 Directors shall be	Same as the above
be elected or replaced at the	elected or replaced at the general	
general meeting. A Director shall	meeting. A Director shall serve a term	
serve a term of 3 years, and may	of 3 years, and may seek re-election	
seek re-election upon expiry of the	upon expiry of the said term, provided	
said term, provided that an	that an independent Director shall not	
independent Director shall not hold	hold office for a period over 6 years.	
office for a period over 6 years.	The general meeting shall not remove a	
The general meeting shall not remove a Director without any	Director without any reason prior to the expiry of his or her term of office.	
reason prior to the expiry of his or	Where a Director is removed from	
her term of office. Where a	office prior to the expiration of his or	
Director is removed from office	her term of office, the general meeting	
prior to the expiration of his or her	of shareholders shall give reasons; and	
term of office, the general meeting	the Director who is removed from office	
of shareholders shall give reasons;	shall have the right to set forth his or	
and the Director who is removed	her opinions to the general meeting, the	
from office shall have the right to	CSRC or a delegated authority of the	
set forth his or her opinions to the	CSRC.	
general meeting, the CSRC or a		
delegated authority of the CSRC.	Subject to compliance with the	
	relevant laws and administrative	
Subject to compliance with	regulations by a general meeting, a	
the relevant laws and	Director can be removed by an ordinary	
administrative regulations by a	resolution passed at the general meeting	
general meeting, a Director can be	before the expiry of his or her term of	
removed by an ordinary resolution	office (but such removal does not	
passed at the general meeting	prejudice the Director's claim for	
before the expiry of his or her term	damages pursuant to any contract).	
of office (but such removal does		
not prejudice the Director's claim		
for damages pursuant to any		
contract).		

	Basis for amendments
A written notice on the intention	
to nominate a Director candidate and	
the candidate's presentation of being	
willing to accept the nomination shall	
be issued to the Company at least 7 days	
prior to the general meeting.	
The period for submitting the	
notice mentioned in the preceding	
paragraph shall commence from the	
date when the notice of convening a	
-	
-	
general meeting (or earlier).	
Directors of the Company must	
must meet the following requirements:	
integrity and good behavior;	
-	
duties;	
(2) have been modified in (1	
continue sectors for more than 5 years;	
	to nominate a Director candidate and the candidate's presentation of being willing to accept the nomination shall be issued to the Company at least 7 days prior to the general meeting. The period for submitting the notice mentioned in the preceding paragraph shall commence from the date when the notice of convening a general meeting for such election is given by the Company and shall end not later than 7 days before the date of the general meeting (or earlier).

Original Articles	Articles after proposed amendments	Basis for amendments
(4) have obtained academic qualification of college degree or above;	(4) have obtained academic qualification of college degree or above;	
(5) other requirements as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.	(5) other requirements as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.	
The term of office of a Director shall commence from the date of taking the position until the expiry of the term of office of the current session of the Board. Where a re-election fails to be carried out in a timely manner upon the expiry of the term of office of a Director, such Director shall continue to perform his or her duties as a Director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until the newly elected Director assumes	The term of office of a Director shall commence from the date of taking the position until the expiry of the term of office of the current session of the Board. Where a re-election fails to be carried out in a timely manner upon the expiry of the term of office of a Director, such Director shall continue to perform his or her duties as a Director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until the newly elected Director assumes the office.	
the office.	Senior management officers may	
The president or other senior management officers may serve concurrently as Directors (other than the independent Directors), provided that the total number of such Directors who concurrently serve as the president or other senior management officers and the employee representatives shall not exceed 1/2 of the total number of the Directors of the Company. The Board may comprise one employee representative. The employee representative in the Board shall be elected by employees of the Company at the employee representatives' meeting or the staff meeting or by other democratic means, and shall become a member of the Board directly.	serve concurrently as Directors (other than the independent Directors), provided that the total number of such Directors who concurrently serve as senior management officers and the employee representatives shall not exceed 1/2 of the total number of the Directors of the Company. The Board may comprise one employee representative. The employee representative in the Board shall be elected by employees of the Company at the employee representatives' meeting or the staff meeting or by other democratic means, and shall become a member of the Board directly.	

AstandardizedandA standardized and transparenttransparentprocedure shall be in place for electionprocedure shall be in place for electionplace for election of Directors toof Directors to ensure the transparency,ensure the transparency, fairnessfairness and impartiality of the election:and impartiality of the election:(1) the Company shall(1)the Company shalldetailed profiles of the candidates for(1)the Company shalldetailed profiles of the candidates forcandidatesfor Directors prior tomake sure that shareholders havethe general meeting to make sureadequate understanding of suchunderstanding of such candidates(2) the Company shall enter intoengagement contracts with theto clarify the relevantinto engagement contracts with thethe rights and obligations between theDirectors to clarify the relevantcompany and the Directors'obligations between the Companyliabilities in case of breach of laws,	
place for election of Directors to ensure the transparency, fairness and impartiality of the election:of Directors to ensure the transparency, fairness and impartiality of the election:(1) the Company shall disclose detailed profiles of the candidates for Directors prior to the general meeting to make sure that shareholders have adequate understanding of such candidates when they cast their votes.(1) the Company shall detailed profiles of the candidates for Directors prior to the general meeting to make sure that shareholders have adequate understanding of such candidates when they cast their votes.(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and	
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and impartiality of the election:(1) the Company shall disclose detailed profiles of the candidates for Directors prior to the general meeting to make sure that shareholders have adequate understanding of such candidates when they cast their votes.(1) the Company shall disclose detailed profiles of the candidates for Directors prior to the general meeting to make sure that shareholders have adequate understanding of such candidates when they cast their votes.(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and(2) the Company shall enter into engagement contracts, such as the rights and obligations between the Company and the Directors'	
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the general meeting to make sure that shareholders have adequate understanding of such candidates when they cast their votes.adequate understanding of such candidates (2) the Company shall enter to clarify the relevant matters, such as the rights andadequate understanding of such (2) the Company shall enter to clarify the relevant the directors, the term of the directorship, the Directors'	
 that shareholders have adequate understanding of such candidates when they cast their votes. (2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and bligations between the Directors' 	
understanding of such candidates when they cast their votes.(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and the directorship, the Directors'	
when they cast their votes.(2) the Company shall enter into engagement contracts with the Directors(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant the rights and the Directors, the term of the directorship, the Directors'	
(2) the Company shall enter into engagement contracts with the Directors to clarify the relevant matters, such as the rights and obligations between the Company and the Directors, the term of the directorship, the Directors'	
(2) the Company shall enter into engagement contracts with the Directors into engagement contracts with the Directors to clarify the relevant matters, such as the rights and the Directors, the term of the directorship, the Directors'	
into engagement contracts with the the rights and obligations between the Directors to clarify the relevant Company and the Directors, the term of the directorship, the Directors'	
Directors to clarify the relevant Company and the Directors, the term of matters, such as the rights and the directorship, the Directors'	
Directors to clarify the relevant Company and the Directors, the term of matters, such as the rights and the directorship, the Directors'	
obligations between the Company liabilities in case of breach of laws,	
and the Directors, the term of the regulations and the Articles of	
directorship, the Directors' Association, and the compensation from	
liabilities in case of breach of the Company in case of early	
laws, regulations and the Articles termination of such contracts by the	
of Association, and the Company for reasons.	
compensation from the Company	
in case of early termination of such The Directors are not required to	
contracts by the Company for hold any shares in the Company.	
reasons.	
The Directors are not	
required to hold any shares in the	
Company.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 152 The Board shall	Article 152 The Board shall	In order to actively
exercise the following functions	exercise the following functions and	explore and establish a new
and powers:	powers:	business management system,
		improve the management and
(1) to convene general	(1) to convene general meetings	operational efficiency of the
meetings and report to general	and report to general meetings;	Company, and clarify work
meetings;		responsibilities, the
	(2) to implement resolutions of	amendments are made by the
(2) to implement resolutions	general meetings;	Company based on its actual
of general meetings;		situations and in accordance
	(3) to resolve on the Company's	with relevant requirements
(3) to resolve on the	business plans and investment plans;	under related laws, regulations
Company's business plans and		and regulatory documents
investment plans;	(4) to prepare the annual financial	including the "Decision on
	budgets and final accounting plans of	Amending the Company Law
(4) to prepare the annual	the Company;	of the People's Republic of
financial budgets and final		China" considered and
accounting plans of the Company;	(5) to prepare the profit	approved at the 6th meeting of
	distribution plan and loss makeup plan	the Standing Committee of the
(5) to prepare the profit	of the Company;	13th National People's
distribution plan and loss makeup		Congress on October 26, 2018.
plan of the Company;	(6) to formulate proposals for the	
	Company in respect of increase or	
(6) to formulate proposals	reduction of registered capital, issue of	
for the Company in respect of	bonds or other securities and the listing	
increase or reduction of registered	thereof;	
capital, issue of bonds or other		
securities and the listing thereof;	(7) to formulate plans for	
	material acquisitions, purchase of	
(7) to formulate plans for	shares of the Company (due to	
material acquisitions, purchase of	circumstances provided in items (1)	
shares of the Company, merger,	and (2) of Article 29 of the Articles of	
division, dissolution or	Association), merger, division,	
transformation of the Company;	dissolution or transformation of the	
	Company;	

Original Articles	Articles after proposed amendments	Basis for amendments
(8) to determine, within the authority granted by the general meeting, such matters as external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc.;	(8) to determine, within the authority granted by the general meeting, such matters as external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc.;	
(9) to decide on the establishment of internal management organizations of the Company;	(9) to decide on the establishment of internal management organizations of the Company;	
 (10) to appoint or dismiss the president and secretary to the Board of the Company; to appoint or dismiss senior management officers including vice president(s) and the person in charge of finance and the Chief Compliance Officer of the Company in accordance with the nominations by president, and to determine their remunerations, rewards and penalties; (11) to set up the basic management system of the 	(10) to appoint or dismiss the Chief Executive Officer and secretary to the Board of the Company; to appoint or dismiss other senior management officers including members of the executive committee, the Chief Financial Officer, the Chief Compliance Officer, the Chief Risk Officer and Chief Information Officer of the Company in accordance with the nominations by the Chief Executive Officer, and to determine their remunerations, rewards and penalties; (11) to set up the basic	
Company; (12) to formulate the proposals for any amendment to the Articles of Association;	management system of the Company; (12) to formulate the proposals for any amendment to the Articles of Association;	
(13) to manage information disclosure of the Company;	(13) to manage information disclosure of the Company;	
(14) to propose to the general meeting the appointment or replacement of the accounting firms which provide audit services to the Company;	(14) to propose to the general meeting the appointment or replacement of the accounting firms which provide audit services to the Company;	

Original Articles	Articles after proposed amendments	Basis for amendments
(15) to listen to work reports	(15) to listen to work reports of	
of the president and review his or	the executive committee and review its	
her work;	work;	
(16) to determine the	(16) to determine the compliance	
compliance management	management objectives of the	
objectives of the Company, and	Company, and assume responsibility for	
assume responsibility for the	the effectiveness of compliance	
effectiveness of compliance	management, including but not limited	
management, including but not	to, to consider and approve the	
limited to, to consider and approve	fundamental system of compliance	
the fundamental system of	management and the annual compliance	
compliance management and the	reports, to evaluate the effectiveness of	
annual compliance reports, to	compliance management, to supervise	
evaluate the effectiveness of	the resolution of problems existing in	
compliance management, to	compliance management and to	
supervise the resolution of	establish the mechanism for direct	
problems existing in compliance	communication with the Chief	
management and to establish the	Compliance Officer to ensure	
mechanism for direct	assessment by the Chief Compliance	
communication with the Chief	Officer on senior management officers,	
Compliance Officer to ensure	each department, branch and subsidiary	
assessment by the Chief	of each level ("Subordinate Units"),	
Compliance Officer on senior	compliance department and compliance	
management officers, each	management personnel;	
department, branch and subsidiary		
of each level ("Subordinate	(17) to formulate risk control	
Units"), compliance department	system of the Company;	
and compliance management		
personnel;	(18) to determine Directors'	
	remunerations and distribution plan	
(17) to formulate risk control	thereof;	
system of the Company;		
(18) to determine Directors'		
remunerations and distribution		
plan thereof;		

Original Articles	Articles after proposed amendments	Basis for amendments
(19) to exercise other	(19) to decide on the purchase of	
functions and powers as stipulated	the shares of the Company by the	
by laws, administrative	Company due to circumstances	
regulations, departmental rules or	provided in items (3), (5) and (6) of	
the Articles of Association.	Article 29 of the Articles of	
	Association;	
The Board may resolve on		
the issues specified in the above	(20) to exercise other functions	
paragraphs by approval of more	and powers as stipulated by laws,	
than half of the Directors save for	administrative regulations,	
the issues specified in (VI), (VII)	departmental rules or the Articles of	
and (XII), for which approval of	Association.	
two-thirds of the Directors is		
required.	The Board may resolve on the	
	issues specified in the above paragraphs	
The Board and Chairman of	by approval of more than half of the	
the Company shall exercise their	Directors save for the issues specified	
powers to the extent as provided by	in (VI), (VII) and (XII), for which	
laws, administrative regulations,	approval of two-thirds of the Directors	
the CSRC and the Articles of	is required.	
Association, and shall not exceed		
their powers to interfere in	The Board and Chairman of the	
operation and management by	Company shall exercise their powers to	
management personnel.	the extent as provided by laws,	
	administrative regulations, the CSRC	
Matters beyond the scope of	and the Articles of Association, and	
authorization of the general	shall not exceed their powers to	
meeting should be submitted to the	interfere in operation and management	
general meeting for consideration.	by the operational management.	
	Matters beyond the scope of	
	authorization of the general meeting	
	should be submitted to the general	
	meeting for consideration.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 161 Any	Article 161 Any shareholder(s)	In order to actively
shareholder(s) holding more than	holding more than one-tenth voting	explore and establish a new
one-tenth voting rights, more than	rights, more than one-third of the	business management system,
one-third of the Directors or the	Directors or the Supervisory Committee	improve the management and
Supervisory Committee or the	and the Chief Executive Officer may	operational efficiency as well
president may propose the holding	propose the holding of an extraordinary	as clarify work
of an extraordinary meeting of the	meeting of the Board. The Chairman	responsibilities, the
Board. The Chairman shall	shall convene and preside over a Board	amendments are made by the
convene and preside over a Board	meeting within 10 days after receipt of	Company based on its actual
meeting within 10 days after	such proposal.	situations and in accordance
receipt of such proposal.	r r	with relevant requirements
		under related laws, regulations
		and regulatory documents.
Article 164 A Board meeting	Article 164 Unless otherwise	The amendment is made
shall be attended by more than one	specified in the Articles of	by the Company based on its
half of the Directors. Save as	Association, a Board meeting shall be	actual situations and in
otherwise specified in the Articles	attended by more than one half of the	accordance with the "Decision
of Association, resolutions made	Directors. Save as otherwise specified	on Amending the Company
by the Board must be passed by	in the Articles of Association,	Law of the People's Republic
more than half of all Directors.	resolutions made by the Board must be	of China" considered and
	passed by more than half of all	approved at the 6th meeting of
As for the voting on a Board	Directors.	the Standing Committee of the
resolution, each Director shall		13th National People's
have one vote.	As for the voting on a Board	Congress on October 26, 2018.
have one vote.	resolution, each Director shall have one	
If the votes for and against a	vote.	
resolution are the same, the		
Chairman shall be entitled to an	If the votes for and against a	
additional vote.	resolution are the same, the Chairman	
additional vote.	shall be entitled to an additional vote.	
Antiple 167 If any resolution		In order to actively
Article 167 If any resolution	Article 167 If any resolution of	In order to actively explore and establish a new
of the Board meeting is in	the Board meeting is in violation of the laws, administrative regulations or the	~
violation of the laws,	_	
administrative regulations or the	requirements of the CSRC, the	improve the management and
requirements of the CSRC, the	Supervisory Committee shall require	operational efficiency as well
Supervisory Committee shall	the Board to make rectification, and the	as clarify work
require the Board to make	operational management shall refuse	responsibilities, the
rectification, and managers shall	to execute the resolution.	amendments are made by the
refuse to execute the resolution.		Company based on its actual
		situations and in accordance
		with relevant requirements
		under related laws, regulations
		and regulatory documents.

Original Articles	Articles after proposed amendments	Basis for amendments
Article 181 Main duties of	Article 181 Main duties of the	Same as the above
the secretary to the Board:	secretary to the Board:	
(1) taking charge of the	(1) taking charge of the	
communication and liaison	communication and liaison between the	
between the Company and its	Company and its relevant parties and	
relevant parties and the Shanghai	the Shanghai Stock Exchange, the Hong	
Stock Exchange, the Hong Kong	Kong Stock Exchange and other	
Stock Exchange and other	securities regulatory authorities; being	
securities regulatory authorities;	responsible for the preparation and	
being responsible for the	submission of the documents required	
preparation and submission of the	by the securities regulatory authorities	
documents required by the	at the places where the shares are listed	
securities regulatory authorities at	and the organization and completion of	
the places where the shares are	the tasks arranged by the regulatory	
listed and the organization and	authorities; ensuring that the Company	
completion of the tasks arranged	shall prepare and submit the reports and	
by the regulatory authorities;	documents required by the regulatory	
ensuring that the Company shall	authorities.	
prepare and submit the reports and		
documents required by the	(2) dealing with the disclosure of	
regulatory authorities.	information by the Company, urging the	
regulatory authornes.	Company to formulate and implement	
(2) dealing with the	policies regarding information	
disclosure of information by the	disclosure and internal reporting of	
Company, urging the Company to	significant information, causing the	
formulate and implement policies	Company and its relevant parties to	
regarding information disclosure	perform their obligations of information	
and internal reporting of	disclosure, and procuring regular and	
significant information, causing	extraordinary reporting on information	
the Company and its relevant	disclosure to the stock exchange in	
parties to perform their obligations	accordance with the laws.	
of information disclosure, and		
procuring regular and		
extraordinary reporting on		
information disclosure to the stock		
exchange in accordance with the		
laws.		

Original Articles	Articles after proposed amendments	Basis for amendments
(3) organizing and preparing	(3) organizing and preparing	
general meetings, the Board	general meetings, the Board meetings	
meetings and the meetings of the	and the meetings of the specialized	
specialized committees of the	committees of the Board, preparing and	
Board, preparing and submitting	submitting documents and materials	
documents and materials regarding	regarding the Board meetings, general	
the Board meetings, general	meetings and other relevant meetings;	
meetings and other relevant	attending the Board meetings and taking	
meetings; attending the Board	minutes, ensuring the accuracy of the	
meetings and taking minutes,	minutes and signing on the same; being	
ensuring the accuracy of the	responsible for safe-keeping the	
minutes and signing on the same;	documents and minutes of the Board	
being responsible for safe-keeping	meetings, meetings of the specialized	
the documents and minutes of the	committees of the Board and general	
Board meetings, meetings of the	meetings; and being responsible for	
specialized committees of the	submitting the documents of general	
Board and general meetings; and	meetings, meetings of the Board and	
being responsible for submitting	Supervisory Committee to the CSRC for	
the documents of general meetings,	filing and others.	
meetings of the Board and		
Supervisory Committee to the	(4) ensuring that the Company has	
CSRC for filing and others.	the complete set of the organization	
	documents and records.	
(4) ensuring that the		
Company has the complete set of		
the organization documents and		
records.		

Original Articles	Articles after proposed amendments	Basis for amendments
(5) being responsible for	(5) being responsible for	
coordinating and organizing the	coordinating and organizing the	
Company's information disclosure	Company's information disclosure	
matters, including improving a	matters, including improving a sound	
sound information disclosure	information disclosure system, serving	
system, serving guests, being	guests, being responsible for the	
responsible for the communication	communication with media and	
with media and investors,	investors, answering the consultation of	
answering the consultation of the	the public, connecting with the	
public, connecting with the	shareholders, timely providing the	
shareholders, timely providing the	publicly disclosed information of the	
publicly disclosed information of	Company to the eligible investors to	
the Company to the eligible	ensure the timeliness, legality, trueness	
investors to ensure the timeliness,	and completeness of the information	
legality, trueness and completeness	disclosure of the Company.	
of the information disclosure of the		
Company.	(6) attending meetings involving	
	information disclosure. The relevant	
(6) attending meetings	departments of the Company shall	
involving information disclosure.	provide the material and information	
The relevant departments of the	required by the information disclosure	
Company shall provide the	to the secretary to the Board. Prior to	
material and information required	making material decisions, the	
by the information disclosure to	Company shall seek the opinions of the	
the secretary to the Board. Prior to	secretary to the Board from the	
making material decisions, the	perspective of the information	
Company shall seek the opinions	disclosure.	
of the secretary to the Board from		
the perspective of the information		
disclosure.		

Original Articles	Articles after proposed amendments	Basis for amendments
(7) maintaining	(7) maintaining confidentiality in	
confidentiality in respect of	respect of information, formulating	
information, formulating	confidentiality measures, procuring	
confidentiality measures,	Directors, Supervisors, other senior	
procuring Directors, Supervisors,	management officers and relevant	
other senior management officers	informed persons to keep confidential	
and relevant informed persons to	before information disclosure, and	
keep confidential before	taking timely remedies upon the leakage	
information disclosure, and taking	of insider information and reporting the	
timely remedies upon the leakage	same to the stock exchanges and	
of insider information and	securities regulatory management	
reporting the same to the stock	authority at the places where the shares	
exchanges and securities	are listed.	
regulatory management authority		
at the places where the shares are	(8) ensuring the establishing of	
listed.	the register of shareholders of the	
	Company, and ensuring that the persons	
(8) ensuring the establishing	who are entitled to access to relevant	
of the register of shareholders of	documents and records of the Company	
the Company, and ensuring that the	obtain such records and documents in a	
persons who are entitled to access	timely way.	
to relevant documents and records		
of the Company obtain such	(9) maintaining the register of	
records and documents in a timely	shareholders, the register of Directors,	
way.	Supervisors and senior management	
	officers of the Company and the	
(9) maintaining the register	information regarding the shareholding	
of shareholders, the register of	in the Company of controlling	
Directors, Supervisors and senior	shareholders, Directors, Supervisors	
management officers of the	and senior management officers and the	
Company and the information	seal of the Board.	
regarding the shareholding in the		
Company of controlling		
shareholders, Directors,		
Supervisors and senior		
management officers and the seal		
of the Board.		

Original Articles	Articles after proposed amendments	Basis for amendments
(10) assisting the Directors,	(10) assisting the Directors,	
Supervisors, senior management	Supervisors, senior management	
officers of the Company to	officers of the Company to understand	
understand laws, regulations,	laws, regulations, rules, Articles of	
rules, Articles of Associations and	Associations and the securities listing	
the securities listing rules at the	rules at the places where the shares of	
places where the shares of the	the Company are listed and their	
Company are listed and their	responsibilities specified in the share	
responsibilities specified in the	listing agreement.	
share listing agreement.		
	(11) procuring the Board to	
(11) procuring the Board to	exercise powers by laws; reminding the	
exercise powers by laws;	attending Directors when the	
reminding the attending Directors	resolutions to be made by the Board do	
when the resolutions to be made by	not comply with the relevant laws,	
the Board do not comply with the	administrative regulations,	
relevant laws, administrative	departmental rules, securities listing	
regulations, departmental rules,	rules, other regulations of the stock	
securities listing rules, other	exchanges and the Articles of	
regulations of the stock exchanges	Association, and requesting the	
and the Articles of Association,	Supervisors present at meeting to	
and requesting the Supervisors	express their opinions; recording the	
present at meeting to express their	opinions of relevant Supervisors and	
opinions; recording the opinions of	persons in the minutes if the Board	
relevant Supervisors and persons	insists on making the aforesaid	
in the minutes if the Board insists	resolutions, and simultaneously	
on making the aforesaid	reporting such to the Shanghai Stock	
resolutions, and simultaneously	Exchange.	
reporting such to the Shanghai		
Stock Exchange.		

Original Articles	Articles after proposed amendments	Basis for amendments
(12) providing consultation	(12) providing consultation and	
and advices regarding the material	advices regarding the material decisions	
decisions of the Company.	of the Company.	
(13) fulfilling other duties	(13) fulfilling other duties	
specified in the Company Law,	specified in the Company Law, other	
other laws, regulations, rules,	laws, regulations, rules, listing rules at	
listing rules at the places where the	the places where the securities of the	
securities of the Company are	Company are listed.	
listed.		
	The Board and senior	
The Board, the President,	management officers shall provide	
vice president and other senior	active support for the work of the	
management officers shall provide	secretary to the Board. Any entities or	
active support for the work of the	individuals of the Company shall not	
secretary to the Board. Any entities	interference with the normal work of the	
or individuals of the Company	secretary to the Board.	
shall not interference with the		
normal work of the secretary to the		
Board.		
Chapter VI President and	Chapter VI Chief Executive	Same as the above
Other Senior Management Officers	Officer, Executive Committee and	
	other Senior Management Officers	

Original Articles	Articles after proposed amendments	Basis for amendments
Original Articles Article 185 The Company shall have one president and several vice presidents. A Director may be employed to concurrently act as the president, vice president or other senior management officers. The president and other senior management officers shall be appointed or dismissed by the	Article 185 The Company shall have an executive committee and the Chief Executive Officer. The Executive Committee is the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors. It includes one Chief Executive Officer and several members of the Executive Committee. The Chief Executive Officer is the director of the	Basis for amendments Same as the above
Board. The senior management officers of the Company shall not concurrently hold offices in other profit-making institutions, except for those otherwise stipulated by laws, administrative regulations or the CSRC. The senior management officers shall have the qualifications recognized by the CSRC or the delegated authority of the CSRC. Persons without such qualifications shall not be authorized by the Company to perform the duties of the senior management officers.	Executive Committee of the Company. A Director may be employed to concurrently act as the Chief Executive Officer, members of the Executive Committee or other senior management officers. The Chief Executive Officer, members of the Executive Committee and other senior management officers shall be appointed or dismissed by the Board. The senior management officers of the Company shall not concurrently hold offices in other profit-making institutions, except for those otherwise stipulated by laws, administrative regulations or the CSRC. The senior management officers shall have the qualifications recognized by the CSRC or the delegated authority of the CSRC. Persons without such qualifications shall not be authorized by the Company to perform the duties of the senior management officers.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 188 The principal	Article 188 The principal person	Same as the above
person in charge of the operation	in charge of the operation and	
and management of the Company	management of the Company shall	
shall report to the Board or	report to the Board or Supervisory	
Supervisory Committee on the	Committee on the execution of	
execution of significant contracts,	significant contracts, implementation	
implementation status, application	status, application of funds as well as	
of funds as well as profit and loss	profit and loss of the Company as	
of the Company as requested by	requested by the Board or Supervisory	
the Board or Supervisory	Committee. The principal person in	
Committee. The principal person	charge of the operation and management	
in charge of the operation and	shall ensure the trueness, accuracy and	
management shall ensure the	completeness of the report.	
trueness, accuracy and		
completeness of the report.	The principal person in charge of	
	the operation and management who	
The principal person in	does not hold the position of Director	
charge of the operation and	can attend the Board meeting.	
management who does not hold the		
position of Director can attend the	The principal person in charge	
Board meeting.	of the operation and management	
	refers to the Chief Executive Officer,	
The principal person in	or the person in charge of the	
charge of the operation and	management committee or executive	
management refers to the	committee exercising the power of the	
president, or the person in charge	Chief Executive Officer of the	
of the management committee or	Company.	
executive committee exercising the		
power of the president of the		
Company.		
Article 191 The president	Article 191 The Chief Executive	Same as the above
shall serve a term of three years	Officer, members of the Executive	
and may serve consecutive terms	Committee and other senior	
upon reappointment.	management officers shall serve a term	
	of three years and may serve	
	consecutive terms upon reappointment.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 192 The president shall be accountable for the Board	Article 192 The Chief Executive Officer shall be accountable for the	Same as the above
and exercise the following powers:	Board and exercise the following powers:	
(1) to be in charge of the operation and management of the Company, to organize the implementation of the resolutions of the Board, and to report his or her work to the Board;	(1) to be in charge of the operation and management of the Company, to organize the implementation of the resolutions of the Board, and to report his or her work to the Board;	
(2) to formulate the Company's annual development plans, annual business plans and investment plans;	(2) to organize and implement the Company's annual operational plan and investment plan;	
(3) to organize and implement the Company's annual operational plan and investment plan;	(3) to prepare the plan of the basic management system of the Company;	
(4) to prepare the plan for the arrangement of internal	(4) to formulate the Company's specific rules;	
management organizations of the Company;	(5) to propose to the Board to appoint or dismiss members of the executive committee, Chief Financial	
(5) to prepare the plan of the basic management system of the Company;	Officer, Chief Compliance Officer, Chief Risk Officer and other senior management officers of the Company;	
(6) to formulate the Company's specific rules;	(6) to decide to appoint or dismiss executives other than those appointed or removed by the Board;	
(7) to deal with important business and affairs externally on behalf of the Company;	(7) to determine the appointment and dismissal of the staff of the Company;	
(8) to propose to the Board to appoint or dismiss the vice president, Chief Financial Officer, Chief Compliance Officer, Chief Risk Officer and other senior management officers of the Company;	(8) to carry out the Company's risk control system, and to ensure the Company complies with the risk control index prescribed by the CSRC;	

Original Articles	Articles after proposed amendments	Basis for amendments
(9) to decide to appoint or	(9) to exercise other functions	
dismiss executives other than those	and powers conferred in the Articles	
appointed or removed by the	of Association and by the Board.	
Board;		
	The Chief Executive Officer	
(10) to determine the awards	shall be in charge of the daily work of	
and punishments, promotion and	the Company, attend the Board	
demotion, increase/decrease of	meeting and report his or her work to	
salaries, appointment, dismissal,	the Board. Chief Executive Officer	
and recruitment of the staff of the	who is not a Director does not have	
Company;	voting rights at the Board meeting.	
(11) to temporarily deal with	In exercising his or her power, the	
the emergencies in the operation	Chief Executive Officer shall fulfill a	
activities which shall be	fiduciary obligation and have a duty of	
determined by the Board and	due diligence pursuant to the	
reported to the Board of the	requirements of laws, administrative	
Company afterwards;	regulations and the Articles of	
	Association.	
(12) to exercise other		
functions and powers conferred in	As for the connected transactions	
the Articles of Association and by	between the Company and connected	
the Board.	persons, should the transactions not	
	reach the standards specified in	
The president shall be in	paragraph 3 of Article 156 in the	
charge of the daily work of the	Articles of Association, the Chief	
Company and attend the Board	Executive Officer is entitled to make	
meeting, president who is not a	the decision of examination and	
Director does not have voting	approval.	
rights at the Board meeting; report		
his or her work to the Board and	As for external investments,	
exercise his or her power in	acquisition and disposal of assets,	
accordance with the scope of the	assets mortgages and other matters of	
president's duties.	the Company, should the foregoing	
	matters not reach the standards	
In exercising his or her	specified in paragraph 5 of Article 156	
power, the president shall fulfill a	in the Articles of Association, the Chief	
fiduciary obligation and have a	Executive Officer is entitled to make	
duty of due diligence pursuant to	the decision of examination and	
the requirements of laws,	approval.	
administrative regulations and the	TT	
Articles of Association.		

Original Articles	Articles after proposed amendments	Basis for amendments
As for the connected	The Chief Executive Officer of	
transactions between the Company	the Company shall take the major	
and connected persons, should the	responsibility for the effectiveness of	
transactions not reach the	the execution of the comprehensive risk	
standards specified in paragraph 3	management of the Company.	
of Article 156 in the Articles of		
Association, the president is		
entitled to make the decision of		
examination and approval.		
As for external investments,		
acquisition and disposal of assets,		
assets mortgages and other matters		
of the Company, should the		
foregoing matters not reach the		
standards specified in paragraph 5		
of Article 156 in the Articles of		
Association, the president is		
entitled to make the decision of		
examination and approval.		
The president of the		
Company shall take the major		
responsibility for the effectiveness		
of the execution of the		
comprehensive risk management of		
the Company.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 193 The president shall formulate the working rules of the president. Such working rules shall be implemented upon	Article 193 The executive committee shall perform the following functions and powers:	Same as the above
approval by the Board.	(1) to implement business policy as approved by the Board and determine important issues relating	
	to the operation and management of the Company;	
	(2) to draft and implement the financial budget of the Company;	
	(3) to draft final accounting plan, profit distribution plan and loss recovery plan of the Company;	
	(4) to draft plans for change of registered capital and issuance of corporate bonds;	
	(5) to draft plans for merger, division, change or dissolution;	
	(6) to draft business plans, investment, financing and assets disposal plans, which shall be submitted for approval by the board of directors in accordance with corresponding scope of authority;	
	(7) to draft the plan for establishment of the internal management departments of the Company;	
	(8) to formulate and approve the plans for wages, awards and penalties of the staff of the Company;	
	(9) to perform other powers and duties authorized by the Board.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 194 The working	Article 194 The Chief Executive	Same as the above
rules of the president shall include	and the executive committee shall	
the following:	formulate working rules, which shall	
	be implemented upon approval by the	
(1) conditions for the	Board.	
convening of and the procedure for		
the president's meeting, and the	The working rules of the Chief	
personnel to attend the meeting;	Executive Officer and the executive	
	committee shall include the following:	
(2) specific duties and		
allocation of work of the president	(1) conditions for the convening	
and other senior management	of and the procedure for the meeting of	
officers;	the executive committee, and the	
	personnel to attend the meeting;	
(3) the authority to utilize		
the Company's funds and assets	(2) specific duties and allocation	
and to enter into significant	of work of the Chief Executive Officer,	
contracts, and the reporting system	members of the executive committee	
to the Board and the Supervisory	and other senior management officers;	
Committee;		
	(3) the authority to utilize the	
(4) other matters which the	Company's funds and assets and to enter	
Board considers necessary.	into significant contracts, and the	
	reporting system to the Board and the	
	Supervisory Committee;	
	(4) other matters which the Board	
	considers necessary.	
Article 195 The president	Article 195 The Chief Executive	Same as the above
can tender his or her resignation	Officer, members of the executive	
prior to the expiry of his or her	committee and other senior	
term of office. The specific	management officers can tender their	
procedures for such resignation	resignation prior to the expiry of their	
shall be governed by the labour	term of office. The specific procedures	
contract between the president and	for such resignation shall be governed	
the Company.	by the labour contract between senior	
	management officers and the	
	Company.	

Original Articles	Articles after proposed amendments	Basis for amendments
Article 196 The vice	Article 196 Members of the	Same as the above
presidents of the Company shall be	executive committee of the Company	
nominated by the president, and	shall be nominated by the Chief	
shall be appointed or dismissed by	Executive Officer, and shall be	
the Board.	appointed or dismissed by the Board.	
The vice president shall	Members of the executive	
assist the president in working and	committee shall assist the Chief	
shall be accountable for and report	Executive Officer in working and shall	
duty to the president. He or she	be accountable for and report duty to	
shall perform the relevant duties	the president. He or she shall perform	
according to the business scope of	the relevant duties according to the	
work allocation. Should the	business scope of work allocation.	
president be unable to or fails to	Should the Chief Executive Officer be	
perform his or her duties, the vice	unable to or fails to perform his or	
president(s) shall perform the	her duties, the senior management	
duties of the president on his or her	officers designated by the Board shall	
behalf. In case two or more vice	perform the duties of the president on	
presidents are in the Company, the	his or her behalf.	
vice president(s) designated by the		
Board shall perform the duties of		
the president on his or her behalf.		
Article 205 The Chief Risk	Article 205 The Chief Risk	Same as the above
Officer shall be responsible for the	Officer shall be responsible for the	
comprehensive risk management.	comprehensive risk management. The	
The Chief Risk Officer shall be	Chief Risk Officer shall be nominated	
nominated by the President and	by the Chief Executive Officer and	
appointed by the Board.	appointed by the Board.	
Article 210 The Directors,	Article 210 The Directors and	Same as the above
president and other senior	senior management officers shall not	
management officers shall not	concurrently take the position of	
concurrently take the position of	Supervisors.	
Supervisors.		
Chapter X Qualifications and	Chapter X Qualifications and	Same as the above
Obligations of Directors,	Obligations of Directors, Supervisors	
Supervisors, Manager and Other	and Senior Management Officers of	
Senior Management Officers of the	the Company	
Company		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 227 The following	Article 227 The following person	Same as the above
person shall not serve as a	shall not serve as a Director, Supervisor	
Director, Supervisor, general	or senior management officer of the	
manager or other senior	Company:	
management officers of the		
Company:	(1) persons without capacity or	
	with limited capacity of civil conduct;	
(1) persons without capacity		
or with limited capacity of civil	(2) persons who were sentenced to	
conduct;	criminal punishment for the crime of	
	corruption, bribery, misappropriation of	
(2) persons who were	property or diversion of property or for	
sentenced to criminal punishment	disrupting the order of the socialist	
for the crime of corruption,	market economy, where less than five	
bribery, misappropriation of	years have elapsed since the expiration	
property or diversion of property	of the sentence, or who have been	
or for disrupting the order of the	deprived of the political rights due to a	
socialist market economy, where	criminal offense, where less than five	
less than five years have elapsed	years have elapsed since the expiration	
since the expiration of the	of the period of deprivation;	
sentence, or who have been		
deprived of the political rights due	(3) persons who were former	
to a criminal offense, where less	Directors, factory managers or	
than five years have elapsed since	managers of a company or enterprise	
the expiration of the period of	which was declared bankrupt and was	
deprivation;	liquidated and who were personally	
	liable for insolvency of such company	
(3) persons who were former	or enterprise, where less than three	
Directors, factory managers or	years have elapsed since the date of	
managers of a company or	completion of the bankruptcy	
enterprise which was declared	liquidation of the company or	
bankrupt and was liquidated and	enterprise;	
who were personally liable for		
insolvency of such company or		
enterprise, where less than three		
years have elapsed since the date		
of completion of the bankruptcy		
liquidation of the company or		
enterprise;		

Original Articles	Articles after proposed amendments	Basis for amendments
(4) persons who were legal	(4) persons who were legal	
representatives of a company or	representatives of a company or	
enterprise which had its business	enterprise which had its business	
license revoked or was ordered to	license revoked or was ordered to close	
close down due to violation of the	down due to violation of the law and	
law and who were personally	who were personally liable, where less	
liable, where less than three years	than three years has elapsed since the	
has elapsed since the date of the revocation;	date of the revocation;	
	(5) persons who have a substantial	
(5) persons who have a	amount of debts due and outstanding;	
substantial amount of debts due		
and outstanding;	(6) persons who are subject to the	
	CSRC's punishment which prohibits	
(6) persons who are subject	them from entering into the securities	
to the CSRC's punishment which	market for a period which has not yet	
prohibits them from entering into	expired;	
the securities market for a period		
which has not yet expired;	(7) persons in charge of stock	
	exchange, securities registration and	
(7) persons in charge of	clearing institutions or Directors,	
stock exchange, securities	Supervisors or senior management	
registration and clearing	officers of securities companies, who	
institutions or Directors,	were dismissed for any act against law	
Supervisors or senior management	or relevant discipline where less than	
officers of securities companies,	five years have elapsed since the date of	
who were dismissed for any act	the removal;	
against law or relevant discipline		
where less than five years have	(8) persons who have been	
elapsed since the date of the	convicted by the relevant competent	
removal;	authority for violation of securities	
	regulations by acting fraudulently or	
(8) persons who have been	dishonestly, where less than five years	
convicted by the relevant	have elapsed since the date of the	
competent authority for violation	conviction;	
of securities regulations by acting		
fraudulently or dishonestly, where		
less than five years have elapsed		
since the date of the conviction;		

Original Articles	Articles after proposed amendments	Basis for amendments
(9) persons who were	(9) persons who were attorneys,	
attorneys, certified public	certified public accountants or	
accountants or professionals of	professionals of investment	
investment consultation	consultation institutions, financial	
institutions, financial consultation	consultation and advice institutions,	
and advice institutions, credit	credit appraisal institutions, assets	
appraisal institutions, assets	evaluation institutions or verification	
evaluation institutions or	institutions, whose qualifications were	
verification institutions, whose	revoked for any act against law or	
qualifications were revoked for	relevant discipline, where less than five	
any act against law or relevant	years have elapsed since the date of the	
discipline, where less than five	revocation;	
years have elapsed since the date		
of the revocation;	(10) government officers and	
	other persons who are prohibited by law	
(10) government officers and	and administrative regulations from	
other persons who are prohibited	concurrently holding position in a	
by law and administrative	company;	
regulations from concurrently		
holding position in a company;	(11) persons who were subject to	
	administrative penalties by the financial	
(11) persons who were	regulatory department due to his or her	
subject to administrative penalties	serious violation of laws or regulations	
by the financial regulatory	where less than three years have elapsed	
department due to his or her	since the date of completion of the	
serious violation of laws or	penalties;	
regulations where less than three		
years have elapsed since the date	(12) persons who were	
of completion of the penalties;	disqualified by the CSRC where less	
	than three years have elapsed since the	
(12) persons who were	date of disqualification;	
disqualified by the CSRC where		
less than three years have elapsed	(13) persons who were	
since the date of disqualification;	determined to be unfit by the CSRC	
	where less than two years has elapsed	
(13) persons who were	since the date of the determination;	
determined to be unfit by the		
CSRC where less than two years		
has elapsed since the date of the		
determination;		

Original Articles	Articles after proposed amendments	Basis for amendments
(14) persons who are	(14) persons who are prohibited	Dusis for unchuments
prohibited from acting as a leader	from acting as a leader of an enterprise	
of an enterprise by virtue of laws	by virtue of laws or administrative	
or administrative regulations;	regulations;	
(15) persons other than a	(15) persons other than a natural	
natural person;	person;	
(16) persons who are under	(16) persons who are under the	
the investigation of the legal	investigation of the legal authority in	
authority in accordance with the	accordance with the criminal laws and	
criminal laws and the case is not	the case is not concluded;	
concluded;		
	(17) other circumstances	
(17) other circumstances	identified by the CSRC;	
identified by the CSRC;		
	(18) other contents required by	
(18) other contents required	the laws, administrative regulations,	
by the laws, administrative	departmental rules or the listing rules at	
regulations, departmental rules or	the place where the shares of the	
the listing rules at the place where	Company are listed.	
the shares of the Company are		
listed.	Any election, designation or	
	appointment of Directors, Supervisors	
Any election, designation or	or senior management officers in	
appointment of Directors, Supervisors, the general manager	violation of this provision shall be invalid. The Company shall dismiss the	
or other senior management	Director, Supervisor or senior	
officers in violation of this	management officers if they are	
provision shall be invalid. The	involved in the said circumstances	
Company shall dismiss the	during their respective term of office.	
Director, Supervisor, the general	G	
manager or other senior		
management officers if they are		
involved in the said circumstances		
during their respective term of		
office.		
Article 228 The validity of	Article 228 The validity of an act	Same as the above
an act of a Director, the general	of a Director or senior management	
manager or other senior	officers on behalf of the Company to a	
management officers on behalf of	bona fide third person is not affected by	
the Company to a bona fide third	any incompliance in the appointment,	
person is not affected by any	election or qualification thereof.	
incompliance in the appointment,		
election or qualification thereof.		

Original Articles	Articles after proposed amendments	Basis for amendments
Original Articles Article 229 In addition to the obligations imposed by laws, administrative regulations or the listing rules of the securities regulatory authorities in the place where the Company's shares are listed, each of the Company's Directors, Supervisors, general manager and other senior management officers owes a duty to each shareholder, in the exercise of the functions and powers of the Company entrusted to him or her: (1) not to cause the Company to exceed the scope of business stipulated in its business license; (2) to act honestly in the best interests of the Company; (3) not to expropriate the Company's property in any guise, including (but not limited to) any opportunities advantageous to the Company; (4) not to deprive of the individual rights and interests of the shareholders, including (but not limited to) the rights to distribution and voting rights, but excluding a restructuring of the Company submitted to the general	Articles after proposed amendments Article 229 In addition to the obligations imposed by laws, administrative regulations or the listing rules of the securities regulatory authorities in the place where the Company's shares are listed, each of the Company's Directors, Supervisors and senior management officers owes a duty to each shareholder, in the exercise of the functions and powers of the Company entrusted to him or her: (1) not to cause the Company to exceed the scope of business stipulated in its business license; (2) to act honestly in the best interests of the Company; (3) not to expropriate the Company's property in any guise, including (but not limited to) any opportunities advantageous to the Company; (4) not to deprive of the individual rights and interests of the shareholders, including (but not limited to) the rights to distribution and voting rights, but excluding a restructuring of the Company submitted to the general meeting for approval in accordance with the Articles of Association.	Basis for amendments Same as the above
meeting for approval in accordance with the Articles of Association.		
Article 230 Each of the Company's Directors, Supervisors, general manager and other senior management officers owes a duty, in the exercise of his or her powers and discharge of his or her obligations, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.	Article 230 Each of the Company's Directors, Supervisors and senior management officers owes a duty, in the exercise of his or her powers and discharge of his or her obligations, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.	Same as the above

Original Articles	Articles after proposed amendments	Basis for amendments
Article 231 In fulfilling their	Article 231 In fulfilling their	Same as the above
duties, the Directors, Supervisors,	duties, the Directors, Supervisors and	
the general manager and other	senior management officers must	
senior management officers must	observe the principle of honesty and	
observe the principle of honesty	shall not set themselves in a position	
and shall not set themselves in a	where their own interests conflict with	
position where their own interests	their obligations. The said principle	
conflict with their obligations. The	includes (but not limited to) the	
said principle includes (but not	following obligations:	
limited to) the following		
obligations:	(1) to sincerely act in the best	
	interests of the Company;	
(1) to sincerely act in the		
best interests of the Company;	(2) to exercise their rights within	
	their terms of reference;	
(2) to exercise their rights		
within their terms of reference;	(3) to exercise the discretion	
	vested in them in person and shall not	
(3) to exercise the discretion	be controlled by others and; save as	
vested in them in person and shall	permitted by laws or administrative	
not be controlled by others and;	regulations or with the informed	
save as permitted by laws or	consent of shareholders given at the	
administrative regulations or with	general meeting, not to transfer the	
the informed consent of	exercise of their discretion to others;	
shareholders given at the general		
meeting, not to transfer the	(4) to be equal towards	
exercise of their discretion to	shareholders of the same class and fair	
others;	towards shareholders of different	
	classes;	
(4) to be equal towards		
shareholders of the same class and	(5) not to conclude any contract,	
fair towards shareholders of	conduct any transaction or make any	
different classes;	arrangement with the Company saved as	
	otherwise specified in the Articles of	
(5) not to conclude any	Association or with the informed	
contract, conduct any transaction	consent of shareholders given at the	
or make any arrangement with the	general meeting;	
Company saved as otherwise		
specified in the Articles of		
Association or with the informed		
consent of shareholders given at		
the general meeting;		

Original Articles	Articles after proposed amendments	Basis for amendments
(6) not to seek personal gains	(6) not to seek personal gains by	
by using the property of the	using the property of the Company in	
Company in any form without the	any form without the informed consent	
informed consent of shareholders	of shareholders given at the general	
given at the general meeting;	meeting;	
(7) not to abuse official	(7) not to abuse official powers to	
powers to accept bribes or other	accept bribes or other unlawful income,	
unlawful income, and not to	and not to expropriate the Company's	
expropriate the Company's	property in any form, including (but not	
property in any form, including	limited to) opportunity favorable to the	
(but not limited to) opportunity	Company;	
favorable to the Company;		
	(8) not to accept commissions in	
(8) not to accept	connection with the Company's	
commissions in connection with	transactions without the informed	
the Company's transactions	consent of shareholders given at the	
without the informed consent of	general meeting;	
shareholders given at the general		
meeting;	(9) to observe the Articles of	
	Association, fulfill duties honestly,	
(9) to observe the Articles of	protect the interests of the Company,	
Association, fulfill duties honestly,	and not to seek personal gains by using	
protect the interests of the	their positions and powers in the	
Company, and not to seek personal	Company;	
gains by using their positions and		
powers in the Company;	(10) not to compete with the	
	Company in any form without the	
(10) not to compete with the	informed consent of shareholders given	
Company in any form without the	at the general meeting;	
informed consent of shareholders		
given at the general meeting;		

Original Articles	Articles after proposed amendments	Basis for amendments
(11) not to divert the	(11) not to divert the Company	
Company funds or lend the same to	funds or lend the same to others, not to	
others, not to deposit the	deposit the Company's assets in the	
Company's assets in the accounts	accounts of their own or others, and not	
of their own or others, and not to	to use the Company's assets as security	
use the Company's assets as	for the personal debts of the	
security for the personal debts of	shareholders of the Company or others;	
the shareholders of the Company		
or others;	(12) not to disclose any	
	confidential information related to the	
(12) not to disclose any	Company acquired by them during the	
confidential information related to	term of their office without the	
the Company acquired by them	informed consent of the shareholders	
during the term of their office	given at the general meeting; not to use	
without the informed consent of	the said information save for the	
the shareholders given at the	interests of the Company; however, they	
general meeting; not to use the said	may disclose such information to a	
information save for the interests	court or other governmental regulatory	
of the Company; however, they	authorities in the following	
may disclose such information to a	circumstances:	
court or other governmental		
regulatory authorities in the	1. As required by law;	
following circumstances:		
	2. As required for the interests of	
1. As required by law;	the public;	
1 2 /	nie puolie,	
2. As required for the	3. As required for the interests of	
interests of the public;	the said Directors, Supervisors and	
Fuence,	senior management officers.	
3. As required for the	senter munugement officers.	
interests of the said Directors,		
Supervisors, the general manager		
and other senior management		
officers.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 232 Each Director, Supervisor, general manager and any other senior management officers of the Company shall not cause the following persons or institutions ("associates") to do	Article 232 Each Director, Supervisor and senior management officer of the Company shall not cause the following persons or institutions ("associates") to do what he or she is prohibited from doing:	Same as the above
what he or she is prohibited from doing: (1) the spouse or minor child of such Director, Supervisor, general manager and other senior management officer;	 (1) the spouse or minor child of such Director, Supervisor and senior management officer; (2) a person acting in the capacity of trustee of such Director or senior 	
 (2) a person acting in the capacity of trustee of such Director, general manager or other senior management officer or any person specified in subparagraph (1) hereinabove; 	management officer or any person specified in subparagraph (1) hereinabove; (3) a person acting in the capacity of partner of such Director, Supervisor or senior management officer or any	
 (3) a person acting in the capacity of partner of such Director, Supervisor, general manager or other senior management officer or any person specified in subparagraphs (1) and (2) hereinabove; (4) a company in which that 	person specified in subparagraphs (1) and (2) hereinabove; (4) a company in which that Director, Supervisor or senior management officer , alone or jointly with one or more persons specified in subparagraphs (1), (2) and (3) hereinabove, have a de facto controlling interest; and	
Director, Supervisor, general manager or other senior management officer, alone or jointly with one or more persons specified in subparagraphs (1), (2) and (3) hereinabove, have a de facto controlling interest; and	(5) the Directors, Supervisors and senior management officers of the	
(5) the Directors, Supervisors, general manager and other senior management officers of the controlled company referred to in clauses (4) of this Article.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 233 The fiduciary	Article 233 The fiduciary duties	Same as the above
duties of Directors, Supervisors,	of Directors, Supervisors and senior	
the general manager and other	management officers shall not end	
senior management officers shall	with the expiry of their terms of office,	
not end with the expiry of their	and their confidentiality obligation in	
terms of office, and their	respect of any commercial secrets of the	
confidentiality obligation in	Company shall continue after expiry of	
respect of any commercial secrets	their terms of office. Other duties may	
of the Company shall continue	continue for such period as the principle	
after expiry of their terms of	of fairness may require depending on	
office. Other duties may continue	the time lapse between the termination	
for such period as the principle of	and the occurrence of the matter and the	
fairness may require depending on	specific circumstances and conditions	
the time lapse between the	under which the relationship between	
termination and the occurrence of	them and the Company was terminated.	
the matter and the specific		
circumstances and conditions		
under which the relationship		
between them and the Company		
was terminated.		
Article 234 Except as	Article 234 Except as provided in	Same as the above
provided in the Article 68 of the	the Article 68 of the Articles of	
Articles of Association, a Director,	Association, a Director, Supervisor and	
Supervisor, general manager and	senior management officer of the	
any other senior management	Company may be relieved of liability	
officer of the Company may be	for specific breaches of his or her duty	
relieved of liability for specific	by the informed consent of shareholders	
breaches of his or her duty by the	given at the general meeting.	
informed consent of shareholders		
given at the general meeting.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 235 If the Directors,	Article 235 If the Directors,	Same as the above
Supervisors, the general manager	Supervisors and senior management	
and other senior management	officers of the Company have any direct	
officers of the Company have any	or indirect material interests in any	
direct or indirect material interests	contract, transaction or arrangement	
in any contract, transaction or	already concluded or proposed with the	
arrangement already concluded or	Company (excluding any employment	
proposed with the Company	contracts signed by the Company with	
(excluding any employment	such Directors, Supervisors and senior	
contracts signed by the Company	management officers), they shall	
with such Directors, Supervisors,	responsively disclose the nature and	
the general manager and other	extent of the said interests to the Board	
senior management officers), they	regardless whether the relevant matters	
shall responsively disclose the	are subject to approval by the Board in	
nature and extent of the said	normal circumstances.	
interests to the Board regardless		
whether the relevant matters are	Except as provided in Note 1,	
subject to approval by the Board in	Appendix III of the Hong Kong Listing	
normal circumstances.	Rules or as allowed by the Hong Kong	
	Stock Exchange, a Director shall not be	
Except as provided in Note	entitled to vote on any contract,	
1, Appendix III of the Hong Kong	arrangement or any other relevant	
Listing Rules or as allowed by the	proposals in which he or she or any	
Hong Kong Stock Exchange, a	person connected to him or her (as	
Director shall not be entitled to	defined in the Hong Kong Listing	
vote on any contract, arrangement	Rules) has any material interest and	
or any other relevant proposals in	which is to be approved by the Board.	
which he or she or any person	Additionally, he or she may not count in	
connected to him or her (as defined	the quorum for the meeting.	
in the Hong Kong Listing Rules)	are quorum for the meeting.	
has any material interest and which		
is to be approved by the Board.		
Additionally, he or she may not		
count in the quorum for the		
meeting.		
meeting.		

Original Articles	Articles after proposed amendments	Basis for amendments
Unless the interested	Unless the interested Director,	
Director, Supervisor, general	Supervisor and senior management	
manager and other senior	officer of the Company has disclosed	
management officer of the	his or her interests to the Board in	
Company has disclosed his or her	accordance with the preceding	
interests to the Board in	paragraph hereof and the matter has	
accordance with the preceding	been approved by the Board at a	
paragraph hereof and the matter	meeting in which the interested	
has been approved by the Board at	Director, Supervisor or senior	
a meeting in which the interested	management officer was not counted in	
Director, Supervisor, general	the quorum and has abstained from	
manager or other senior	voting, the Company shall have the	
management officer was not	right to void the contract, transaction or	
counted in the quorum and has	arrangement, unless the other party is a	
abstained from voting, the	bona fide party acting without	
Company shall have the right to	knowledge of the breach of obligation	
void the contract, transaction or	by the Director, Supervisor and senior	
arrangement, unless the other party	management officer concerned.	
is a bona fide party acting without	U	
knowledge of the breach of	A Director, Supervisor and senior	
obligation by the Director,	management officer of the Company is	
Supervisor, general manager and	deemed to be interested in a contract,	
other senior management officer	transaction or agreement in which an	
concerned.	associate of that Director, Supervisor	
	and senior management officer is	
A Director, Supervisor,	interested.	
general manager and other senior	Interested.	
e e		
8		
Company is deemed to be interested in a contract, transaction		
or agreement in which an associate		
of that Director, Supervisor,		
general manager and other senior		
management officer is interested.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 236 Where a Director, Supervisor, general	Article 236 Where a Director, Supervisor and senior management	Same as the above
manager and other senior	officer of the Company gives to the	
management officer of the	Board a written notice before the	
Company gives to the Board a	conclusion of the contract, transaction	
written notice before the	or arrangement is first considered by the	
conclusion of the contract,	Company stating that, by reason of the	
transaction or arrangement is first	facts specified in the notice, he or she is	
considered by the Company stating	interested in contracts, transactions or	
that, by reason of the facts	arrangements of any description which	
specified in the notice, he or she is	may subsequently be made by the	
interested in contracts,	Company, such Director, Supervisor or	
transactions or arrangements of	senior management officer of the	
any description which may	Company shall be deemed for the	
subsequently be made by the	purposes of the preceding Article to	
Company, such Director,	have declared his or her interests, to the	
Supervisor, general manager or	extent stated in the notice.	
other senior management officer of		
the Company shall be deemed for		
the purposes of the preceding		
Article to have declared his or her		
interests, to the extent stated in the		
notice.		
Article 237 The Company	Article 237 The Company shall	Same as the above
shall not, by any means, pay taxes	not, by any means, pay taxes for or on	
for or on behalf of its Director,	behalf of its Director, Supervisor and	
Supervisor, general manager and	senior management officers.	
any other senior management		
officers.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 238 The Company shall not, directly or indirectly, provide a loan to, or any loan guarantee for, its Director, Supervisor, general manager and other senior management officers, or provide loans to, or any loan guarantee for those of the related persons of the abovementioned persons. However, the preceding paragraph shall not apply if: (1) the provision by the Company of a loan or a loan guarantee for a subsidiary of the Company; (2) the provision by the Company of a loan or loan guarantee, or any other funds to any of its Directors, Supervisors, general manager and other senior management officers to meet expenditure incurred by him or her for the purposes of the Company or for the purpose of enabling him or her to perform his or her duties properly, in accordance with the terms of a service contract approved by the shareholders in the general meeting; (3) the provision by the Company of a loan or loan guarantee to a relevant Director, Supervisor or senior management officers of the Company or to an	Articles after proposed amendments Article 238 The Company shall not, directly or indirectly, provide a loan to, or any loan guarantee for, its Director, Supervisor and senior management officers, or provide loans to, or any loan guarantee for those of the related persons of the abovementioned persons. However, the preceding paragraph shall not apply if: (1) the provision by the Company of a loan or a loan guarantee for a subsidiary of the Company; (2) the provision by the Company of a loan or loan guarantee, or any other funds to any of its Directors, Supervisors and senior management officers to meet expenditure incurred by him or her for the purposes of the Company or for the purposes of the Company or for the purpose of enabling him or her to perform his or her duties properly, in accordance with the terms of a service contract approved by the shareholders in the general meeting; (3) the provision by the Company or to an associate thereof based on normal commercial terms, if the ordinary business scope of the Company includes the lending of money or the provision of loan guarantee.	Basis for amendments Same as the above
officers of the Company or to an associate thereof based on normal commercial terms, if the ordinary business scope of the Company includes the lending of money or the provision of loan guarantee.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 240 Any loan	Article 240 Any loan guarantee	Same as the above
guarantee provided by the	provided by the Company in breach of	
Company in breach of paragraph 1	paragraph 1 of Article 238 shall not be	
of Article 238 shall not be	enforceable against the Company,	
enforceable against the Company,	unless:	
unless:		
	(1) loan guarantee was provided	
(1) loan guarantee was	to an associate of any of the Directors,	
provided to an associate of any of	Supervisors and senior management	
the Directors, Supervisors, general	officers of the Company or of the	
manager and other senior	Company's holding company and the	
management officers of the	lender did not know the relevant	
Company or of the Company's	circumstances at the time the loan was	
holding company and the lender	advanced;	
did not know the relevant		
circumstances at the time the loan	(2) the collateral provided by the	
was advanced;	Company has been lawfully disposed of	
	by the lender to a bona fide purchaser.	
(2) the collateral provided by		
the Company has been lawfully		
disposed of by the lender to a bona		
fide purchaser.		
Article 242 If the Directors,	Article 242 If the Directors,	Same as the above
Supervisors, the general manager	Supervisors or senior management	
or other senior management	officers violate the obligations to the	
officers violate the obligations to	Company, the Company shall, in	
the Company, the Company shall,	addition to the rights and remedies	
in addition to the rights and	provided for under the relevant laws and	
remedies provided for under the	administrative regulations, be entitled	
relevant laws and administrative	to take the following actions:	
regulations, be entitled to take the		
following actions:	(1) requiring the Directors,	
	Supervisors or senior management	
(1) requiring the Directors,	officers to compensate the Company for	
Supervisors, the general manager	the losses arising from their dereliction	
or other senior management	of duties;	
officers to compensate the		
Company for the losses arising		
from their dereliction of duties;		

Original Articles	Articles after proposed amendments	Basis for amendments
(2) rescinding the contracts	(2) rescinding the contracts or	
or transactions concluded between	transactions concluded between the	
the Company and the Directors,	Company and the Directors,	
Supervisors, the general manager	Supervisors or senior management	
or other senior management	officers of the Company, or between the	
officers of the Company, or	Company and a third person (if the third	
between the Company and a third	person knows or should have known	
person (if the third person knows	that the Directors, Supervisors or senior	
or should have known that the	management officers representing the	
Directors, Supervisors, the general	Company have breached their	
manager or other senior	obligations to the Company);	
management officers representing		
the Company have breached their	(3) requiring the relevant	
obligations to the Company);	Directors, Supervisors or senior	
	management officers to surrender their	
(3) requiring the relevant	gains arising from breach of	
Directors, Supervisors, the general	obligations;	
manager or other senior		
management officers to surrender	(4) recovering the money,	
their gains arising from breach of	including (but not limited to)	
obligations;	commissions, received by Directors,	
	Supervisions or senior management	
(4) recovering the money,	officers which should be given to the	
including (but not limited to)	Company;	
commissions, received by	1 27	
Directors, Supervisors or senior	(5) requiring the relevant	
management officers which should	Directors, Supervisors or senior	
be given to the Company;	management officers to return any	
	interest that is earned or may be earned	
(5) requiring the relevant	on the monies that should have been	
Directors, Supervisors, the general	paid to the Company.	
manager or other senior	r ··· · · · · · · · · · · · · · · · · ·	
management officers to return any		
interest that is earned or may be		
earned on the monies that should		
have been paid to the Company.		
coon para to the company.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 243 The Company	Article 243 The Company shall	Same as the above
shall enter into a written contract	enter into a written contract with each	
with each Director, Supervisor,	Director, Supervisor and senior	
president and other senior	management officer and such contract	
management officers and such	shall at least include the following	
contract shall at least include the	provisions:	
following provisions:		
	(1) Directors, Supervisors and	
(1) Directors, Supervisors,	senior management officers shall	
president and other senior	make commitment to the Company and	
management officers shall make	express that they shall comply with the	
commitment to the Company and	Company Law, Special Provisions, the	
express that they shall comply with	Articles of Association, the Code on	
the Company Law, Special	Takeovers and Mergers (《公司收購及	
Provisions, the Articles of	合併守則》), the Code on Share	
Association, the Code on	Buy-backs《股份購回守則》 and other	
Takeovers and Mergers (《公司收	provisions of Hong Kong Stock	
購及合併守則》), the Code on	Exchange and agree that the Company	
Share Buy-backs《股份購回守則》	shall be entitled to the remedial	
and other provisions of Hong Kong	measures provided herein. Such	
Stock Exchange and agree that the	contract and their positions shall not be	
Company shall be entitled to the	transferred;	
remedial measures provided		
herein. Such contract and their	(2) Directors, Supervisors and	
positions shall not be transferred;	senior management officers shall	
	make commitment to the Company and	
(2) Directors, Supervisors,	express that they shall comply with and	
president and other senior	perform such duties that they should be	
management officers shall make	accountable to the shareholders as	
commitment to the Company and	provided herein;	
express that they shall comply with		
and perform such duties that they	(3) such arbitration terms as	
should be accountable to the	provided in Article 305 hereof.	
shareholders as provided herein;		
(3) such arbitration terms as		
provided in Article 305 hereof.		

Original Articles	Articles after proposed amendments	Basis for amendments
The Company shall conclude	The Company shall conclude	
written contracts with Directors	written contracts with Directors and	
and Supervisors in relation to their	Supervisors in relation to their	
remunerations, subject to prior	remunerations, subject to prior approval	
approval of the general meeting.	of the general meeting. The aforesaid	
The aforesaid remunerations shall	remunerations shall include:	
include:		
	(1) the remunerations in respect	
(1) the remunerations in	of his or her service as Director,	
respect of his or her service as	Supervisor or senior management	
Director, Supervisor or senior	officer of the Company;	
management officer of the		
Company;	(2) the remunerations in respect	
	of his or her service as director,	
(2) the remunerations in	supervisor or senior management	
respect of his or her service as	officer of any subsidiary of the	
director, supervisor or senior	Company;	
management officer of any		
subsidiary of the Company;	(3) the remunerations in respect	
	of the provision of other services in	
(3) the remunerations in	connection with the management of the	
respect of the provision of other	affairs of the Company and any of its	
services in connection with the	subsidiaries;	
management of the affairs of the		
Company and any of its	(4) the payment by way of	
subsidiaries;	compensation for loss of office, or as	
	consideration for or in connection with	
(4) the payment by way of	his or her retirement from office.	
compensation for loss of office, or		
as consideration for or in	Directors and Supervisors shall	
connection with his or her	not sue the Company for benefits due to	
retirement from office.	him or her on the basis of the	
	aforementioned matters, except under a	
Directors and Supervisors	contract as mentioned above.	
shall not sue the Company for		
benefits due to him or her on the		
basis of the aforementioned		
matters, except under a contract as		
mentioned above.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 265 The accounting	Article 265 The accounting firm	Same as the above
firm appointed by the Company	appointed by the Company shall have	
shall have the following rights:	the following rights:	
(1) to inspect the accounting	(1) to inspect the accounting	
books, records or proofs at any	books, records or proofs at any time,	
time, and to require directors,	and to require directors or senior	
general managers or other senior	management officers of the Company	
management officers of the	to provide relevant documents and	
Company to provide relevant	explanations;	
documents and explanations;		
	(2) to require the Company to take	
(2) to require the Company	all reasonable actions to obtain from the	
to take all reasonable actions to	Company's subsidiaries such	
obtain from the Company's	information and explanation as are	
subsidiaries such information and	necessary for the purpose of discharging	
explanation as are necessary for	its duties;	
the purpose of discharging its		
duties;	(3) to attend general meetings, to	
	receive all notices of, and other	
(3) to attend general	information relating to, the meeting that	
meetings, to receive all notices of,	any shareholder is entitled to receive,	
and other information relating to,	and to speak at any general meeting in	
the meeting that any shareholder is	relation to matters concerning its role as	
entitled to receive, and to speak at	the Company's accounting firm.	
any general meeting in relation to		
matters concerning its role as the		
Company's accounting firm.		

Original Articles	Articles after proposed amendments	Basis for amendments
Article 305 The Company shall follow the following rules for settlement of disputes:	Article 305 The Company shall follow the following rules for settlement of disputes:	Same as the above
(1) all disputes and claims between shareholders of overseas listed foreign shares and the Company, between shareholders of overseas listed foreign shares and the Company's directors, supervisors and other senior management officers, or between shareholders of overseas listed foreign shares and other shareholders arising from the Articles of Association or any rights or obligations conferred or imposed by the Company Law or any other applicable laws and administrative regulations concerning the affairs of the Company shall be submitted by the relevant parties for arbitration.	(1) all disputes and claims between shareholders of overseas listed foreign shares and the Company, between shareholders of overseas listed foreign shares and the Company's directors, supervisors and other senior management officers, or between shareholders of overseas listed foreign shares and other shareholders arising from the Articles of Association or any rights or obligations conferred or imposed by the Company Law or any other applicable laws and administrative regulations concerning the affairs of the Company shall be submitted by the relevant parties for arbitration. The dispute or claim shall be	
The dispute or claim shall be submitted for arbitration in their entirely. All parties which have a cause of action due to the same events, or are required to participate in the settlement of the dispute or claim, such parties shall abide by the arbitration result if such parties are the Company or the shareholders, directors, supervisors, general manager or other senior management officers of the Company. Disputes in relation to the	submitted for arbitration in their entirely. All parties which have a cause of action due to the same events, or are required to participate in the settlement of the dispute or claim, such parties shall abide by the arbitration result if such parties are the Company or the shareholders, directors, supervisors or senior management officers of the Company. Disputes in relation to the identification of the shareholders and register of shareholders may be resolved without arbitration.	
identification of the shareholders and register of shareholders may be resolved without arbitration.		

Original Articles	Articles after proposed amendments	Basis for amendments
(2) a claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its Arbitration Rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must carry out arbitration in the arbitral body elected by the claimant.	(2) a claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its Arbitration Rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must carry out arbitration in the arbitral body elected by the claimant.	
If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may request arbitration to be conducted in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre. (3) if any disputes or claims of rights are settled by way of arbitration in accordance with provision (1) of this article, the laws of the People's Republic of China shall apply, except as otherwise provided in the laws, administrative regulations, rules and normative documents. (4) The award of an arbitration body shall be final and conclusive and binding on all parties.	If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may request arbitration to be conducted in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre. (3) if any disputes or claims of rights are settled by way of arbitration in accordance with provision (1) of this article, the laws of the People's Republic of China shall apply, except as otherwise provided in the laws, administrative regulations, rules and normative documents. (4) The award of an arbitration body shall be final and conclusive and binding on all parties.	

Explanatory Table of the Proposed Amendments to the Rules of Procedures of the General Meeting of Huatai Securities Co., Ltd.

Original terms	Revised terms	Basis for modification
Article 17 The notice of the	Article 17 The notice of the	In order to actively
general meeting of shareholders	general meeting of shareholders shall	explore and establish a new
shall be made in writing and shall	be made in writing and shall include	business management system,
(1) Time, venue, and period	the following contents: (1) Time, venue, and period of	improve the management and operational efficiency as well as clarify work responsibilities, the
of the meeting;	the meeting;	amendments are made by the Company based on its actual situations and in accordance
(2) Matters and proposals submitted for consideration at the meeting. All the specific contents of all proposals shall be fully and completely disclosed in the notice of shareholders' meeting and the supplementary notice. If the matters to be discussed require independent directors to express their opinions, the opinions and reasons of the independent directors shall be disclosed at the same time when the notice of the general meeting or the	(2) Matters and proposals submitted for consideration at the meeting. All the specific contents of all proposals shall be fully and completely disclosed in the notice of shareholders' meeting and the supplementary notice. If the matters to be discussed require independent directors to express their opinions, the opinions and reasons of the independent directors shall be disclosed at the same time when the notice of the general meeting or the supplementary notice is issued;	with relevant requirements under related laws, regulations and regulatory documents.
(3) Provision of information and explanations to shareholders that are necessary for the shareholders to make an informed decision on the matters to be discussed; which include, but are not limited to, the provision of specific conditions and contracts (if any) of the proposed transaction, and a careful explanation of its causes and consequences at the time the Company is proposing a merger, repurchase of shares, equity restructuring;	(3) Provision of information and explanations to shareholders that are necessary for the shareholders to make an informed decision on the matters to be discussed; which include, but are not limited to, the provision of specific conditions and contracts (if any) of the proposed transaction, and a careful explanation of its causes and consequences at the time the Company is proposing a merger, repurchase of shares, equity restructuring or other restructuring;	

Original terms	Revised terms	Basis for modification
(4) In case any directors,	(4) In case any directors,	
supervisors, general managers,	supervisors, and senior management	
and other senior management	officers have a material interest in the	
personnel have a material interest	matters to be discussed, the nature and	
in the matters to be discussed, the	extent of their interests shall be	
nature and extent of their interests	disclosed; in case the influence of the	
shall be disclosed; in case the	matters to be discussed on the	
influence of the matters to be	directors, supervisors, and senior	
discussed on the directors,	management officers as shareholders	
supervisors, general managers,	differs from that on other shareholders	
and other senior management as	of the same class, the difference shall	
shareholders differs from that on	be stated;	
other shareholders of the same		
class, the difference shall be	(5) A full text that contains all	
stated;	special resolutions proposed for	
	resolution at the meeting;	
(5) A full text that contains		
all special resolutions proposed	(6) Inclusion of the time and	
for resolution at the meeting;	place of delivery of the power of	
	attorney for the voting at the meeting;	
(6) Inclusion of the time and		
place of delivery of the power of	(7) Explanation in expressive	
attorney for the voting at the	wording: all shareholders are entitled	
meeting;	to attend the general meeting of	
	shareholders, and may entrust an agent	
(7) Explanation in	to attend the meeting and vote in	
expressive wording: all	writing. The proxy of the shareholder	
shareholders are entitled to attend	need not be a shareholder of the	
the general meeting of	Company;	
shareholders, and may entrust an		
agent to attend the meeting and	(8) The record date for	
vote in writing. The proxy of the	shareholders who are entitled to attend	
shareholder need not be a		
shareholder of the Company;		
(8) The record date for		
shareholders who are entitled to		
attend the shareholders' meeting;		

Original terms	Revised terms	Basis for modification
(9) The name and telephone	(9) The name and telephone	
number of the permanent contact	number of the permanent contact of the	
of the shareholders' meeting;	shareholders' meeting;	
(10) Where the	(10) Where the shareholders'	
shareholders' meeting is convened	meeting is convened on the Internet or	
on the Internet or by other means,	by other means, the voting time and	
the voting time and voting	voting procedure on the Internet or by	
procedure on the Internet or by	other means shall be clearly stated in	
other means shall be clearly stated	the notice of the general meeting.	
in the notice of the general		
meeting.	The interval between the record	
	date and the date of the meeting shall	
The interval between the	be no more than 7 working days. Once	
record date and the date of the	the record date is confirmed, it cannot	
meeting shall be no more than 7	be changed.	
working days. Once the record		
date is confirmed, it cannot be		
changed.		
Article 28 As the general	Article 28 As the general	Same as the above
meeting of shareholders is	meeting of shareholders is convened	
convened by the Company, all	by the Company, all directors,	
directors, supervisors, and	supervisors, and secretary of the board	
secretary of the board of directors	of directors of the Company shall be	
of the Company shall be present at	present at the meeting, and the CEO	
the meeting, and the president and	and other senior management	
other senior management officers	officers shall attend the meeting.	
shall attend the meeting.		

Original terms	Revised terms	Basis for modification
Article 48 The secretary of	Article 48 The secretary of the	Same as the above
the board of directors shall keep	board of directors shall keep minutes	
minutes of the shareholders'	of the shareholders' meeting. The	
meeting. The minutes of the	minutes of the meeting shall include	
meeting shall include the	the following contents:	
following contents:		
	(1) The time, place, and agenda	
(1) The time, place, and	of the meeting, and the name of the	
agenda of the meeting, and the	convenor;	
name of the convenor;		
	(2) The name of the moderator,	
(2) The name of the	and the names of the directors,	
moderator, and the names of the	supervisors, and senior management	
directors, supervisors, secretary of	officers who are present or in	
the board of directors, managers,	attendance in the meeting;	
and other senior management		
officers who are present or in	(3) The number of shareholders	
attendance in the meeting;	and proxies who are present in the	
	meeting, the total number of shares	
(3) The number of	with voting rights held by them, and	
shareholders and proxies who are	their proportion to the total number of	
present in the meeting, the total	shares of the Company;	
number of shares with voting		
rights held by them, and their	(4) The reviewing process, the	
proportion to the total number of	key points of the speeches, and the	
shares of the Company;	voting results of each proposal;	
(4) The reviewing process,	(5) The shareholders' opinions,	
the key points of the speeches, and	questions or suggestions, and the	
the voting results of each	corresponding answers or	
proposal;	explanations;	
	-np minutene,	
(5) The shareholders'	(6) The names of lawyers and	
opinions, questions or	scrutineers for the poll voting;	
suggestions, and the	serutineers for the poin voting,	
corresponding answers or	(7) Other items that shall be	
explanations;	included in the minutes of the meeting	
	as required by the articles of	
(6) The names of lawyers	association.	
and scrutineers for the poll voting;		
and serutineers for the poir voting,		
(7) Other items that shall be		
included in the minutes of the		
meeting as required by the articles		
of association.		

Original terms	Revised terms	Basis for modification
The directors, secretary of	The directors, secretary of the	
the board of directors, and	board of directors, and convener or	
convener or their representatives	their representatives who are present	
who are present at the meeting,	at the meeting, and the moderator of	
and the moderator of the meeting	the meeting shall sign the minutes of	
shall sign the minutes of the	the meeting and ensure that the	
meeting and ensure that the	contents of the minutes are true,	
contents of the minutes are true,	accurate and complete. The minutes of	
accurate and complete. The	the meeting shall be kept together with	
minutes of the meeting shall be	the signature book of the shareholders	
kept together with the signature	present in the meeting and the power	
book of the shareholders present	of attorney, and valid record of the	
in the meeting and the power of	online and other means of voting, and	
attorney, and valid record of the	the retention period shall be no less	
online and other means of voting,	than 15 years.	
and the retention period shall be		
no less than 15 years.		
Article 81 When reviewing	Article 81 When reviewing a	Same as the above
a proposal, only shareholders or	proposal, only shareholders or proxies	
proxies have the right to speak.	have the right to speak. Other	
Other participants shall not ask	participants shall not ask questions	
questions and speak. The speaking	and speak. The speaking shareholders	
shareholders shall raise their	shall raise their hands first. At the	
hands first. At the permission of	permission of the moderator, they may	
the moderator, they may speak at	speak at the spot or at the designated	
the spot or at the designated	speaker's seat.	
speaker's seat.		
	When a number of shareholders	
When a number of	raise their hands to speak, the	
shareholders raise their hands to	moderator will designate the speaker.	
speak, the moderator will		
designate the speaker.	The moderator stipulates the	
	time and the frequency each person	
The moderator stipulates the	speaks according to the actual	
time and the frequency each	circumstances. Shareholders must not	
person speaks according to the	be interrupted in the middle of the	
actual circumstances.	prescribed speech, in order for them to	
Shareholders must not be	enjoy a full right to speak.	
interrupted in the middle of the		
prescribed speech, in order for		
them to enjoy a full right to speak.		

Original terms	Revised terms	Basis for modification
The moderator of the	The moderator of the meeting	Same as the above
meeting may refuse or stop the	may refuse or stop the speech of a	
speech of a shareholder in	shareholder in violation of the	
violation of the provisions of the	provisions of the preceding three	
preceding three paragraphs.	paragraphs.	
The directors, supervisors,	The directors, supervisors, and	
president, and other senior	senior management officers of the	
management officers of the	Company and those approved by the	
Company and those approved by	moderator of the meeting may make	
the moderator of the meeting may	speeches.	
make speeches.		
Article 90 The resolutions	Article 90 The resolutions made	Same as the above
made at the shareholders' meeting	at the shareholders' meeting shall be	
shall be executed by the board of	executed by the board of directors, and	
directors, and shall be submitted	shall be submitted to the CEO of the	
to the president of the Company	Company for specific implementation	
for specific implementation	according to the contents of the	
according to the contents of the	resolutions; for matters to be handled	
resolutions; for matters to be	by the board of supervisors as decided	
handled by the board of	at the shareholders' meeting, they shall	
supervisors as decided at the	be directly organised and implemented	
shareholders' meeting, they shall	by the board of supervisors.	
be directly organised and		
implemented by the board of		
supervisors.		

APPENDIX VIII EXPLANATION TABLE OF THE PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD

Explanatory Table of the Proposed Amendments to the Rules of Procedures of the Board of Huatai Securities Co., Ltd.

Original terms	Revised terms	Basis for modification
Article 4 Proposals for	Article 4 Proposals for regular	In order to actively
regular meetings	meetings	explore and establish a new
		business management system,
Before issuing a notice to	Before issuing a notice to	improve the management and
convene a regular meeting of the	convene a regular meeting of the board	operational efficiency as well as
board of directors, the office of	of directors, the office of the board of	clarify work responsibilities, the
the board of directors shall fully	directors shall fully seek the opinions	amendments are made by the
seek the opinions of the directors,	of the directors, and make a meeting	Company based on its actual
and make a meeting proposal and	proposal and submit it to the chairman.	situations and in accordance
submit it to the chairman.		with relevant requirements under
	Before making a proposal, the	related laws, regulations and
Before making a proposal,	chairman of the board of directors	regulatory documents.
the chairman of the board of	should seek the advice of the CEO and	
directors should seek the advice of	other senior management personnel	
managers and other senior	when needed.	
management personnel when		
needed.		

Original terms	Revised terms	Basis for modification
Article 5 Ad hoc meetings	Article 5 Ad hoc meetings	Same as the above
In any of the following circumstances, the board of	In any of the following circumstances, the board of directors	
directors shall convene an ad hoc	shall convene an ad hoc meeting:	
meeting:	shall convene an au noc meeting.	
	(1) Shareholders who represents	
(1) Shareholders who	more than one tenth of the voting	
represents more than one tenth of	rights make a proposal;	
the voting rights make a proposal;		
	(2) Over one third of the	
(2) Over one third of the	directors jointly make a proposal;	
directors jointly make a proposal;		
	(3) The board of supervisors	
(3) The board of supervisors	makes a proposal;	
makes a proposal;		
	(4) The chairman considers it is	
(4) The chairman considers	necessary;	
it is necessary;		
	(5) Over one-half of the	
(5) Over one-half of the	independent directors make a	
independent directors make a	proposal;	
proposal;		
	(6) The CEO makes a proposal;	
(6) The president makes a		
proposal;	(7) The securities regulatory	
	department requests a meeting;	
(7) The securities regulatory		
department requests a meeting;	(8) Other circumstances as	
	stipulated in the Company's Articles	
(8) Other circumstances as	of Association.	
stipulated in the Company's		
Articles of Association.		

Article 8 Meeting notice When convening regular and ad	Same as the above
When convening regular and ad	
When convening regular and ad	
-	
the board of directors, which shall be	
given, 14 days and 5 days before the	
meeting, respectively, to all directors	
and supervisors, and the CEO and	
secretary of the board of directors by	
means of direct delivery, fax, email or	
other means. Notices given by means	
other than direct delivery should be	
confirmed by telephone and recorded	
accordingly.	
In urgent situations when an	
-	
5 1	
	office of board of directors shall prepare written notices with the seal of the board of directors, which shall be given, 14 days and 5 days before the meeting, respectively, to all directors and supervisors, and the CEO and secretary of the board of directors by means of direct delivery, fax, email or other means. Notices given by means other than direct delivery should be confirmed by telephone and recorded accordingly. In urgent situations when an extraordinary meeting of the board of

Original terms	Revised terms	Basis for modification
Article 11 Convening a	Article 11 Convening a meeting	Same as the above
meeting		
	A board meeting shall be held	
A board meeting shall be	only when more than half of the	
held only when more than half of	directors are present. The chairman of	
the directors are present. The	the board of directors and the secretary	
chairman of the board of directors	of the board of directors shall report to	
and the secretary of the board of	the regulatory authorities in a timely	
directors shall report to the	manner when the director refuses to be	
regulatory authorities in a timely	present or is negligent of being present	
manner when the director refuses	at the meeting, leading to a failure in	
to be present or is negligent of	meeting the minimum number of	
being present at the meeting,	people required for the convening of a	
leading to a failure in meeting the	meeting.	
minimum number of people		
required for the convening of a	Supervisors may attend board	
meeting.	meetings; the CEO and the secretary	
	of the board of directors who do not	
Supervisors may attend	concurrently serve as directors shall	
board meetings; managers and the	attend the board meeting. If the	
secretary to the board of directors	moderator believes it is necessary, he	
who do not concurrently serve as	may notify other relevant personnel to	
directors shall attend the board	attend the board meeting.	
meeting. If the moderator believes		
it is necessary, he may notify other		
relevant personnel to attend the		
board meeting.		

APPENDIX VIII EX

Original terms	Revised terms	Basis for modification
Article 16 Expression of opinions	Article 16 Expression of opinions	Same as the above
The directors should carefully read the relevant meeting materials, and express their opinions independently and prudently on the basis of a complete understanding of the situation.	The directors should carefully read the relevant meeting materials, and express their opinions independently and prudently on the basis of a complete understanding of the situation.	
Directors may consult, among others, the office of board of directors, conference convener, manager, other senior management personnel, special committees, accounting firms and law firms before the meeting for the information required for decision-making. During the meeting, they may also advise the moderator to invite the above-mentioned personnel and agency representatives to explain the situation.	Directors may consult, among others, the office of board of directors, conference convener, CEO , other senior management personnel, special committees, accounting firms and law firms before the meeting for the information required for decision-making. During the meeting, they may also advise the moderator to invite the above-mentioned personnel and agency representatives to explain the situation.	

APPENDIX IX RESOLUTION ON THE GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS

Dear Shareholders,

On June 21, 2017, the Resolution on the General Authorization of the Company's Domestic and Foreign Debt Financing Instruments was considered and approved at the 2016 Annual General Meeting of the Company, authorizing the Company to carry out debt financing of not more than RMB200 billion through various domestic and foreign debt financing instruments other than interbank borrowing and bond repurchase. The authorization shall be valid for 36 months from the date of approval by the general meeting, namely, valid until June 20, 2020. Although the general authorization has not yet matured, the Company's capital has increased substantially and tends to grow further as a result of the Company's completion of private placement during the authorization period. The available financing limit for the Company's debt financing instruments rose accordingly. Apart from that, given regulatory authorities' adjustment of the limit for bond repurchase and constant increase of new debt financing instruments (including Pledge-style Repo., box options, credit-linked notes, etc.), it is necessary to adjust the existing authorization. In order to ensure the smooth development of relevant financing activities, promptly grasp market opportunities, satisfy the Company's business needs, replenish its working capital in a timely manner, adjust its debt structure and improve its capital operation efficiency without prejudice to the controllability of risks, it is hereby proposed again that the general meeting authorize the Board to and agree with it to further authorize the authorized persons (an authorized team consisting of the Chairman, CEO and CFO of the Company) to make decisions on the issuance of domestic and foreign debt financing instruments of the Company. The authorized persons may jointly or severally sign relevant documents according to the importance of the authorized matters. Details are as follows:

I. Debt Principals and Methods

At the time of raising funds in other countries with domestic and overseas debt financing instruments, the Company shall take itself, its branches, or its domestic and overseas wholly-owned subsidiaries as debt principals to issue the debts in public at home and abroad one time or multiple times, or in multiple phases, to qualified investors in a specified manner, or in other ways allowed by regulatory authorities.

The principals, time, quantities, phases, currencies, and methods of issuing debts shall be submitted to the general meeting to authorize the Board and agree with the Board to authorize its authorized personnel to jointly or separately determine as per laws, regulations, market environment and actual needs.

RESOLUTION ON THE GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS

II. Varieties and Issuing Scale of Debt Financing Instruments

(1) The varieties and issuing scale ceiling of the debt financing instruments are given below:

Varieties of debt financing instruments	Issuing scale ceiling
Corporate bonds (public offering)	Not more than 40% of the Company's net capital for the recent period. If the relevant laws and regulations are adjusted, the upper limit of public offering of corporate bonds required by relevant laws and regulations shall prevail.
Corporate bonds (private offering, including short-term corporate bonds)	Not exceeding RMB80 billion
Short-term financing securities	Not more than 60% of the Company's net capital and subject to the highest balance approved by the PBOC.
Subordinated bonds (including perpetual subordinated bond) and subordinated debt	Not exceeding RMB60 billion (with perpetual subordinated bond not more than RMB20 billion)
Structured notes	Not more than 60% of the Company's net capital for the recent period
Refinancing by CSF (including refinanced capital and refinanced bonds)	Not exceeding RMB30 billion
Asset securitization	Not exceeding RMB30 billion
Overseas bonds of foreign currencies such as US dollars and Euros, offshore RMB bonds, medium term note programme, foreign currency bills, commercial paper, credit-linked notes, overseas bank loans (syndicated loans and bilateral loans included) and other overseas debt financing instruments	Not more than 50% of the Company's net assets for the recent period
Inter-bank borrowing	Not more than 80% of the Company's net capital and subject to the scale approved by the PBOC
Bond repurchase (Pledge-style Repo. included)	Not more than 120% of the Company's net assets as at the end of the recent period

APPENDIX IX RESOLUTION ON THE GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS

Other financing instruments, including but not limited to bond lending, noble metal financing, asset or ROA right sales and repurchase, domestic bank loans and corporation overdraft Not exceeding RMB80 billion

Other financing instruments required to be submitted to the Board of Directors or general meetings of the Company for approval by laws, regulations and the Company's rules Not exceeding RMB30 billion

- Notes: ① All of the upper limits on the issuing scale of debt financing instruments above are calculated based on the outstanding balance after issuance;
 - The authorization amount of the debt financing instruments includes the scale of the debt financing instruments issued but not yet repaid before the resolution;
 - ③ Regarding inter-bank borrowing, bond repurchase, structured notes and other financing instruments, the management may give hierarchical authorization based on the characteristics of the debt financing instruments and business needs in accordance with the regulatory requirements and risk control.
 - (2) The total amount of debt financing carried out by the Company using various domestic and overseas debt financing instruments other than inter-bank borrowing and bond repurchase shall be within 250% of the Company's net assets as at the end of the recent period (including 250%, to be calculated based on the outstanding balance after issuance; if issued in foreign currency, to be calculated at the central parity rate published by the PBOC).

After the resolution is passed, the authorized amounts of various debt financing instruments passed at the previous Board meetings and general meetings held by the Company shall be cancelled. If the Company, however, has decided and submitted a written application to the regulators for it to examine and approve the issuance of debt financing instruments as per the resolutions made at the Board meetings and general meetings, the authorization validity of original resolutions shall be extended to the date when the issue of the debt financing instruments is approved and permitted by the regulators and completed. If the debt financing instruments issuing arrangement has been approved, permitted, put on records, or registered (if applicable) by the regulators, the Company can fully or partly issue its domestic and overseas debt financing instruments within the confirmed validity of approval, permission, filing, and registration. The authorization validity of the original resolutions shall be extended to the date when the instruments are fully or partly issued.

The Company's domestic and overseas debt financing instruments mentioned above shall be free of share transferring terms and clauses.

The varieties and amounts of the Company's debt financing instruments shall be determined by the personnel authorized and agreed by the Board of Directors with the consent of the AGM according to the authorization remaining amounts, authorization validity, each issuing scale and periods of various debt financing instruments. The varieties and payoff status of the Company's domestic and overseas debt financing instruments shall be rendered to the AGM for it to authorize the Board of Directors to further authorize personnel to determine based on the regulations and market conditions at the time of issuing.

III. Maturity of Debt Financing Instruments

The maturity of the Company's domestic and overseas debt financing instruments shall be no more than 10 years (including 10 years) except for the issue of perpetual bonds, which can either be a single-maturity variety or hybrid multiple-maturity varieties. The maturities and the scale of varieties of different maturities shall be rendered to the AGM for it to authorize the Board of Directors to further authorize personnel to determine based on the regulations and market conditions at the time of issuing.

IV. Issuing Prices and Interest Rates of Debt Financing Instruments

The pricing methods, issuing prices, interest rates, interest rate calculating and paying methods of the Company's domestic and overseas debt financing instruments shall be determined by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors according to laws, regulations, and the market conditions at the time when domestic and overseas debt financing instruments are issued.

V. Guarantee and Other Credits Enhancement Arrangement

The guarantee and other credits enhancement arrangement shall be determined by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors according to the characteristics and issuing demands of the Company's domestic and overseas debt financing instruments and laws.

VI. Use of Raised Funds

The funds raised with the Company's domestic and overseas debt financing instruments shall be used to supplement the working capital, expand business scope and scale, optimize financial and business structures, and heighten the Company's overall competitiveness. The usage shall be jointly or separately determined by the Board of Directors authorized by the AGM and by the personnel authorized by the Board of Directors according to the Company's capital needs.

APPENDIX IX RESOLUTION ON THE GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS

VII. Issuing Objects and Arrangement of Placement to the Company's Shareholders

The issuing objects of the Company's domestic and overseas debt financing instruments are investors meeting the subscription conditions. The issuing objects shall be determined by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors according to the laws, regulations, market conditions, and issuing-related matters. The Company's domestic and overseas debt financing instruments can be placed to its Shareholders and the placement arrangement (including whether to place and the proportion thereof) shall be determined by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors according to laws, market conditions and issuing-related matters.

VIII. Appointment of Issuing Organizations and Handling of Other Related Matters

The AGM is proposed to authorize the Board of Directors and agree with the Board of Directors to authorize its authorized personnel to jointly or separately decide the appointment of intermediaries, trustees and liquidation managers and other related institutions regarding the issuing of instruments; to sign, implement, modify and complete all the agreements and documents relating to the domestic and overseas debt financing instruments; to disclose relevant information by laws and regulations and the listing rules of the securities exchange where the Company is listed; and other matters relating to the instruments.

IX. Repayment Supporting Measures

In respect of the Company's issuing of domestic and overseas debt financing instruments, the AGM is proposed to authorize the Board of Directors and agree with the Board of Directors to authorize its authorized personnel to jointly or separately take the following measures when it is estimated that the Company is unable to repay the principals and interests of domestic and overseas debt financing instruments in due time or fail to repay on time:

- (1) To increase the proportion of any surplus reserve and of general risk reserve in the bond duration to lower the solvency risk;
- (2) Not to distribute profits to Shareholders;
- (3) To suspend the implementation of capital expenditure projects, such as material external investment, acquisition and merge;
- (4) To reduce or suspend wages and bonuses to Directors and senior executives;
- (5) To refuse the transfer of main responsible persons.

APPENDIX IX RESOLUTION ON THE GENERAL AUTHORIZATION OF THE COMPANY'S DOMESTIC AND FOREIGN DEBT FINANCING INSTRUMENTS

X. Listing of Debt Financing Instruments

The related matters on the application for the listing of the Company's domestic and overseas debt financing instruments shall be determined by the Board of Directors authorized by the AGM and jointly or separately by the personnel authorized by the Board of Directors according to the Company's actual conditions and market conditions.

XI. Authorization Validity

The authorization stated above shall be valid for 36 months from the date of consideration and approval by the AGM. If the Board of Directors and/or its authorized personnel has or have decided within the authorization validity to fully or partly issue the Company's domestic and overseas debt financing instruments and the Company has gained the approval and permission of the supervisory department and has them put on record or registered (if applicable), the Company can have the domestic and overseas debt financing instruments fully or partly issued within the validity confirmed and extend the authorization validity to the date of completion of fully or partly issuing the instruments.

This resolution has been considered and approved at the 20th meeting of the fourth session of the Board of Directors, and is now submitted to the Shareholders for your consideration.

The Board of Directors of the Company