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GF SECURITIES CO., LTD.

廣發証券股份有限公司

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

(Stock Code: 1776)

Notice of the 2019 First Extraordinary General Meeting

NOTICE IS HEREBY GIVEN that the 2019 First Extraordinary General Meeting (the “EGM”) of GF Securities Co., Ltd. (the “Company”) will be held at 2:30 p.m. on Tuesday, October 22, 2019 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, the PRC to consider and, if thought fit, approve the following resolution. Unless otherwise specified, words used in this notice shall have the same meaning as those defined in the circular of the Company dated September 7, 2019.

Ordinary Resolution

1. To consider and approve the 2019 Interim Profit Distribution Plan.

By order of the Board
GF Securities Co., Ltd.
Sun Shuming
Chairman

Guangzhou, the PRC

September 7, 2019

As at the date of this notice, the Board of the Company comprises Mr. Sun Shuming, Mr. Lin Zhihai, Mr. Qin Li and Ms. Sun Xiaoyan as executive Directors; Mr. Shang Shuzhi, Mr. Li Xiulin and Ms. Liu Xuetao as non-executive Directors; and Mr. Yang Xiong, Mr. Tang Xin, Mr. Chan Kalok and Mr. Fan Lifu as independent non-executive Directors.

Notes:

1. Details of the abovementioned resolution are set out in the circular of the Company dated September 7, 2019 (the “**Circular**”).
2. Pursuant to the requirements of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll. Therefore, the resolution as set out in the notice of EGM will be voted by poll. Result of the voting by poll will be posted on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.gf.com.cn upon the conclusion of the EGM.
3. Any Shareholder who is entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his/her behalf at the meeting. A proxy need not be a Shareholder of the Company.
4. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authorization document, if any, under which it is signed, or a notarized certified copy of such power of attorney or a copy of such other authorization document, should be completed and deposited at the Board’s office (for A Shareholders) or the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders), no less than 24 hours before the time appointed for holding the EGM or any of its adjournment. The address of the Office of the Board is 59th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong Province, the PRC, postal code: 510627 (telephone: (86) 20 8755 0265, (86) 20 8755 0565; fax: (86) 20 8755 4163). Computershare Hong Kong Investor Services Limited, the Company’s H Share registrar, is located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (telephone: (852) 2862 8555). Completion and return of the proxy form by a Shareholder will not preclude the Shareholder from attending and voting at the EGM or any of its adjournment in person if he/she so wishes.
5. In order to determine the H Shareholders’ entitlement to attend the EGM, the H Share register of members of the Company will be closed from Sunday, September 22, 2019 to Tuesday, October 22, 2019 (both days inclusive), during such period no transfer of shares will be registered. For H Shareholders who wish to attend the EGM, all share transfer documents accompanied by the relevant share certificates must be 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, Wan Chai, Hong Kong, by 4:30 p.m. on Friday, September 20, 2019. H Shareholders who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the EGM. For details of eligibility of A Shareholders to attend the EGM, a separate announcement will be published by the Company on the Shenzhen Stock Exchange.
6. Withholding and payment of enterprise income tax for non-resident enterprise shareholders

According to the Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay enterprise income tax at the rate of 10% before distributing the 2019 interim dividend to non-resident enterprise shareholders as appeared on the H Share register of members of the Company. Any shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the enterprise income tax.

Upon receipt of such dividends, a non-resident enterprise Shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

Withholding and payment of individual income tax for individual foreign shareholders

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay individual income tax before distributing the 2019 interim dividend to individual shareholders as appeared on the H Share register of members of the Company (the "individual H Shareholders"). However, the individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). In this regard, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax for the individual H Shareholders:

- for individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of interim dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of interim dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of interim dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of interim dividend.

If individual H Shareholders consider that the tax rate adopted by the Company for the withholding and payment of individual income tax on their behalf is not the same as the tax rate stipulated in any tax treaties between the PRC and the countries (regions) in which they are domiciled, please submit promptly to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, power of attorney and all application materials showing that they are residents of a country (region) which has entered into a tax treaty with the PRC. The Company will then submit the above documents to competent tax authorities who will proceed with subsequent tax related arrangements.

Withholding of income tax for H Share Shareholders via Southbound Trading

Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) promulgated on December 5, 2016:

- for dividends received by Mainland individual investors from investing in the H Shares of the Company via Southbound Trading, the Company will withhold and pay individual income tax at the rate of 20% on their behalf. For dividends received by Mainland securities investment funds from investing in the H Shares of the Company via Southbound Trading, the tax payable will be the same as that for individual investors and will also be paid in the same way; and
- for dividends received by Mainland corporate investors from investing in the H Shares of the Company via Southbound Trading, the Company will not withhold and pay the income tax on their behalf and the Mainland corporate investors shall file the tax returns on their own. Dividends and bonus income of resident enterprises in the PRC obtained as they have continuously held H Shares of the Company for 12 months and enterprise income tax will be exempted according to laws.

Should the H Shareholders of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares of the Company.

7. In the case of joint Shareholders, if more than one of them are present at the meeting, either in person or by proxy, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholder(s). For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
8. H Shareholders who intend to attend the EGM in person or by proxy should return the reply slip for the EGM to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by hand, by post or by fax on or before Wednesday, October 2, 2019.
9. The EGM is expected to last for no more than half a day. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the EGM.