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国联证券股份有限公司
GUOLIAN SECURITIES CO., LTD.

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

(Stock Code: 01456)

PROPOSED NON-PUBLIC ISSUANCE OF A SHARES

The Board is pleased to announce that, at the Board Meeting of the Company, it was resolved that, subject to the Shareholders' approval at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, the Company will apply to the CSRC for the Non-public Issuance.

The Shareholders' Meeting of the Company will be held on Monday, 1 March 2021, at the booked conference room at 4th Floor, No. 8 Jinrong One Street, Wuxi, Jiangsu Province, the PRC. A circular containing, amongst other things, the details of the Non-public Issuance will be dispatched to the Shareholders on 10 February 2021.

As the Non-public Issuance is subject to certain conditions precedent, it may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. This announcement is published for information purposes only and does not constitute an invitation or an offer to acquire, purchase or subscribe for the securities of the Company.

1. PROPOSED NON-PUBLIC ISSUANCE OF A SHARES OF THE COMPANY

To strengthen capital capability of the Company and enhance overall competitiveness and ability to withstand risks, the Company intends to conduct the non-public issuance of the A Shares. Pursuant to the provisions under the Company Law, Securities Law, Administrative Measures for Issuance, Implementation Rules, the Regulatory Questions and Answers and other relevant laws, regulations and normative documents, the detailed plan of the Non-public Issuance of A Shares is as follows:

A. Class and nominal value of shares to be issued

The class of shares under the Non-public Issuance is domestically listed RMB-denominated ordinary share (A Share) with a nominal value of RMB1.00 each.

B. Method and time of Issuance

Issuance is conducted by way of non-public issuance of shares to specific subscribers. The Company will issue shares at an appropriate time within the validity period upon obtaining the approval documents of the CSRC.

C. Target subscribers and subscription method

The target subscribers for the Non-public Issuance will be no more than 35 (inclusive) specific subscribers which satisfy the relevant requirements of the CSRC. The scope of the target subscribers includes securities investment fund management companies, securities firms, trust investment companies, finance companies, insurance institutional investors, qualified foreign institutional investors (QFII), and other domestic institutional and individual investors, which satisfy the relevant requirements of the CSRC. A securities investment fund management company, a securities firm, a qualified foreign institutional investors (QFII) or a Renminbi qualified foreign institutional investors (QFII) subscribing for the Shares through two or more of the products under its management shall be deemed as one single target subscriber. Target subscribers which are Trust investment companies shall only subscribe for the Shares with their own capital. No connected persons of the Company shall be target subscribers, and no target subscribers will become substantial shareholders after the non-public issuance of A shares.

The final target subscribers shall be determined by the Company upon obtaining the written approval for the Non-public Issuance based on the prices offered by the target subscribers in accordance with the requirements of the Implementation Rules and the principle of price priority.

All target subscribers shall subscribe the shares under the Non-public Issuance in cash.

Those target subscribers who are required by regulatory authorities to comply with other provisions in relation to their shareholder qualifications and respective approval procedures shall follow and comply with such provisions.

D. Issue size

Subject to compliance with the regulatory requirements of the places where the Shares are listed, the number of A Shares to be issued under the Non-public Issuance shall be no more than 475,623,800 Shares (inclusive). In the event that the Company grants bonus shares, allots new shares, converts capital reserve into share capital or carries out any other ex-right activities during the period commencing from the date on which the Board approved the Issuance to the Date of Issuance, the issue size of the Issuance shall be adjusted accordingly.

The final issue size of the Non-public Issuance of A Shares shall be determined by the Board or its authorized person(s) (pursuant to the authorization granted at the general meeting) with the lead underwriter according to the cap and the issue price approved by the CSRC.

E. Issue price and pricing principles

The Price Determination Date of the Non-public Issuance shall be the first day of the offer period of the Non-public Issuance. The issue price of the Non-public Issuance shall be no less than 80% of the average trading price of the A Shares for the 20 trading days preceding the Price Determination Date (excluding the Price Determination Date), or the last audited net asset value per Share attributable to the shareholders of the parent company of the Company, whichever is higher. For reference purpose, as disclosed in the Company's annual report published on 17 March 2020, as of 31 December 2019, the latest audited net assets per share attributable to owners of the Company is RMB4.24 per Share. The issue price of this Non-public Issuance shall not be lower than RMB4.24 per Share.

The average trading price of the A Shares of the Company for the 20 trading days preceding the Price Determination Date equals to total trading value of A Shares of the Company for the 20 trading days preceding the Price Determination Date divided by the total trading volume of A Shares of the Company for the 20 trading days preceding the Price Determination Date. In the event that there occurs any ex-right or ex-dividend activities causing adjustment to the share prices during the 20-trading-day period, the trading prices for those trading days prior to such adjustment shall be adjusted by the ex-right or ex-dividend activities accordingly.

In the event that the Company distributes dividends, grants bonus shares, allots new shares, converts capital reserve into share capital or carries out any other ex-right or ex-dividend activities during the period commencing from the balance sheet date of its latest audited financial reports to the Date of Issuance, adjustments shall be made to the abovementioned net assets per Share accordingly.

Upon obtaining the written approval of the CSRC, the final issue price under the Non-public Issuance shall be determined by the Board or its authorized person(s) (pursuant to the authorization granted by the Shareholders at the general meeting) with the lead underwriter based on the prices offered by the target subscribers and in accordance with the requirements of the CSRC and the principle of price priority.

F. Amount and the use of proceeds

The total proceeds from the Non-public Issuance will not exceed RMB6.5 billion (inclusive), all of which will, after deducting expenses, be used for further expanding credit trading business including margin financing and securities lending, expanding fixed income, equity, equity derivatives and other transaction business, increasing investment in the subsidiaries and replenishing other general working capital of the Company. Proceeds from the Non-public Issuance will be applied as follows:

No.	Investment projects for the proceeds	Proposed investment amount
1	Further expanding credit trading business including margin financing and securities lending	Not exceeding RMB2.5 billion
2	Expanding fixed income, equity, equity derivatives and other transaction business	Not exceeding RMB3 billion
3	Increase investment in the subsidiaries	Not exceeding RMB500 million
4	General working capital	Not exceeding RMB500 million
Total		<u>Not exceeding RMB6.5 billion</u>

G. Lock-up period

According to the relevant requirements under the Administrative Measures for Issuance, the Implementation Rules and the Guidelines on Administrative Approval for Securities Companies No.10 – Increase and Change in Equity Interest of Securities Companies (《證券公司行政許可審核工作指引第10號—證券公司增資擴股和股權變更》), following the completion of the Issuance, the specific target subscribers holding 5% (inclusive) or more of the total issued Shares of the Company shall not transfer their Shares within 36 months from the date of completion of Issuance. Specific target subscribers holding less than 5% of the Shares of the Company shall not transfer their shares within six months from the date of completion of the Issuance.

Where there are provisions of other laws and regulations on the lock-up period, those provisions shall also be complied with.

H. Listing venue

The Shares issued under the Non-public Issuance will be listed on the Shanghai Stock Exchange.

I. Arrangement of accumulated undistributed profits prior to completion of the Issuance

After the Issuance, both new Shareholders and existing Shareholders shall be entitled to the undistributed profits of the Company accumulated prior to the Issuance.

J. Validity period of the resolutions

Validity period of the resolutions for the Non-public Issuance is 12 months from the date when the resolutions relating to the Issuance are considered and approved at the general meeting.

The Non-public Issuance of the A Shares is subject to review and individual approval by the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting of the Company, and will be submitted to the CSRC for approval. The plan approved by the CSRC shall be final. The detailed terms on the Issuance (including the issue price and issue size) will be announced separately by the Company upon final determination.

The above resolution has been individually approved by the Directors at the Board Meeting, and is hereby proposed for approval by the EGM and A Shareholders' Class Meeting and H Shareholders' Class Meeting of the Company.

2. OTHER RESOLUTIONS RELATING TO THE ISSUANCE

In connection with the Issuance, the Board also approved the following resolutions at the Board Meeting: (1) the resolution on the fulfilment of conditions for the Non-public Issuance of A Shares by the Company; (2) the resolution on the plan for the Non-public Issuance of A Shares of the Company; (3) the resolution on the feasibility report for the use of Proceeds from the Non-public Issuance of the A Shares of the Company; (4) the resolution on the report on the use of proceeds previously raised by the Company; (5) the resolution on the dilution of current returns by the Non-public Issuance of A Shares and remedial measures of the Company; (6) the resolution to ask the Shareholders' Meeting to authorize the Board and to authorize the Board for the Board to in turn authorize the management of the Company to deal with specific matters in relation to the Non-public Issuance of A Shares of the Company; and (7) the resolution on the plans of the Shareholders' return in the next three years.

Resolutions (1), (2), (3), (4), (6) and (7) above are subject to the approval by the Shareholders at the EGM by way of special resolutions, and resolutions (5) above is subject to the approval by the Shareholders at the EGM by way of an ordinary resolution.

The above resolutions (2), (3), (5) and (6) are also respectively subject to approval by the A Shareholders at the A Shareholders' Class Meeting by way of special resolutions, and by the H Shareholders at the H Shareholders' Class Meeting by way of special resolutions.

(1) Fulfilment of Conditions for the Non-public Issuance of A Shares by the Company

Pursuant to the provisions under the Company Law, Securities Law, Administrative Measures for Issuance, Implementation Rules, the Regulatory Questions and Answers and other relevant laws, regulations and normative documents, after conducting self-examination item by item, the Company has complied with various requirements of the non-public issuance of A Shares.

(2) The Plan for the Non-public Issuance of A Shares of the Company

Pursuant to Administrative Measures for Issuance, the Implementation Rules, the No. 25 of Standard of Content and Format on Information Disclosure for Publicly Listed Companies – Listed Company Non-public Issuance of Shares Proposal and Issuance Report (《公開發行證券的公司信息披露內容與格式準則第25號—上市公司非公開發行股票預案和發行情況報告書》) and other relevant laws and regulations and in light of the actual conditions of the Company, the Company has formulated the Plan for the Non-public Issuance of A Shares of Guolian Securities Co., Ltd. The plan has been approved by the Directors at the Board Meeting, and is hereby proposed for approval by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively.

(3) Feasibility Report for the Use of Proceeds from the Non-public Issuance of the A Shares of the Company

According to the requirements of the Administrative Measures for Issuance, in line of the actual situation of the Company, the Company has prepared the Guolian Securities Co., Ltd. Feasibility Report for the Use of Proceeds from the Non-public Issuance of the A Shares. The Feasibility Report has been approved by the Directors at the Board Meeting, and is hereby proposed for approval by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively.

(4) Report on the Use of Proceeds Previously Raised by the Company

Pursuant to the provisions under the Administrative Measures for Issuance and the Regulations on the Report on the Use of the Proceeds Raised in the Previously Issuance of Shares, and in light of the actual situation of the Company, the Company had prepared the Special Report on the Use of Proceeds Previously Raised of Guolian Securities Co., Ltd.. The Report has been approved by the Directors at the Board Meeting, and is hereby proposed for approval by the Shareholders at the EGM.

(5) Dilution of Current Returns by the Non-public Issuance of A Shares and Remedial Measures of the Company

Pursuant to the requirements of the Opinions of the General Office of the State Council on Further Enhancing the Protection of Legitimate Rights and Interests of Medium and Small Investors in Capital Markets (Guo Ban Fa [2013] No. 110), the Several Opinions of the State Council on Further Promoting the Sound Development of Capital Markets (Guo Fa [2014] No. 17) and the Guiding Opinions on the Dilution of Current Returns by Initial Offering, Refinancing and Material Asset Restructuring (CSRC Announcement [2015] No. 31) issued by CSRC and other relevant provisions, in order to protect the interests of minority investors, the Company had conducted analysis on the impact of the Non-public Issuance of A Shares on dilution of current returns, and had formulated remedial measures for dilution of current returns. The above resolution has been approved by the Directors at the Board Meeting, and is hereby proposed for approval by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively.

(6) To authorize the Board and to authorize the Board for the Board to in turn authorize the management of the Company to deal with specific matters in relation to the Non-public Issuance of A Shares of the Company

In order to complete the Non-public Issuance in an efficient and orderly manner, in accordance with the relevant provisions under the Company Law, Securities Law, Administrative Measures for Issuance and other relevant laws, regulations and the Articles of Association, this resolution will be submitted to the Shareholders for approval by way of a special resolution at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively, to authorize the Board and to authorize the Board for it to in turn authorize the management of the Company to deal with the matters in relation to the Non-public Issuance of A Shares within of the Company scope of authorization. The contents of authorization include but not limited to:

- (i) formulate, adjust and implement a detailed plan for the Non-public Issuance in accordance with the PRC laws and regulations, relevant provisions and opinions of regulatory authorities and taking into account the market environment and the Company's actual conditions, including but not limited to the determination or adjustment of issuance date, amount of proceeds, issue price, issue size, target subscribers and any other matters relating to the issuance plan;

- (ii) process the filing for the Issuance, including but not limited to the preparation, modification, signing, submitting, supplementing, executing and publishing the materials in relation to the Issuance and listing in accordance with the requirements of relevant government authorities, regulatory institutions, stock exchanges and securities depository and clearing institutions; reply to the comments from the relevant regulatory authorities; and deal with information disclosure matters relating to the Issuance according to the regulatory requirements;
- (iii) determine and engage intermediaries such as the sponsor, lead underwriter, law firm, accountant firm, independent financial adviser and deal with other related matters;
- (iv) sign, revise, supplement, complete, submit, execute all agreements, contracts and documents in relation to the Issuance (including but not limited to sponsor and underwriting agreements, engagement letters of intermediaries, agreements relating to proceeds, subscription agreements and supplemental agreements entered into with investors, circulars, announcements and other disclosure documents, etc.);
- (v) subject to the then applicable PRC laws, if there are changes in policies and requirements or market conditions in respect of the non-public issuance of A Shares, except for those matters that must be resolved at a general meeting and which cannot be authorized pursuant to relevant laws, regulations and the Articles of Association, adjust the plan of the proposed Non-public Issuance and use of proceeds in accordance with relevant rules and requirements of regulatory authorities (including any comments upon review of the application for the Non-public Issuance), the market situation and actual operations of the Company, and to continue to deal with the matters relating to the Non-public Issuance;
- (vi) open a special account for proceeds to be raised from the Non-public Issuance, and deal with matters in relation to the use of proceeds raised from the Issuance;

- (vii) upon completion of the Issuance, confirm the change in registered capital and amend the relevant provisions in the Articles of Association in accordance with the results of the Issuance, and report to the relevant governmental departments and regulatory authorities for approval or filing, and complete the change of industry and commerce registration with the industry and commerce administrative authorities and filing of the Articles of Association as a result of the change in registered capital, and complete the registration, custody and restricted sales of new shares and other relevant matters with the relevant authorities;
- (viii) review and screen the qualifications of investors who intend to subscribe for the Shares to be issued under the Issuance according to the CSRC's qualification requirements for shareholders of securities companies;
- (ix) in the event that the relevant laws and regulations and regulatory authorities impose new provisions and requirements regarding compensating current returns by refinancing, further analyze, study and demonstrate the effect of the Non-public Issuance on the current financial indicators and current return for Shareholders of the Company, formulate and modify relevant remedial measures and policies, and deal with all other relevant matters with absolute discretion;
- (x) deal with other matters relating to the Non-public Issuance; and
- (xi) The validity period of the above authorization is 12 months from the date when this resolution is considered and approved by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively.

(7) Plans of the Shareholders' return in the next three years

According to the Notice on Matters in relation to Further Implementing Cash Dividend of Listed Companies, the Regulatory Guidelines for Listed Companies No. 3 Cash Dividend of Listed Companies issued by CSRC and other relevant requirements in the guideline on cash dividend issued by the stock exchange, in order to further improve the Shareholders' returns level, enhance and fulfill the cash dividend policy, clarify the Company's returns plan of the Shareholders' reasonable investment, increase the transparency and operability of profit distribution decisions, and facilitate Shareholders' supervision of the Company's operation and profit distribution, the Company has formulated the Plans of the Shareholders' Return In the Next Three Years (2021-2023) of Guolian Securities Co., Ltd.. The resolution above has been approved by the Directors at the Board meeting and is hereby proposed at the EGM for Shareholders' approval.

3. IMPACT OF THE A SHARE OFFERING ON THE COMPANY'S SHAREHOLDING STRUCTURE

For reference and illustration purposes only, assuming that there are no changes to the total issued share capital of the Company prior to the completion of the Issuance and that subject to the regulatory requirements of the places where the Shares of the Company are listed, a maximum of 475,623,800 A Shares are issued under the Issuance (which represents approximately 20% of the total issued share capital of the Company as at the date of this announcement and approximately 16.67% of the total issued share capital of the Company as enlarged by the issuance of the A Shares under the Issuance).

	(a) Immediately before completion of the Issuance		(b) Immediately after completion of the Issuance	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Non-public Shareholder				
– A Shares	1,376,336,123	57.87%	1,376,336,123	48.23%
Wuxi Guolian Development (Group) Co., Ltd.	543,901,329	22.87%	543,901,329	19.06%
Guolian Trust Co., Ltd.	390,137,552	16.41%	390,137,552	13.67%
Wuxi Guolian Municipal Electric Power Co., Ltd.* (無錫市國聯 地方電力有限公司)	266,899,445	11.22%	266,899,445	9.35%
Wuxi Minsheng Investment Co., Ltd.* (無錫民生投資 有限公司)	73,500,000	3.09%	73,500,000	2.58%
Wuxi Cotton Textile Group Co., Ltd.* (無錫一棉紡織集團 有限公司)	72,784,141	3.06%	72,784,141	2.55%
Wuxi Huaguang Environmental Energy (Group) Co., Ltd.* (無錫華光環保能源集團 股份有限公司)	29,113,656	1.22%	29,113,656	1.02%
– H Shares	–	–	–	–
Public Shareholder				
– A Shares	559,142,877	23.52%	1,034,766,677 ^{Note}	36.26%
– H Shares	442,640,000	18.61%	442,640,000	15.51%
Total:	2,378,119,000	100%	2,853,742,800	100%

Note: Shares subscribed by target subscribers under the Non-public Issuance are included.

The Board expects that the Company will continue to satisfy the public float requirement under the Listing Rules after the completion of the Non-public Issuance of A Shares.

4. REASONS FOR AND BENEFITS OF THE PROPOSED A SHARE OFFERING

As the economy of the PRC is transformed and upgraded, and as many guiding policies, such as developing multi-level capital markets, are published, which laid a policy foundation for securities companies engaging in innovative capital investment and capital-based intermediary business, the business model of securities companies will undergo transition from the previous commission-based business model to the integrated business model focusing on fee-based intermediary business, capital-based intermediary business, and self-funded investment business, and will gradually become a new niche for profit growth of securities companies; the development of the Company's relevant businesses will require further capital investment. Under the regulatory system centered on net capital, capital capability will become one of the key factors for securities companies to develop capital-based intermediaries and other innovative business, and enhance competitive advantages. Sufficient capital is the foundation and safeguards for securities companies to realize continuing healthy development and enhance competitive strength.

The Company continues to supplement the capital required for its business through debt financing. But at present, the Company's net capital is generally small. Under the regulatory system that focuses on net capital, the continuous expansion of the Company's capital is the basis and guarantee for the Company to expand its business scale, enhance its profitability, achieve sustainable and healthy development and improve its competitive strength.

At the current stage, the Company is still a securities company that mainly focuses on domestic business. This Non-public Issuance in the domestic market is more conducive to enhancing its influence in the domestic market and customers while achieving financing purpose; while the valuation difference between the Company's A shares and H shares is large at present, the implementation of share placement is more complicated in terms of pricing and operation.

To actively seize the development opportunities in the industry and enhance the Company's competitiveness, the Company intends to expand its capital scale and reinforce the capital strength by way of non-public issuance of A Shares. On the basis of consolidating the advantageous business, the Company strengthens the capital-driven business and promotes the development of innovative business, in order to further optimize the income structure, improve resilience capability of risks, and help the Company maintain and steadily strengthen the advantage of innovative capability, thereby creating larger returns to the Shareholders by seizing the strategic opportunities for the Company among the increasingly fierce competition in the industry.

The Directors consider that the additional issuance of A Share is in the interests of the Company and the Shareholders as a whole. The above resolutions are required for the Issuance. In the event that any resolution is not approved by the Shareholders at the EGM, the A Shareholders' Class Meeting or the H Shareholders' Class Meeting, the Company will not proceed with the Issuance and will consider revising the terms of Issuance and have them re-submitted for Shareholders' approval.

5. CAPITAL RAISING ACTIVITIES

The Company completed initial public offering of A Shares on July 31, 2020, with net proceeds amounting to RMB1,938,084,540.00, which were fully utilized for replenishment of the working capital of the Company.

As at the date of this announcement, the Company has not conducted any fund-raising activities in relation to the issue of the equity securities in the 12 months immediately preceding the date of this announcement, except for the initial public offering of A Shares by the Company.

For the upcoming 12 months starting from the date of this announcement, based on its working capital need and market conditions, the Company will flexibly raise capital through issuing corporate bonds, short-term corporate bonds, income receipts, and subordinated bonds etc., in order to satisfy the working capital need in relation to the Company's business development.

6. EGM, THE A SHAREHOLDERS' CLASS MEETING AND THE H SHAREHOLDERS' CLASS MEETING

The Shareholders' Meeting of the Company will be held on Monday, 1 March 2021, at the booked conference room at 4th Floor, No. 8 Jinrong One Street, Wuxi, Jiangsu Province, the PRC.

In order to determine the list of Shareholders who are entitled to attend the EGM and the H Shareholders' Class Meeting, the Company will close the register of members of H Shares during the period from Tuesday, 23 February 2021 to Monday, 1 March 2021 (both days inclusive), during which no registration of Shares will be made. Shareholders who wish to attend the EGM and the H Shareholders' Class Meeting are required to send all the transfer documents together with the relevant shares to Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) to register before 4:30 p.m. of Monday, 22 February 2021. At the end of the above business hours, Shareholders registered in Computershare Hong Kong Investor Services Limited are entitled to attend the EGM and the H Shareholders' Class Meeting.

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

“A Share(s)”	the ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which have been listed on the Shanghai Stock Exchange
“A Shareholders”	holders of A Shares
“A Shareholders' Class Meeting”	the first A Shareholders' class meeting of the Company to be held on Monday, 1 March 2021 immediately after the end of the 2021 Second Extraordinary General Meeting at the booked conference room at 4th Floor, No. 8 Jinrong One Street, Wuxi, Jiangsu Province, the PRC

“Administrative Measures for Issuance”	the Administrative Measures for the Issuance of Securities by Listed Companies
“Articles of Association”	the articles of association of the Company
“Board” or “Board of Directors”	the board of Directors of the Company
“Chairman”	The chairman of the Board of Directors
“Company”	Guolian Securities Co., Ltd. 國聯証券股份有限公司, a joint stock company incorporated in the PRC with limited liability, the H Shares of which have been listed on the main board of the Stock Exchange (stock code: 01456) and the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 601456)
“Company Law”	the Company Law of the People’s Republic of China
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM” or “2021 Second Extraordinary General Meeting”	The extraordinary general meeting of the Company to be held at 1 p.m. on Monday, 1 March 2021 at the booked conference room at 4th Floor, No. 8 Jinrong One Street, Wuxi, Jiangsu Province, the PRC
“H Share(s)”	overseas listed foreign invested shares of RMB1.00 each in the share capital of the Company which are listed and traded in HK dollars on the Stock Exchange
“H Shareholders”	holders of H Shares

“H Shareholders’ Class Meeting”	the first H Shareholders’ class meeting of the Company to be held on Monday, 1 March 2021 immediately after the end of the A Shareholders’ Class Meeting at the booked conference room at 4th Floor, No. 8 Jinrong One Street, Wuxi, Jiangsu Province, the PRC
“HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Implementation Rules”	the Implementation Rules for the Non-public Issuance of Stocks by Listed Companies
“Independent Non-executive Director(s)”	the independent non-executive Director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended from time to time
“Non-public Issuance” or “Issuance”	the proposed non-public issuance of not more than 475,623,800 A Shares by the Company
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan region
“Regulatory Questions and Answers”	Issuance Regulation Questions and Answers – Regulatory Requirements regarding Guiding and Regulating Financing Activities of Listed Companies (Revision)
“RMB”	Renminbi, the lawful currency of the PRC

“Securities Law”	the Securities Law of the People’s Republic of China
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Meeting”	the 2021 Second Extraordinary General Meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Guolian Securities Co., Ltd.
Chairman
Yao Zhiyong

Wuxi, Jiangsu Province, the PRC
5 February 2021

As of the date of this announcement, the executive director of the Company is Mr. Ge Xiaobo; the non-executive directors of the Company are Mr. Yao Zhiyong, Mr. Hua Weirong, Mr. Zhou Weiping, Mr. Liu Hailin and Mr. Zhang Weigang; and the independent non-executive directors of the Company are Mr. Lu Yuanzhu, Mr. Wu Xingyu and Mr. Chu Howard Ho Hwa.