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Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name "中原证券股份有限公司" and carrying on business in Hong Kong as "中州证券")

(Stock Code: 01375)

ANNOUNCEMENT ON PROPOSED REDUCTION OF SHAREHOLDING BY WAY OF CENTRALIZED BIDDING BY SHAREHOLDER

References are made to the announcements of Central China Securities Co., Ltd. (the "**Company**") dated 10 June 2020, 29 September 2020 and 4 January 2021, in relation to the reduction of shareholding in the Company by Bohai Industrial Investment Fund Management Co., Ltd.* (渤海產業投資基金管理有限公司) (holding the Company's A shares on behalf of Bohai Industrial Investment Fund* (渤海產業投資基金), "**Bohai Company**"), a shareholder of the Company. During the period from 6 July 2020 to 2 January 2021, Bohai Company reduced its shareholding in the Company by 77,381,316 A shares by way of centralized bidding, representing approximately 1.67% of the total number of shares of the Company as at the date of this announcement. The price range for the reduction is between RMB5.11 per share to RMB6.60 per share. References are also made to the announcements of the Company dated 5 January 2021, 26 April 2021 and 26 July 2021, in relation to the further reduction of shareholding in the Company by Bohai Company. During the period from 27 January 2021 to 26 July 2021, Bohai Company reduced its shareholding in the Company by 92,857,694 A shares by way of centralized bidding, representing approximately 2.00% of the total number of shares of the Company as at the date of this announcement. The price range for the reduction is between RMB4.42 per share to RMB5.29 per share. During the period from 23 November 2020 to 29 July 2021, Bohai Company reduced its shareholding in the Company by 68,339,900 A shares by way of block trading, representing approximately 1.47% of the total number of shares of the Company as at the date of this announcement. The price range for the reduction is between RMB4.03 per share to RMB5.74 per share. As at the date of this announcement, Bohai Company held 292,430,857 A shares of the Company, representing approximately 6.30% of the total share capital of the Company. Such shares were held before the initial public offering and listing of A shares of the Company and were released from sale restrictions on 3 January 2018. It has been almost 10 years since Bohai Company acquired the A shares of the Company through Bohai Industrial Investment Fund under its management and became the second largest shareholder of the Company in 2011, and it needs to gradually reduce its shareholding and exit during the term of the fund.

Recently, the Company received the Notice Letter of Shareholding Reduction Plan (the “**Notice Letter**”) from Bohai Company. It is mentioned in the Notice Letter that based on its own funding arrangement, Bohai Company plans to reduce its shareholding in the Company by not more than 92,857,694 A shares by way of centralized bidding within 6 months after 15 trading days from 30 July 2021 (i.e. from 20 August 2021 to 19 February 2022). The total number of shares to be reduced shall not exceed 2% of the total number of shares of the Company for any 90 consecutive days, and the price for shares involved in the reduction shall be determined based on the market price. The implementation of this reduction plan will neither have an impact on the corporate governance structure or ongoing operations of the Company, nor result in a change in control of the Company. Bohai Company will decide on whether and how to implement this reduction plan according to market conditions, share price of the Company and other factors. The Company will pay constant attention to the subsequent implementation of the reduction plan by Bohai Company and fulfil its information disclosure obligation in a timely manner in accordance with relevant requirements.

By order of the Board of
Central China Securities Co., Ltd.
Jian Mingjun
Chairman

Henan, the PRC
29 July 2021

As at the date of this announcement, the Board comprises executive director Mr. JIAN Mingjun, non-executive directors Mr. LI Xingjia, Mr. WANG Lixin, Mr. TIAN Shengchun, Mr. ZHANG Xiaoqi and Mr. LU Benson Cheng, and independent non-executive directors Mr. YU Xugang, Ms. ZHANG Dongming, Mr. CHEN Zhiyong and Mr. TSANG Sung.

* *For identification purposes only*