
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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

If you have sold or transferred all your shares in 東方證券股份有限公司, you should at once hand this circular, together with the form(s) of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name "東方證券股份有限公司" and carrying on business in Hong Kong as "東方證券" (in Chinese) and "DFZQ" (in English))

(Stock Code: 03958)

**(1) RESOLUTION ON APPLICATION FOR CONDUCTING
MARKET MAKING BUSINESS OF STOCKS ON
THE SCIENCE AND TECHNOLOGY INNOVATION BOARD
(2) RESOLUTION ON APPLICATION FOR CONDUCTING
MARKET MAKING BUSINESS OF BONDS ON
THE SHANGHAI STOCK EXCHANGE AND
THE SHENZHEN STOCK EXCHANGE
(3) RESOLUTION ON EXTENSION OF VALID PERIOD OF
THE RESOLUTION ON PUBLIC ISSUANCE OF SECURITIES
THROUGH RIGHTS ISSUE OF THE COMPANY
(4) RESOLUTION ON EXTENSION OF VALID PERIOD OF
THE FULL AUTHORIZATION GRANTED TO THE BOARD OF
DIRECTORS TO DEAL WITH RELEVANT MATTERS
IN RELATION TO THE RIGHTS ISSUE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING AND
H SHARES CLASS MEETING**

A notice convening the EGM of the Company to be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Wednesday, April 13, 2022 at 2:00 p.m. is set out on pages 9 to 11 of this circular. A notice convening the H Shares Class Meeting of the Company to be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on the afternoon of Wednesday, April 13, 2022 immediately following the conclusion of the EGM and the A Shares Class Meeting or any adjournment thereof is set out on pages 12 to 14 of this circular.

The forms of proxy for the EGM and the H Shares Class Meeting have been distributed on Wednesday, March 23, 2022 and have also been published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's website (www.dfzq.com.cn). If you are not able to attend the EGM and/or the H Shares Class Meeting, 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 EGM and/or the H Shares Class Meeting, and deposit it together with the notarized power of attorney or other document of authorization with the H Share Registrar, Computershare Hong Kong Investor Services Limited (for holders of H Shares). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM and/or the H Shares Class Meeting should you so desire.

This circular is prepared in both Chinese and English. In case of any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

March 28, 2022

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING	9
ANNEX I – RESOLUTION ON APPLICATION FOR CONDUCTING MARKET MAKING BUSINESS OF STOCKS ON THE SCIENCE AND TECHNOLOGY INNOVATION BOARD	15
ANNEX II – RESOLUTION ON APPLICATION FOR CONDUCTING MARKET MAKING BUSINESS OF BONDS ON THE SHANGHAI STOCK EXCHANGE AND THE SHENZHEN STOCK EXCHANGE	16

DEFINITIONS

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

“A Share(s)”	PRC domestic share(s) with a par value of RMB1.00 each in the share capital of the Company, listed on the Shanghai Stock Exchange and traded in RMB
“A Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the A Share Rights Issue plan are to be determined
“A Share Rights Issue”	the proposed issuance of up to 1,670,641,224 A Rights Shares at the Rights Issue Price on the basis of up to two point eight (2.8) A Rights Shares for every ten (10) existing A Shares held on the relevant A Share Record Date
“A Shareholder(s)”	holder(s) of the A Shares
“A Shares Class Meeting”	the class meeting of the A Shareholders to be convened
“Articles of Association”	the articles of association of 東方證券股份有限公司, as amended from time to time
“Board” or “Board of Directors”	the board of directors of the Company
“CSDC”	China Securities Depository and Clearing Corporation Limited
“CSRC”	the China Securities Regulatory Commission
“Company”	東方證券股份有限公司, a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange under the stock code of 03958 and the A Shares of which are listed on the Shanghai Stock Exchange under the stock code of 600958
“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the 2022 first extraordinary general meeting of the Company to be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Wednesday, April 13, 2022 at 2:00 p.m.
“Group”	the Company and its subsidiaries

DEFINITIONS

“H Share(s)”	overseas listed foreign share(s) with a par value of RMB1.00 each in the share capital of the Company, listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the H Share Rights Issue plan are to be determined
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Share Rights Issue”	the proposed issue of up to 287,582,400 H Rights Shares at the Rights Issue Price on the basis of up to two point eight (2.8) H Rights Shares for every ten (10) existing H Shares held on the relevant H Share Record Date
“H Shareholder(s)”	holder(s) of the H Shares
“H Shares Class Meeting”	the class meeting of the H Shareholders to be convened
“HK\$” or “Hong Kong dollars”	the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	March 21, 2022, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

DEFINITIONS

“Rights Issue”	public issuance of shares by the Company through the A Share Rights Issue and/or the H Share Rights Issue
“Rights Issue Price(s)”	the final rights issue price for the A Rights Shares and the H Rights Shares to be offered pursuant to the Rights Issue plan
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Science and Technology Innovation Board”	Science and Technology Innovation Board of the Shanghai Stock Exchange
“Securities Law”	the Securities Law of the People’s Republic of China
“Shareholders ”	the shareholder(s) of the Company, including H Shareholder(s) and A Shareholder(s)
“Share(s)”	the A Share(s) and/or the H Share(s)

LETTER FROM THE BOARD



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “东方证券股份有限公司” and carrying on business in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))

(Stock Code: 03958)

Executive Directors:

Mr. SONG Xuefeng

Mr. JIN Wenzhong (*Chairman, President*)

Non-executive Directors:

Mr. YU Xuechun

Mr. LIU Wei

Mr. ZHOU Donghui

Mr. CHENG Feng

Mr. REN Zhixiang

Ms. ZHU Jing (*Employee Representative Director*)

Registered office:

Orient Securities Building

No. 119 South Zhongshan Road

Huangpu District, Shanghai

PRC

Principal place of business in Hong Kong:

28-29/F

No.100 Queen's Road Central

Central

Hong Kong

Independent non-executive Directors:

Mr. XU Zhiming

Mr. JIN Qinglu

Mr. WU Hong

Mr. FENG Xingdong

Mr. LUO Xinyu

To the Shareholders

Dear Sir or Madam,

INTRODUCTION

The purpose of this circular is to provide you, as holders of H Shares, with the notice of the EGM (set out on pages 9 to 11 of this circular) and the notice of the H Shares Class Meeting (set out on pages 12 to 14 of this circular) and information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions or abstain from voting at the EGM and the H Shares Class Meeting.

At the EGM, special resolutions will be proposed to approve, among others, (i) the resolution on application for conducting market making business of stocks on the Science and Technology Innovation Board; (ii) the resolution on application for conducting market making business of bonds on the Shanghai Stock Exchange and the Shenzhen Stock Exchange; (iii) the resolution on extension of valid period of the resolution on public issuance of securities through rights issue of the Company; and (iv) the resolution on extension of valid period of the full authorization granted to the Board of Directors to deal with relevant matters in relation to the rights issue.

LETTER FROM THE BOARD

At the H Shares Class Meeting, special resolutions will be proposed to approve, among others, (i) the resolution on extension of valid period of the resolution on public issuance of securities through rights issue of the Company; and (ii) the resolution on extension of valid period of the full authorization granted to the Board of Directors to deal with relevant matters in relation to the rights issue.

SPECIAL RESOLUTIONS

1. The Resolution on Application for Conducting Market Making Business of Stocks on the Science and Technology Innovation Board

A special resolution will be proposed at the EGM to consider and approve the resolution on application for conducting market making business of stocks on the Science and Technology Innovation Board, the details of which are set out in Annex I of this circular.

The above resolution was considered and approved by the Board on March 22, 2022 and is hereby proposed at the EGM for consideration and approval.

2. The Resolution on Application for Conducting Market Making Business of Bonds on the Shanghai Stock Exchange and the Shenzhen Stock Exchange

A special resolution will be proposed at the EGM to consider and approve the resolution on application for conducting market making business of bonds on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, the details of which are set out in Annex II of this circular.

The above resolution was considered and approved by the Board on March 22, 2022 and is hereby proposed at the EGM for consideration and approval.

3. The Resolution on Extension of Valid Period of the Resolution on Public Issuance of Securities Through Rights Issue of the Company

References are made to the announcements of the Company dated March 30, 2021, December 21, 2021, January 14, 2022, February 23, 2022 and March 7, 2022 and the circular of the Company dated April 22, 2021 in relation to, among other things, the A Share Rights Issue and H Share Rights Issue of the Company and other relevant matters. A special resolution will be proposed at the EGM and the H Shares Class Meeting to consider and approve the resolution on extension of valid period of the resolution on public issuance of securities through rights issue of the Company, details of which are as follows:

At the 2020 annual general meeting, 2021 first A shares class meeting and 2021 first H shares class meeting of the Company convened on May 13, 2021, the resolution on the public issuance of Shares by way of Rights Issue of the Company and other resolutions were considered and approved. According to the resolutions of the 2020 annual general meeting and the 2021 first H shares class meeting, the resolution on the Rights Issue shall be valid for a period of 12 months from the date of being considered and approved at the 2020 annual general meeting and the 2021 first H shares class meeting of the Company.

LETTER FROM THE BOARD

The Company submitted the relevant application documents for the Rights Issue to the CSRC in December 2021. The application for the H Share Rights Issue was approved by the CSRC in February 2022 and the application for the A Share Rights Issue was considered and approved by the Issuance Approval Committee of the CSRC in March 2022. Additional time is required to complete the whole process for implementation of Rights Issue of the Company.

As the resolution of the 2020 annual general meeting and the 2021 first H shares class meeting for the Rights Issue will soon expire, in order to ensure the smooth implementation of the Rights Issue, the Board proposed to the EGM and the H Shares Class Meeting of the Company to extend the valid period of the resolution of the 2020 annual general meeting and the 2021 first H shares class meeting for the Rights Issue for 12 months, i.e. until May 12, 2023. Save for the extension of valid period of the resolution of 2020 annual general meeting and the 2021 first H shares class meeting and the determination of specific proportion and number of shares to be allotted in the Rights Issue, other contents of the Rights Issue proposal approved at the 2020 annual general meeting and the 2021 first H shares class meeting remained unchanged.

The above resolution was considered and approved by the Board on March 22, 2022 and is hereby proposed at the EGM and the H Shares Class Meeting for consideration and approval.

4. The Resolution on Extension of Valid Period of the Full Authorization Granted to the Board of Directors to Deal With Relevant Matters in Relation to the Rights Issue

References are made to the announcements of the Company dated March 30, 2021, December 21, 2021, January 14, 2022, February 23, 2022 and March 7, 2022 and the circular of the Company dated April 22, 2021 in relation to, among other things, the A Share Rights Issue and H Share Rights Issue of the Company and other relevant matters. A special resolution will be proposed at the EGM and the H Shares Class Meeting to consider and approve the resolution on extension of valid period of the full authorization granted to the Board of Directors to deal with relevant matters in relation to the Rights Issue, details of which are as follows:

At the 2020 annual general meeting, 2021 first A shares class meeting and 2021 first H shares class meeting of the Company convened on May 13, 2021, relevant resolutions in relation to the Rights Issue were considered and approved. In particular, pursuant to the resolution on the submission to the general meeting of the Company for full authorization to the Board to deal with relevant matters in relation to the Rights Issue, the Board was granted full authorization to deal with relevant matters in relation to the Rights Issue. According to the resolutions of the 2020 annual general meeting and the 2021 first H shares class meeting, the Company's above authorization shall be valid for a period of 12 months from the date of being considered and approved at the 2020 annual general meeting and the 2021 first H shares class meeting.

The Company submitted the relevant application documents for the Rights Issue to the CSRC in December 2021. The application for the H Share Rights Issue was approved by the CSRC in February 2022 and the application for the A Share Rights Issue was considered and approved by the Issuance Approval Committee of the CSRC in March 2022. Additional time is required to complete the whole process for implementation of Rights Issue of the Company.

LETTER FROM THE BOARD

As the valid period of the above full authorization granted by the 2020 annual general meeting and the 2021 first H shares class meeting to the Board to deal with relevant matters in relation to the Rights Issue will soon expire, in order to ensure the smooth implementation of the Rights Issue, the Board proposed to the EGM and the H Shares Class Meeting of the Company to extend the valid period of full authorization granted to the Board to deal with relevant matters in relation to the Rights Issue for 12 months, i.e. until May 12, 2023. Save for the extension of valid period of the authorization, other contents of the resolution on the submission to the general meeting of the Company for full authorization to the Board to deal with relevant matters in relation to the Rights Issue approved at the 2020 annual general meeting and the 2021 first H shares class meeting remained unchanged.

The above resolution was considered and approved by the Board on March 22, 2022 and is hereby proposed at the EGM and the H Shares Class Meeting for consideration and approval.

EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING

The EGM of the Company will be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Wednesday, April 13, 2022 at 2:00 p.m. The notice of the EGM is set out on pages 9 to 11 of this circular. The H Shares Class Meeting of the Company will be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Wednesday, April 13, 2022 immediately following the conclusion of the EGM and the A Shares Class Meeting or any adjournment. The notice of the H Shares Class Meeting is set out on pages 12 to 14 of this circular.

The register of members of H Shares of the Company will be closed from Friday, April 8, 2022 to Wednesday, April 13, 2022 (both days inclusive), during which time no share transfers of H Shares will be effected. Holders of H Shares who have submitted their instruments of share transfer to the H Share Registrar of the Company and registered as Shareholders on the register of members of H Shares of the Company before 4:30 p.m. on Thursday, April 7, 2022 are entitled to attend and vote in respect of all resolutions to be proposed at the EGM and/or the H Shares Class Meeting. In order to attend the EGM and/or the H Shares Class Meeting, holders of H Shares should ensure that all transfer documents, accompanied by the relevant H Share certificates, are lodged with the H Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Thursday, April 7, 2022.

The forms of proxy for the EGM and the H Shares Class Meeting have been dispatched on Wednesday, March 23, 2022 and have also been published on the website of Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's website (www.dfzq.com.cn).

To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to the H Share Registrar not less than 24 hours before the time appointed for the EGM and/or the H Shares Class Meeting (before 2:00 p.m. on Tuesday, April 12, 2022). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM and/or the H Shares Class Meeting in person if you so wish.

LETTER FROM THE BOARD

HONG KONG LISTING RULES REQUIREMENT

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions at the EGM and the H Shares Class Meeting will be taken by way of a poll.

To the best knowledge of the Directors, as at the Latest Practicable Date, no Shareholder has a material interest in any of the above resolutions and therefore no Shareholder is required to abstain from voting in respect of the above resolutions at the EGM and/or the H Shares Class Meeting.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Board considers 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 to vote in favor of the relevant resolutions to be proposed at the EGM and the H Shares Class Meeting as set out in the notices of the EGM and the H Shares Class Meeting set out in this circular.

Yours faithfully,
By Order of the Board
JIN Wenzhong
Chairman

March 28, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING



*(A joint stock company incorporated in the People's Republic of China with limited liability
under the Chinese corporate name “东方证券股份有限公司” and carrying on business
in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))*

(Stock Code: 03958)

NOTICE OF 2022 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 first extraordinary general meeting (the “**Extraordinary General Meeting**”) of 東方證券股份有限公司 (the “**Company**”) will be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the People's Republic of China (the “**PRC**”) on Wednesday, April 13, 2022 at 2:00 p.m. for the following purposes:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on application for conducting market making business of stocks on the Science and Technology Innovation Board.
2. To consider and approve the resolution on application for conducting market making business of bonds on the Shanghai Stock Exchange and the Shenzhen Stock Exchange.
3. To consider and approve the resolution on extension of valid period of the resolution on public issuance of securities through rights issue of the Company.
4. To consider and approve the resolution on extension of valid period of the full authorization granted to the board of directors to deal with relevant matters in relation to the rights issue.

By order of the Board
JIN Wenzhong
Chairman

Shanghai, PRC
March 23, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING

Notes:

1. Eligibility for Attending the Extraordinary General Meeting and Date of Registration of Holders for H Shares

The register of members of H Shares of the Company will be closed from Friday, April 8, 2022 to Wednesday, April 13, 2022 (both days inclusive), during which time no share transfers of H Shares will be effected. Purchasers of H Shares who have submitted their instruments of share transfer to the H Share Registrar of the Company and registered as shareholders on the register of members of H Shares of the Company before 4:30 p.m. on Thursday, April 7, 2022 are entitled to attend and vote in respect of all resolutions to be proposed at the Extraordinary General Meeting.

In order to attend the Extraordinary General Meeting, 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 Thursday, April 7, 2022.

2. Proxy

- (1) Each shareholder entitled to attend and vote at the Extraordinary General Meeting may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (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 attorney authorizing that attorney to sign or other document of authorization must be notarized.

To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Company's H Share Registrar, 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 Extraordinary General Meeting (before 2:00 p.m. on Tuesday, April 12, 2022).

3. Registration Procedures for Attending the Extraordinary General Meeting

A shareholder or his proxy should present proof of identity when attending the Extraordinary General Meeting. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the Extraordinary General Meeting by providing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

4. Voting by Poll

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a shareholders' general meeting must be taken by poll.

5. Miscellaneous

- (1) The Extraordinary General Meeting 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. Meanwhile, for prevention and control of COVID-19, and to ensure the safety of participants, the shareholders and shareholder proxies who wish to attend must pay attention to and strictly abide by the regulations and requirements of the epidemic prevention and control in Shanghai. The Company will strictly comply with the epidemic prevention and control requirements and take appropriate measures for the on-site shareholders under the guidance and supervision of relevant government departments. Shareholders or shareholder proxies who have symptoms such as fever or do not comply with the requirements of epidemic prevention and control measures will not be able to enter the site of the Extraordinary General Meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING

- (2) The address of Computershare Hong Kong Investor Services Limited is:
- 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
- (3) The registered office of the Company:
- Orient Securities Building
No. 119 South Zhongshan Road
Huangpu District, Shanghai
The People's Republic of China
- Contact office: Office of the Board
Telephone No.: 86 (21) 6332 6373
Facsimile No.: 86 (21) 6332 6010
Contact Person: Mr. Wu Yibo
- (4) Please refer to the circular of the Company in relation to the Extraordinary General Meeting and the H Shares Class Meeting to be dispatched in due course for details of the resolutions to be proposed at the Extraordinary General Meeting for consideration and approval.

As at the date of this announcement, the Board of Directors comprises Mr. SONG Xuefeng and Mr. JIN Wenzhong as executive Directors; Mr. YU Xuechun, Mr. LIU Wei, Mr. ZHOU Donghui, Mr. CHENG Feng, Mr. REN Zhixiang and Ms. ZHU Jing as non-executive Directors; and Mr. XU Zhiming, Mr. JIN Qinglu, Mr. WU Hong, Mr. FENG Xingdong and Mr. LUO Xinyu as independent non-executive Directors.

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “东方证券股份有限公司” and carrying on business in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))

(Stock Code: 03958)

NOTICE OF H SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the class meeting of H Shareholders (the “**H Shares Class Meeting**”) of 東方證券股份有限公司 (the “**Company**”) will be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the People's Republic of China (the “**PRC**”) on Wednesday, April 13, 2022 immediately following the conclusion of the Extraordinary General Meeting and the class meeting of A shareholders of the Company or any adjournment thereof, for the following purposes:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on extension of valid period of the resolution on public issuance of securities through rights issue of the Company.
2. To consider and approve the resolution on extension of valid period of the full authorization granted to the board of directors to deal with relevant matters in relation to the rights issue.

By order of the Board of Directors

JIN Wenzhong

Chairman

Shanghai, PRC
March 23, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING

Notes:

1. Eligibility for Attending the H Shares Class Meeting and Date of Registration of Holders for H Shares

The register of members of H Shares of the Company will be closed from Friday, April 8, 2022 to Wednesday, April 13, 2022 (both days inclusive), during which time no share transfers of H Shares will be effected. Purchasers of H Shares who have submitted their instruments of share transfer to the H Share Registrar of the Company and registered as shareholders on the register of members of H Shares of the Company before 4:30 p.m. on Thursday, April 7, 2022 are entitled to attend and vote in respect of all resolutions to be proposed at the H Shares Class Meeting.

In order to attend the H Shares Class Meeting, 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 Thursday, April 7, 2022.

2. Proxy

- (1) Each H shareholder entitled to attend and vote at the H Shares Class Meeting may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (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 attorney authorizing that attorney to sign or other document of authorization must be notarized.

To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Company's H Share Registrar, 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 H Shares Class Meeting.

3. Registration Procedures for Attending the H Shares Class Meeting

An H shareholder or his proxy should present proof of identity when attending the H Shares Class Meeting. If an H shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such H shareholder may attend the H Shares Class Meeting by providing a copy of the resolution of the board of directors or other governing body of such H shareholder appointing such person to attend the meeting.

4. Voting by Poll

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a shareholders' general meeting must be taken by poll. As such, each of the resolutions set out in the notice of the H Shares Class Meeting will be voted on by poll.

NOTICE OF EXTRAORDINARY GENERAL MEETING AND H SHARES CLASS MEETING

5. Miscellaneous

- (1) The H Shares Class Meeting is expected to be held for no more than half a day. H shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. In addition, in order to get well prepared for the containment of COVID-19 pneumonia epidemic and protect people who will attend the meeting, H shareholders who wish to attend the H Shares Class Meeting on-site must pay attention in advance and strictly abide by the regulations and requirements of Shanghai on health status declaration, quarantine and observation during the epidemic containment period. The Company will strictly follow the epidemic containment requirements of relevant government departments and take appropriate epidemic prevention and control measures for the on-site H shareholders under the guidance and supervision of relevant government departments. H shareholders who have fever and other symptoms or do not comply with the epidemic prevention and control requirements may not be admitted to the venue of the H Shares Class Meeting.
- (2) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
- (3) The registered office of the Company:

Orient Securities Building
No. 119 South Zhongshan Road
Huangpu District, Shanghai
the People's Republic of China

Contact office: Office of the Board
Telephone No.: 86 (21) 6332 6373
Facsimile No.: 86 (21) 6332 6010
Contact Person: Mr. Wu Yibo
- (4) Please refer to the circular of the Company in relation to the Extraordinary General Meeting and the H Shares Class Meeting to be dispatched in due course for details of the resolutions to be proposed at the H Shares Class Meeting for consideration and approval.

As at the date of this announcement, the Board of Directors comprises Mr. SONG Xuefeng and Mr. JIN Wenzhong as executive Directors; Mr. YU Xuechun, Mr. LIU Wei, Mr. ZHOU Donghui, Mr. CHENG Feng, Mr. REN Zhixiang and Ms. ZHU Jing as non-executive Directors; and Mr. XU Zhiming, Mr. JIN Qinglu, Mr. WU Hong, Mr. FENG Xingdong and Mr. LUO Xinyu as independent non-executive Directors.

ANNEX I	RESOLUTION ON APPLICATION FOR CONDUCTING MARKET MAKING BUSINESS OF STOCKS ON THE SCIENCE AND TECHNOLOGY INNOVATION BOARD
---------	-----------------------------------------------------------------------------------------------------------------------------

Dear Shareholders,

Recently, the CSRC issued the “Regulations on Pilot Implementation of Market Making Business of Securities Companies on the Science and Technology Innovation Board (Draft for Public Consultation)” (the “**Pilot Regulations**”), which proposed to introduce the market maker mechanism on the Science and Technology Innovation Board, and eligible securities companies may apply to carry out market making business of stocks on the Science and Technology Innovation Board.

The market making business is an innovative business in which securities companies perform their obligations as market makers to provide bilateral continuous quotation and bilateral counter-offer for the stocks on the Science and Technology Innovation Board and earn income from the bid-ask spread. Participating in market making on the Science and Technology Innovation Board may expand the revenue stream of the Company and is conducive to enhancing the stability of the Company’s performance. In addition, the market making business can better serve the customer strategy of the Company, extend the customer service chain by linking up with investment banking and wealth management business, and promote the development of the Company’s comprehensive financial services covering the whole business chain and the whole value chain, thereby enhancing the core competitiveness of the Company. The pilot implementation of market making business on the Science and Technology Innovation Board is part of the efforts in deepening reform of China’s capital market. Becoming a market maker can provide liquidity to the market, perform market pricing and price discovery functions, and fulfill the social responsibility of securities firms to serve the real economy.

According to the Securities Law and the Pilot Regulations, securities companies may carry out market making business on the Science and Technology Innovation Board with approval from the CSRC. For application to carry out market making business of stocks on the Science and Technology Innovation Board, the Company will carry out preparatory work on the basis of full demonstration of compliance and risk control, prepare in advance in accordance with regulatory requirements in terms of business, system, manpower and risk control, and submit relevant application documents when the Pilot Regulations are officially released and implemented.

In order to effectively seize the development opportunities of the market making business on the Science and Technology Innovation Board in a timely manner, the followings are hereby proposed to the EGM:

1. To agree that the Company may apply to the regulatory authorities to carry out market making business of stocks on the Science and Technology Innovation Board after the Pilot Regulations and other relevant regulations come into effect, and carry out such business in accordance with relevant laws and regulations and business rules after obtaining regulatory approval;
2. If the application for market making of stocks on the Science and Technology Innovation Board involves changes in the business scope in the Company’s business license or securities business license and/or amendments to the Articles of Association relating to the business scope, to agree to add such business to the Company’s business scope and amend the Articles of Association accordingly;
3. To agree to authorize the Board of the Company and the Board to delegate to the management of the Company the authority to handle the application procedures related to the market making business of stocks on the Science and Technology Innovation Board and matters related to conducting such business, and to handle the business registration and filing and other matters related to the change of business scope and the amendments to the articles of the Articles of Association (if required), and to organize the formulation of relevant business rules based on regulatory requirements and business development needs.

The above resolution is hereby proposed for Shareholders’ consideration.

Dear Shareholders:

Recently, the Shanghai Stock Exchange and Shenzhen Stock Exchanges issued the “Guidelines on the Application of the Bond Trading Rules of the Shanghai Stock Exchange No. 3 – Bond Market Making Business” and “Guidelines on the Bond Trading Business of the Shenzhen Stock Exchange No. 3 – Bond Market Making” (the “**Guidelines**”) respectively, which proposed to introduce the market maker mechanism on the Shanghai Stock Exchange and the Shenzhen Stock Exchange respectively, and eligible securities companies may apply to carry out bond market making business on the Shanghai Stock Exchange and Shenzhen Stock Exchanges.

The bond market making business is an innovative business in which securities companies perform their obligations as market makers to continuously provide bilateral continuous quotation and price asking response for the bonds on the stock exchanges, thereby facilitating the development of bond markets and enhancement of liquidity on the Shanghai Stock Exchange and Shenzhen Stock Exchange. The Company may obtain bid-ask spread income through market-making transactions and receive relevant business support from the Shanghai Stock Exchange and Shenzhen Stock Exchanges, which is conducive to enhancing the stability of the Company’s performance. The Company has become a market maker in the inter-bank bond market and continues to rank among the top in the industry. The bond market making business has effectively promoted the transformation of the Company’s fixed income business from investment to sales and trading business, and the exchange market making business will be an important part of the expansion of market making business varieties. In addition, the exchange-traded bond market making business can better serve the customer strategy of the Company, extend the customer service chain by linking up with investment banking and wealth management business, and promote the development of the Company’s comprehensive financial services covering the whole business chain and the whole value chain, thereby enhancing the core competitiveness of the Company.

According to the Securities Law and the Guidelines, securities companies may carry out exchange-traded bond market making business with approval from the CSRC. For application to carry out exchange-traded bond market making business, the Company will carry out preparatory work on the basis of full demonstration of compliance and risk control, and become well prepared in accordance with regulatory requirements in terms of business, system, manpower and risk control.

In order to seize the development opportunities of the exchange-traded bond market making business, the followings are hereby proposed to the EGM:

1. To agree that the Company may apply to the regulatory authorities to carry out market making business of bonds on the Shanghai Stock Exchange and Shenzhen Stock Exchange after the Guidelines and other relevant regulations come into effect, and carry out such business in accordance with relevant laws and regulations and business rules after obtaining regulatory approval;
2. If the application for market making of bonds on the Shanghai Stock Exchange and Shenzhen Stock Exchange involves changes in the business scope in the Company’s business license or securities business license and/or amendments to the Articles of Association relating to the business scope, to agree to add such business to the Company’s business scope and amend the Articles of Association accordingly;
3. To agree to authorize the Board of the Company and the Board to delegate to the management of the Company the authority to handle the application procedures related to the bond market making business on the Shanghai Stock Exchange and Shenzhen Stock Exchange and matters related to conducting such business, and to handle the business registration and filing and other matters related to the change of business scope and the amendments to the articles of the Articles of Association (if required), and to organize the formulation of relevant business rules based on regulatory requirements and business development needs.

The above resolution is hereby proposed for Shareholders’ consideration.