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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 AGM**

**NOTICE IS HEREBY GIVEN** that the 2021 annual general meeting (the “AGM”) of GF Securities Co., Ltd. (the “**Company**”) will be held at 2:00 p.m. on Friday, May 20, 2022 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC to consider and, if thought fit, approve the following resolutions.

#### **ORDINARY RESOLUTIONS**

1. To consider and approve the 2021 Directors' Report.
2. To consider and approve the 2021 Supervisory Committee's Report.
3. To consider and approve the 2021 Final Financial Report.
4. To consider and approve the 2021 Annual Report.
5. To consider and approve the 2021 Profit Distribution Plan.
6. To consider and approve the resolution regarding engagement of auditors in 2022.
7. To consider and approve the resolution regarding the authorization of proprietary investment quota of the Company for 2022.
8. To consider and approve the resolution regarding the 2022 expected daily related party/connected transactions of the Company.

#### **SPECIAL RESOLUTIONS**

9. To individually consider and approve the resolution regarding the general mandate of issuances of onshore and offshore debt financing instruments by the Company, including:
  - 9.1 issuing entity, size of issuance and method of issuance
  - 9.2 type of debt financing instruments
  - 9.3 term of debt financing instruments

- 9.4 interest rate of the debt financing instruments
  - 9.5 security and other arrangements
  - 9.6 use of proceeds
  - 9.7 issuing price
  - 9.8 targets of issue
  - 9.9 listing of the debt financing instruments
  - 9.10 safeguard measures for debt repayment of the debt financing instruments
  - 9.11 authorization for the issuances of the onshore and offshore debt financing instruments
  - 9.12 validity period of the resolution
10. To consider and approve the amendments to the Articles of Association.

#### **TO HEAR THE RELEVANT REPORTS**

- 11. To hear the 2021 Work Report of the Independent Directors.
- 12. To hear the 2021 Duty Performance Report of the Independent Directors.
- 13. To hear the Special Description of the Performance Assessment and Remuneration of the Directors for the Year of 2021.
- 14. To hear the Special Description of the Duty Performance Appraisal and Remuneration of the Supervisors for the Year of 2021.
- 15. To hear the Special Description of the Duty Performance, Performance Assessment and Remuneration of the Management for the Year of 2021.

By order of the Board  
**GF Securities Co., Ltd.**  
**Lin Chuanhui**  
Chairman

Guangzhou, the PRC

April 27, 2022

*As at the date of this notice, the Board of the Company comprises Mr. Lin Chuanhui, Mr. Ge Changwei, Ms. Sun Xiaoyan and Mr. Qin Li as executive Directors; Mr. Li Xiulin, Mr. Shang Shuzhi and Mr. Guo Jingyi as non-executive Directors; and Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing as independent non-executive Directors.*

*Notes:*

1. Details of the above said resolutions are set out in Appendix I to the circular of the Company dated April 27, 2022 (the “**Circular**”), of which details in respect of various resolutions are set out in Annex A to Annex F of Appendix I to this Circular, respectively.
2. The following reports/special descriptions will be presented at the AGM for hearing, but no Shareholders’ approval is required: (1) the 2021 Work Report of the Independent Directors; (2) the 2021 Duty Performance Report of the Independent Directors; (3) the Special Description of the Performance Assessment and Remuneration of the Directors for the Year of 2021; (4) the Special Description of the Duty Performance Appraisal and Remuneration of the Supervisors for the Year of 2021; and (5) the Special Description of the Duty Performance, Performance Assessment and Remuneration of the Management for the Year of 2021.
3. Pursuant to the requirements of the Hong Kong Listing Rules, all votes of Shareholders at a general meeting must be taken by poll. Therefore, the resolutions as set out in the notice of AGM will be voted by poll. Results of the poll voting will be posted on the HKExnews website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.gf.com.cn](http://www.gf.com.cn) upon the conclusion of the AGM.
4. Any Shareholder entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies to attend and vote on his/her behalf at the meeting. A proxy needs not be a Shareholder of the Company.
5. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, 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 AGM. The address of the Company’s Board office is at 51st Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC, postal code: 510627, (phone: (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 (phone: (852) 2862 8555). Completion and return of the proxy form will not preclude a Shareholder from attending and voting at the AGM in person should he/she so wish.
6. In order to determine the H Shareholders’ entitlement to attend the AGM, the H Share register of members of the Company will be closed from Tuesday, May 17, 2022 to Friday, May 20, 2022 (both days inclusive), during which period no transfer of shares will be registered. In order for H Shareholders to attend the AGM, 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 Monday, May 16, 2022. H Shareholders who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the AGM.
7. The Board recommended the payment of a final dividend for the year ended December 31, 2021 in an aggregate amount expected to be RMB3,810,543,832.00 (tax inclusive), representing a cash dividend of RMB5.00 (tax inclusive) for every 10 Shares held on the basis of the number of Shares on the record date for dividend distribution. Cash dividends of H Shares are distributed in Hong Kong dollars, the actual amount of which is calculated based on the average benchmark exchange rate for conversion between RMB and Hong Kong dollar as announced by the People’s Bank of China of the five business days before the date of the AGM (namely May 13, 2022 to May 19, 2022).

If the Shareholders approve the 2021 final dividend at the AGM, the Company’s final dividend for the year ended December 31, 2021 will be paid to H Shareholders on Wednesday, July 13, 2022.

Separate announcements will be published by the Company in respect of the record date and book closure period for the payment of dividends on H Shares, as well as the record date and specific date for the payment of dividends on A Shares and other relevant matters.

Time arrangements of the record date, ex-entitlement date and final dividend payment date for investors of Northbound Trading of Shenzhen Connect are consistent with those for A Shareholders of the Company. Time arrangements of the record date, ex-entitlement date and final dividend payment date for Southbound Trading investors are consistent with those for H Shareholders of the Company.

8. Withholding and payment of enterprise income tax for overseas 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 2021 final 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 organizations and groups, 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 overseas resident individual 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 2021 final 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 final 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 final 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 final 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 final 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, a letter of entrustment 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 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 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.

9. 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.
10. The AGM is expected to last for half 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 AGM.
11. The abovementioned ordinary resolution no. 8 (the resolution regarding the 2022 expected daily related party/connected transactions of the Company) will be taken by poll by Shareholders who do not hold any interests in the resolution.

Jilin Aodong, Liaoning Cheng Da, Zhongshan Public Utilities and their respective associates are required to abstain from voting on the abovementioned ordinary resolution no. 8 (the resolution regarding the 2022 expected daily related party/connected transactions of the Company), and shall not accept appointment from other Shareholders as proxies in voting.