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GUOTAI JUNAN SECURITIES CO., LTD.
國泰君安證券股份有限公司

(A joint-stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02611)

CONNECTED TRANSACTION
UPDATE ON THE INVESTMENT IN YRD FUND II

INTRODUCTION

We refer to the announcement of Guotai Junan Securities Co., Ltd. (the “**Company**”) dated 15 December 2022 (the “**Previous Announcement**”) in relation to the participation in establishment of YRD Fund II as a limited partner by Guotai Junan Zhengyu, a wholly-owned subsidiary of the Company. Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the Previous Announcement.

The Board is pleased to announce that on 30 December 2022, all the investors of YRD Fund II together with their capital commitments have been agreed among the parties to the Partnership Agreement, and the Partnership Agreement was executed by relevant parties thereto and on the principal terms disclosed in the Previous Announcement. In addition, the name of YRD Fund II was finally determined as Yangtze River Delta Collaborative Leading (Shanghai) Private Fund Partnership (Limited Partnership) (長三角協同引領(上海)私募基金合夥企業(有限合夥)).

PARTIES TO THE PARTNERSHIP AGREEMENT AND THEIR CAPITAL COMMITMENTS

The target fund-raising scale of YRD Fund II is expected to be RMB10 billion. The parties to the Partnership Agreement and their respective proposed capital commitments are adjusted as follows:

Parties	Capital Commitment (RMB'0,000)	Percentage (%)
Growth Capital	720	0.10%
GP2	100	0.01%
SIG AM	280,000	39.42%
Pudong Investment Center	130,000	18.30%
Guotai Junan Zhengyu	70,000	9.85%

Parties	Capital Commitment (RMB '0,000)	Percentage (%)
China Pacific Insurance (Group) Co., Ltd. (“ CPIC ”)	60,000	8.45%
Changxin Xinqu	50,000	7.04%
Nanjing Yangtze River Innovation and Entrepreneur Investment Fund (Limited Partnership) (南京揚子江創新創業投資基金(有限合夥)) (“ Yangtze River Parent Fund ”)	50,000	7.04%
Shanghai International Airport Co., Ltd. (“ Shanghai Airport ”)	40,000	5.63%
Shanghai Airport Investment Co., Ltd. (上海機場投資有限公司) (“ Shanghai Airport Investment ”)	9,500	1.34%
Hundsun Technologies	10,000	1.41%
Huzhou Industrial Fund Investment Co., Ltd. (湖州市產業基金投資有限公司) (“ Huzhou Industrial Fund ”)	10,000	1.41%
Total	710,320	100.00%

GENERAL INFORMATION OF THE INVESTORS OF YRD FUND II

CPIC

CPIC is a public company listed on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited (stock code: 601601 and 02601), and is a leading integrated insurance group in the PRC. According to publicly available information, International Group holds approximately 10.57% equity interests in CPIC, and CPIC is an Independent Third Party.

Yangtze River Parent Fund

Yangtze River Parent Fund is a limited partnership incorporated in the PRC and is principally engaged in the business of private equity investment fund management and related advisory services. As at the date of this announcement, Yangtze River Parent Fund is held by Nanjing Yang Zi State-owned Investment Group Co., Ltd. (“**Nanjing Yang Zi State-owned Investment**”, 南京揚子國資投資集團有限責任公司, as a limited partner) and Nanjing Yangtze River Investment Fund Management Co., Ltd. (“**Yangtze River Fund**”, 南京揚子江投資基金管理有限公司, as an executive partner) as to 99.97% and 0.03%, respectively. Yangtze River Fund is a wholly-owned subsidiary of Nanjing Yang Zi State-owned Investment, and the ultimate beneficial owner of Nanjing Yang Zi State-owned Investment is the Nanjing Jiangbei New Area Management Committee (China (Jiangsu) Free Trade Pilot Zone Nanjing Area Management Committee) (南京市江北新區管理委員會(中國(江蘇)自由貿易試驗區南京片區管理委員會)). To the best of the knowledge, information and belief of the Company, Yangtze River Parent Fund and its ultimate beneficial owners are Independent Third Parties.

Shanghai Airport

Shanghai Airport is a public company listed on the Shanghai Stock Exchange (stock code: 600009). Its business scope covers the provision of ground service for domestic and overseas air transportation companies and passengers, operation and lease of the aviation business spaces and commercial and office properties within the airports, domestic trading (specially regulated ones excluded); advertising business, operation of other business related to air transportation; freight forwarding; inspection declaration agent; customs declaration agent; long haul passenger stations (limited to branches); comprehensive development, operation of other investment projects permitted by the national policies, parking lot management and parking extension services. To the best of the knowledge, information and belief of the Company, Shanghai Airport is an Independent Third Party.

Shanghai Airport Investment

Shanghai Airport Investment is a company incorporated in the PRC with limited liability and is principally engaged in investment management, industrial investment, enterprise management, asset management, business information consulting, investment consulting, and financial consulting. As at the date of this announcement, the ultimate beneficial owner of Shanghai Airport Investment is Shanghai State-owned Assets Supervision and Administration Commission (“**Shanghai SASAC**”, 上海市國有資產監督管理委員會). To the best of the knowledge, information and belief of the Company, Shanghai Airport Investment and its ultimate beneficial owner are Independent Third Parties.

Huzhou Industrial Fund

Huzhou Industrial Fund is a company incorporated in the PRC with limited liability and is principally engaged in equity investment funds, investment management, asset management, investment consulting, enterprise management consulting, enterprise planning, and market research. As at the date of this announcement, the ultimate beneficial owner of Huzhou Industrial Fund is the State-owned Assets Supervision and Administration Commission of Huzhou Municipal People’s Government (湖州市人民政府國有資產監督管理委員會). To the best of the knowledge, information and belief of the Company, Huzhou Industrial Fund and its ultimate beneficial owner are Independent Third Parties.

The Company also wishes to provide the shareholders and potential investors of the Company with additional information in relation to the background of Growth Capital, GP2, Pudong Private Fund and Changxin Xinju. The information of each of SIG AM, Guotai Junan Zhengyu and Hundsun Technologies as disclosed in the Previous Announcement remains unchanged.

Growth Capital

Growth Capital is a company incorporated in the PRC with limited liability and is principally engaged in the business of private equity investment funds management and venture capital funds management. As at the date of this announcement, Growth Capital is owned as to 35%, 20%, 20%, 10%, 10% and 5% by SIG AM, Wanxiang Group Co., Ltd. (中國萬向控股有限公司), Ningbo Meishan Free Trade Port Jincheng Shazhou Equity Investment Co., Ltd. (寧波梅山保稅港區錦程沙洲股權投資有限公司), Shanghai Tongxinyuan Business Consulting Partnership (Limited Partnership) (上海潼昕源商務諮詢合夥企業(有限合夥)), Shanghai Airport Investment and Shanghai AJ Capital Management Co., Ltd. (上海愛建資本管理有限公司), respectively.

As at the date of this announcement, Wanxiang Group Co., Ltd. (中國萬向控股有限公司), is owned as to 74.57%, 20%, 5% and 0.43% by Lu Weiding (魯偉鼎) Shanghai Guandingze Limited (上海冠鼎澤有限公司) (which is owned by Lu Weiding (魯偉鼎) as to 70% and Lu Zepu (魯澤普) as to 30%), Xiao Feng (肖風) and Xu Anliang (徐安良), respectively. Ningbo Meishan Free Trade Port Jincheng Shazhou Equity Investment Co., Ltd. (寧波梅山保稅港區錦程沙洲股權投資有限公司) is owned by Shen Wenrong (沈文榮) as to 70.53%, Gong Sheng (龔盛) as to 7.37% and other 13 shareholders each of whom holds no more than 5% of the equity interests, respectively. Shanghai Tongxinyuan Business Consulting Partnership (Limited Partnership) (上海潼昕源商務諮詢合夥企業(有限合夥)) is owned as to 31.82%, 31.46%, 9.16%, 9.16%, 9.16%, 9.16% and 0.09% by Sun Min (孫忞), Yu Bing (虞冰), Qian Hui (錢慧), Tang Jie (唐傑), Wei Yaguang (韋亞光), Wang Lei (王磊) and Shanghai Tongxinyi Commercial Consultation Limited (上海潼昕意商務諮詢有限公司) (which is owned by Sun Min (孫忞) as to 80% and Yu Bing (虞冰) as to 20%). Shanghai Airport Investment is indirectly wholly-owned by Shanghai SASAC. Shanghai AJ Capital Management Co., Ltd. (上海愛建資本管理有限公司) is a wholly-owned subsidiary of Shanghai AJ Group Co., Ltd. (上海愛建集團股份有限公司) (listed on the Shanghai Stock Exchange, stock code: 600643). Save as SIG AM, which is a wholly-owned subsidiary of International Group, a substantial shareholder of the Company, to the best of the knowledge, information and belief of the Company, the ultimate beneficial owners of Growth Capital are Independent Third Parties.

GP2

GP2 has been incorporated as a limited partnership under the laws of the PRC as Shanghai Xiezhou Business Consulting Partnership (Limited Partnership) (上海偕洲商務諮詢合夥企業(有限合夥)), and is principally engaged in the information consulting services, enterprise management, and enterprise management consulting. As at the date of this announcement, the general partner of GP2, Shanghai Tongxinyi Commercial Consultation Limited (上海潼昕意商務諮詢有限公司), and the limited partner of GP2, Shanghai Tongweisu Business Consulting Partnership (Limited Partnership) (上海潼位素商務諮詢合夥企業(有限合夥)), each held 50% of its equity interests. Shanghai Tongxinyi Commercial Consultation Limited is owned by Sun Min (孫忞) as to 80% and Yu Bing (虞冰) as to 20%; the partners of Shanghai Tongweisu Business Consulting Partnership (Limited Partnership) are Shanghai Tongxinyi Commercial Consultation Limited, Sun Min (孫忞) and Yu Bing (虞冰), each holding approximately 74.07%, 12.96% and 12.96% of its equity interests, respectively. SIG AM, Pudong Investment Center, Guotai Junan Zhengyu and Shanghai Airport Investment (and its affiliates) propose to participate as limited partners of GP2 subsequently.

Pudong Investment Center

Pudong Investment Center is owned as to 99.98% by Shanghai Pudong Investment Holdings (Group) Co., Ltd. (“**Pudong Investment Holdings**”, 上海浦東投資控股(集團)有限公司, as a limited partner) and 0.02% by Shanghai Pudong Private Fund Management Co., Ltd. (“**Pudong Private Fund**”, 上海浦東私募基金管理有限公司, as an executive partner). Pudong Private Fund is held as to 40%, 30% and 30% by Pudong Investment Holdings, Shanghai Beihua Economic Development Co., Ltd. (上海北華經濟發展有限公司), which is indirectly owned by the People’s Government of Shanghai Pudong New Area Beicai Town (上海市浦東新區北蔡鎮人民政府), and Shanghai Pudong Chuansha Investment Operation Management Center (上海浦東川沙投資經營管理中心), which is wholly-owned by the People’s Government of Shanghai Pudong New Area Chuansha Town (上海市浦東新區川沙鎮人民政府). The ultimate beneficial owner of Pudong Investment Holdings is Shanghai Pudong New District State-owned Assets Supervision and Administration Commission (上海市浦東新區國有資產監督管理委員會). To the best of the knowledge, information and belief of the Company, Pudong Investment Center and its ultimate beneficial owners are Independent Third Parties.

Changxin Xinju

Changxin Xinju is a company incorporated in the PRC with limited liability and is principally engaged in investment activities with its own funds and venture capital. As at the date of this announcement, Changxin Xinju is a wholly-owned subsidiary of Innotron Memory Co., Ltd. (“**Innotron Memory**”, 睿力集成電路有限公司), which is owned as to 26.85%, 13.72%, 9.80%, 9.80% and 39.83% by Hefei Shixi Jidian Enterprise Management Partnership (Limited Partnership) (“**Hefei Shixi Jidian**”, 合肥石溪集電企業管理合夥企業(有限合夥)), Hefei Changxin Integrated Circuit Co., Ltd. (合肥長鑫集成電路有限責任公司), Anhui Investment Group Holding Co., Ltd. (安徽省投資集團控股有限公司), China Integrated Circuits Industrial Investment (Phase II) Co., Ltd. (國家集成電路產業投資基金二期股份有限公司) and other 44 shareholders each of whom holds no more than 2% of the equity interests. As at the date of this announcement, Hefei Shixi Jidian is held by Hefei Xinrui Investment Co., Ltd. (“**Hefei Xinrui Investment**”, 合肥芯睿投資有限責任公司, as a limited partner), Hefei Changxin Integrated Circuit Co., Ltd. (“**Hefei Changxin Integrated Circuit**”, 合肥長鑫集成電路有限責任公司, as a limited partner) and Hefei Shixi Changxin Enterprise Management Partnership (Limited Partnership) (“**Hefei Shixi Changxin**”, 合肥石溪長鑫企業管理合夥企業(有限合夥), as an executive partner) as to 51.09%, 48.90% and 0.01%, respectively. The ultimate beneficial owner of Hefei Xinrui Investment is the State-owned Assets Supervision and Administration Commission of Hefei Economic and Technological Development Zone (合肥經濟技術開發區國有資產監督管理委員會). The ultimate beneficial owner of Hefei Changxin Integrated Circuit is the State-owned Assets Supervision and Administration Commission of Hefei Municipal People’s Government (合肥市人民政府國有資產監督管理委員會). Hefei Shixi Changxin is held by Beijing Shixi Xindian Enterprise Management Co., Ltd. (“**Beijing Shixi**”, 北京石溪鑫電企業管理有限公司, as an executive partner) and Mr. Zhu Yiming (朱一明) (“**Mr. Zhu**”, as a limited partner) as to 49% and 51%, respectively. Mr. Zhu holds 80% equity interests in Beijing Shixi and Wang Xiaobo (王曉波) holds 20% equity interests in Beijing Shixi. Hefei Changxin Integrated Circuit is ultimately wholly owned by State-owned Assets Supervision and Administration Commission of Hefei Municipal People’s Government (合肥市人民政府國有資產監督管理委員會). Anhui Investment Group Holding Co., Ltd. (安徽省投資集團控股有限公司) is wholly-owned by Anhui State-owned Assets Supervision and Administration Commission (安徽省人民政府國有資產監督管理委員會). China Integrated Circuits Industrial Investment (Phase II) Co., Ltd. (國家集成電路產業投資基金二期股份有限公司) is owned by The Ministry of Finance of the People’s Republic of China (中華人民共和國財政部) as to 11.02%, China Development Bank Capital Co., Ltd. (國開金融有限責任公司) as to 10.78%; and other 25 shareholders each of whom holds no more than 10% of its equity interests. To the best of the knowledge, information and belief of the Company, Changxin Xinju and its ultimate beneficial owners are Independent Third Parties.

By order of the Board
Guotai Junan Securities Co., Ltd.
HE Qing
Chairman

Shanghai, the PRC
3 January 2023

As at the date of this announcement, the executive directors of the Company are Mr. HE Qing, Mr. WANG Song and Mr. YU Jian; the non-executive directors of the Company are Mr. LIU Xinyi, Ms. GUAN Wei, Mr. ZHONG Maojun, Mr. CHEN Hua, Mr. WANG Wenjie, Mr. ZHANG Zhan, Mr. ZHANG Yipeng and Mr. AN Hongjun; and the independent non-executive directors of the Company are Mr. XIA Dawei, Mr. DING Wei, Mr. LI Renjie, Mr. BAI Wei, Mr. LEE Conway Kong Wai and Mr. CHAI Hongfeng.