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**國泰君安證券股份有限公司**  
**Guotai Junan Securities Co., Ltd.**

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

**REPURCHASE AND CANCELLATION OF PART OF  
THE RESTRICTED A SHARES**

We refer to the (i) announcements dated 7 June 2020, 30 June 2020, 17 September 2020, 2 November 2020, 19 July 2021, 24 August 2021, 15 September 2021, 29 September 2021, 24 January 2022 and 29 November 2022, respectively; (ii) circulars of extraordinary general meetings dated 24 July 2020, 5 November 2021 and 1 March 2023, respectively; and (iii) poll results announcements dated 12 August 2020, 25 November 2021 and 20 March 2023, respectively, of Guotai Junan Securities Co., Ltd. (the “**Company**”) in relation to, among other things, the adoption of the Restricted Share Incentive Scheme of A Shares (the “**Scheme**”), relevant adjustments to the Scheme, the First Grant and Reserved Grant of the Restricted A Shares and repurchase and cancellation of part of the Restricted A Shares under the Scheme. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the above announcements and circulars.

From 9 September 2021 to 18 November 2022, 19 out of the 487 Incentive Participants (the “**Repurchase Participants**”) were no longer qualified as Incentive Participants due to termination of their labor contracts or failure to fully meet the performance appraisals. Pursuant to the relevant requirements of the Scheme and the Articles of Association of the Company, shareholders of the Company have considered and approved the resolutions on the repurchase and cancellation of the Restricted A Shares granted to the Repurchase Participants (the “**Repurchase and Cancellation**”) at the extraordinary general meeting, the A Share Class Meeting and the H Share Class Meeting of the Company held on 20 March 2023, and the procedure of informing the Company’s creditors has been fulfilled in accordance with the applicable laws. As of the date of this announcement, except that one holder of A Share convertible bonds has claimed his rights against the Company and obtained guarantee, none of the creditors has claimed their rights against the Company, demanded repayment of debts due or requested provision of guarantees.

## **I. PARTICULARS OF THE REPURCHASE AND CANCELLATION**

### **1. Reasons for the Repurchase and Cancellation**

From 9 September 2021 to 18 November 2022, 19 out of the 487 Incentive Participants terminated their labor contracts or did not fully meet the performance appraisals. The Company is required to repurchase all or part of the Restricted A Shares granted to such Repurchase Participants (2,156,747 shares in aggregate, including 1,714,037 shares for the First Grant and 442,710 shares for the Reserved Grant) and cancel the relevant shares according to the Company Law.

### **2. Repurchase Participants and Number of Repurchase Shares Subject to the Repurchase and Cancellation**

A total of 19 Repurchase Participants were subject to the Repurchase and Cancellation. The Company proposes to repurchase and cancel 2,156,747 Restricted A Shares in aggregate. Upon completion of the Repurchase and Cancellation, there will be 60,165,060 Restricted A Shares remaining.

### **3. Arrangement for the Repurchase and Cancellation**

The Company has opened a special securities account for repurchase (account number: B883301187) at the Shanghai Branch of the China Securities Depository and Clearing Corporation Limited and filed the application for the repurchase and cancellation procedures. The cancellation of the above-mentioned 2,156,747 Restricted A Shares is expected to be completed on 9 June 2023.

## II. CHANGES IN THE SHAREHOLDING STRUCTURE AFTER THE REPURCHASE AND CANCELLATION

The shareholding structures of the Company before and after the Repurchase and Cancellation are as follows:

Class of shares	Before the Repurchase and Cancellation		Increase/ decrease	After the Repurchase and Cancellation	
	Number of shares	Percentage (%)		Number of shares	Percentage (%)
A Shares <sup>Note</sup>	7,514,860,757	84.37	-2,156,747	7,512,704,010	84.37
– Shares not subject to selling restrictions	7,452,538,950	83.67	–	7,452,538,950	83.69
– Shares subject to selling restrictions	62,321,807	0.70	-2,156,747	60,165,060	0.68
H Shares	1,391,827,180	15.63	–	1,391,827,180	15.63
<b>Total</b>	<b>8,906,687,937</b>	<b>100.00</b>	<b>-2,156,747</b>	<b>8,904,531,190</b>	<b>100.00</b>

*Note:* The above shareholding structure before the Repurchase and Cancellation reflects the share capital of the Company as of 31 May 2023. The information is derived from the share capital structure table issued by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

## III. STATEMENTS AND UNDERTAKINGS

The decision-making procedures and information disclosure for the Repurchase and Cancellation are in compliance with the requirements of laws, regulations, the Administrative Measures and the arrangement of the Scheme and the grant agreement of the Restricted A Shares, without prejudice to the legitimate rights and interests of the Incentive Participants or the interests of the creditors of the Company.

The Company undertakes that it has verified and assured the truthfulness, accuracy and completeness of the information in respect of the Repurchase Participants, number of shares and cancellation date regarding the Repurchase and Cancellation, and has duly informed the Repurchase Participants of the Repurchase and Cancellation, who have not raised any objection against the Repurchase and Cancellation. In case of any dispute between the Repurchase Participants and the Company due to the Repurchase and Cancellation, the Company shall bear the relevant legal liability arising therefrom on its own.

#### IV. THE CONCLUSION OF THE LEGAL OPINION

Haiwen & Partners, the legal adviser of the Company, has issued a legal opinion on the Repurchase and Cancellation and concluded as follows: the Company has obtained the required approval and authorisation in relation to the Repurchase and Cancellation, and satisfied relevant requirements of the Administrative Measures and the Scheme. The reasons, number of shares repurchased, and the repurchase price of the Repurchase and Cancellation are in compliance with the Scheme without violating relevant provisions of the Administrative Measures.

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

Shanghai, the PRC  
6 June 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. DING Wei, Mr. LI Renjie, Mr. BAI Wei, Mr. LEE Conway Kong Wai, Mr. WANG Guogang and Mr. YIM, Chi Hung Henry.*