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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any 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 advisers.

**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 accompanying form of proxy to the purchaser(s) or the 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 the transferee(s).

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*(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 IN RELATION TO THE ELECTION OF  
EXECUTIVE DIRECTOR**  
**(2) RESOLUTION IN RELATION TO THE ELECTION OF  
INDEPENDENT NON-EXECUTIVE DIRECTOR**  
**(3) RESOLUTION IN RELATION TO THE ELECTION OF SUPERVISORS**  
**(4) RESOLUTION IN RELATION TO THE FORMULATION OF  
RULES OF APPRAISAL AND REMUNERATION MANAGEMENT OF  
DIRECTORS AND SUPERVISORS OF THE COMPANY**  
**AND**  
**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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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 Monday, October 30, 2023 at 2:00 p.m. is set out on pages 10 to 12 of this circular.

The form of proxy for the EGM has been distributed on Tuesday, October 10, 2023 and has also been published on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.dfzq.com.cn](http://www.dfzq.com.cn)). If you are not able to attend the EGM, 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 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 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.

October 10, 2023

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings unless the context otherwise requires:*

|                                 |   |
|---------------------------------|---|
| “A Share(s)”                    | PRC domestically listed share(s) with a par value of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and traded in RMB  |
| “A Shareholder(s)”              | holder(s) of the A Shares   |
| “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   |
| “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 |
| “CSRC”                          | the China Securities Regulatory Commission  |
| “Director(s)”                   | the director(s) of the Company  |
| “EGM”                           | the 2023 second extraordinary general meeting to be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Monday, October 30, 2023 at 2:00 p.m.  |
| “H Share(s)”                    | overseas listed foreign share(s) with a par value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars   |
| “H Share Registrar”             | Computershare Hong Kong Investor Services Limited   |
| “H Shareholder(s)”              | holder(s) of the H Shares   |
| “HK\$” or “Hong Kong dollars”   | the lawful currency of Hong Kong  |
| “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   |

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## DEFINITIONS

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|---------------------------|--|
| “Latest Practicable Date” | September 28, 2023, 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 |
| “RMB” or “Renminbi”       | Renminbi, the lawful currency of the PRC   |
| “Share(s)”                | the A Share(s) and/or the H Share(s)   |
| “Shareholder(s)”          | the shareholder(s) of the Company, including H Shareholder(s) and A Shareholder(s)   |
| “Supervisor(s)”           | the supervisor(s) of the Company   |
| “Supervisory Committee”   | the supervisory committee of the Company   |

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## LETTER FROM THE BOARD

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*(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. JIN Wenzhong (*Chairman*)  
Mr. LU Weiming (*President*)

*Non-executive Directors:*

Mr. YU Xuechun  
Mr. ZHOU Donghui  
Ms. LI Yun  
Mr. REN Zhixiang  
Ms. ZHU Jing (*employee representative Director*)

*Independent non-executive Directors:*

Mr. JIN Qinglu  
Mr. WU Hong  
Mr. FENG Xingdong  
Mr. LUO Xinyu  
Mr. CHAN Hon

*Registered office:*

Orient Securities Building  
No. 119 South Zhongshan Road  
Huangpu District  
Shanghai  
PRC

*Principal place of business in Hong Kong:*

28th and 29th Floor  
100 Queen's Road Central  
Central  
Hong Kong

October 10, 2023

*To the Shareholders*

Dear Sirs or Madams,

### 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 10 to 12 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.

At the EGM, ordinary resolutions will be proposed to approve, among others, (1) the resolution in relation to the election of executive Director; (2) the resolution in relation to the election of independent non-executive Director; (3) the resolution in relation to the election of Supervisors; and (4) the resolution in relation to the formulation of Rules of Appraisal and Remuneration Management of Directors and Supervisors of the Company.

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# LETTER FROM THE BOARD

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## ORDINARY RESOLUTIONS

### 1. Resolution in relation to the election of executive Director

Reference is made to the announcement of the Company dated October 9, 2023 in relation to, among others, the proposed appointment of executive Director. An ordinary resolution will be proposed at the EGM to consider and approve the resolution in relation to the appointment of Mr. GONG Dexiong (“**Mr. GONG**”) as an executive Director.

Given that Mr. SONG Xuefeng tendered to resign as an executive Director and the chairman of the strategic development committee of the Company due to work adjustment, as recommended by Shenergy (Group) Company Limited, a Shareholder, it is hereby proposed Mr. GONG to be elected as an executive Director of the fifth session of the Board, who shall take office commencing from the date of consideration and approval at the EGM till expiry of the fifth session of the Board.

The biographical details of Mr. GONG are set out as below:

Mr. GONG Dexiong, born in 1969, is a member of the Communist Party of China, an executive master of business administration and an economist, and currently serves as the vice president of Shenergy (Group) Company Limited and the secretary of the CPC party committee of the Company. Mr. GONG served as the deputy director of the Pudong business outlet of the securities department, head of the investment research section of the securities department, and deputy manager of the securities department of Shanghai International Trust & Investment Corporation; the deputy secretary of the CPC party committee, secretary of the discipline inspection commission, deputy general manager of Shanghai Securities Company Limited and the chairman of Hicend Futures Company Limited; the general manager of the finance management department of Shanghai International Group Co., Ltd.; the general manager, secretary of the CPC party committee and vice chairman of Shanghai Securities Company Limited; the chairman and chief executive officer of Shanghai Guotai Junan Securities Asset Management Co., Ltd.; the chairman of Shanghai Securities Company Limited; the vice president and member of the CPC party committee of Guotai Junan Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601211; and the Hong Kong Stock Exchange, stock code: 02611), and has concurrently served as the president of the asset management business committee, the chairman of Guotai Junan Capital Management Co., Ltd., the chairman, general manager, chairman of the executive committee and president of the wealth management business committee of Guotai Junan Innovation Investment Co., Ltd. and other positions. He has been serving as the vice president of Shenergy (Group) Company Limited since April 2023 and the secretary of the CPC party committee of the Company since September 2023.

As at the date of this circular and to the best knowledge of the Board, during the past three years, Mr. GONG has not held any directorship in any public company whose securities are listed on any securities market in Hong Kong or overseas. As at the date of this circular, save as disclosed above, Mr. GONG is not connected with any Directors, Supervisors, senior management or substantial Shareholders of the Company and does not hold any positions with the Company or any of its subsidiaries. Mr. GONG does not have any interest in the Shares of the Company or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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## LETTER FROM THE BOARD

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There is no other information in relation to the appointment of Mr. GONG which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor are there any matters which need to be brought to the attention of the Shareholders. Mr. GONG has not been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges.

If appointed, the Company will enter into a service contract with Mr. GONG. Mr. GONG will not receive remuneration from the Company during his term of office as an executive Director.

The aforesaid resolution was considered and approved by the Board on October 9, 2023 and is hereby proposed at the EGM for consideration and approval.

### **2. Resolution in relation to the election of independent non-executive Director**

Reference is made to the announcement of the Company dated August 30, 2023 in relation to, among others, the proposed appointment of independent non-executive Director. An ordinary resolution will be proposed at the EGM to consider and approve the resolution in relation to the appointment of Mr. ZHU Kai (“**Mr. ZHU**”) as an independent non-executive Director.

The nomination of Mr. ZHU was made by the Board after preliminary review by the remuneration and nomination committee under the Board in accordance with the provisions of the Articles of Association. Having considered Mr. ZHU’s confirmation of independence to the Company in accordance with Rule 3.13 of the Hong Kong Listing Rules and his skills, background, knowledge and experience, the Board proposed to appoint Mr. ZHU as an independent non-executive Director of the fifth session of the Board and was satisfied of his independence as an independent non-executive Director. As an accounting professional with extensive accounting expertise and experience, Mr. ZHU will provide valuable insight to the Company and contribute to the diversity of the Board.

The biographical details of Mr. ZHU are set out as below:

Mr. ZHU Kai, born in 1974, is a member of the Communist Party of China and a doctorate in accounting. He currently serves as the vice dean and professor of the School of Accounting of Shanghai University of Finance and Economics, and concurrently serves as an independent director of Bright Real Estate Group Co., Limited (a company listed on the Shanghai Stock Exchange, stock code: 600708) and a director of Shanghai Xinze Venture Capital Management Co., Ltd. He graduated from Nanjing University with a master’s degree in accounting in June 1999, served as a lecturer in the Accounting Department of the Business School of Nanjing University from July 1999 to January 2001, graduated from Shanghai University of Finance and Economics with a doctorate degree in accounting from March 2001 to March 2004, and has served as a professor in the School of Accounting of Shanghai University of Finance and Economics since April 2004 and a vice dean of the School of Accounting of Shanghai University of Finance and Economics from February 2016 to September 2023. He is the vice president of Shanghai Audit Society, a member of the Review Committee for Qualification of Senior Audit Professional and Technical Positions in Shanghai, and a member of the Expert Committee of the Chinese Institute of Certified Public Accountants.

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## LETTER FROM THE BOARD

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As at the date of this circular and to the best knowledge of the Board, save as disclosed in this circular, during the past three years, Mr. ZHU has not held any directorship in any public company whose securities are listed on any securities market in Hong Kong or overseas. As at the date of this circular, Mr. ZHU is not connected with any Directors, Supervisors, senior management or substantial Shareholders of the Company and does not hold any positions with the Company or any of its subsidiaries. Mr. ZHU does not have any interest in the Shares of the Company or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

There is no other information in relation to the appointment of Mr. ZHU which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor are there any matters which need to be brought to the attention of the Shareholders. Mr. ZHU has not been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges.

In accordance with the relevant laws and regulations of the PRC and the Articles of Association, the term of office of Mr. ZHU as an independent non-executive Director shall commence from the date on which his directorship was considered and approved at the EGM and the resignation of Mr. JIN Qinglu as an independent non-executive Director till expiry of the term of the fifth session of the Board. The remuneration of Mr. ZHU will be determined in accordance with the resolution in relation to the Adjustment of Remuneration of the Independent Directors during his term of office as an independent non-executive Director.

If appointed, the Company will enter into a service contract with Mr. ZHU.

As at the date of this circular, to the best knowledge of the Board, the Board is of the view that Mr. ZHU meets the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules and is independent in accordance with the terms of the guidelines.

The aforesaid resolution was considered and approved by the Board on August 30, 2023 and is hereby proposed at the EGM for consideration and approval.

### **3. Resolution in relation to the election of Supervisors**

Reference is made to the announcement of the Company dated October 9, 2023 in relation to, among others, the proposed appointment of shareholder representative Supervisors. An ordinary resolution will be proposed at the EGM to consider and approve the resolution in relation to the election of Mr. XU Yongmiao (“**Mr. XU**”) and Mr. LING Yun (“**Mr. LING**”) as the shareholder representative Supervisors.



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## LETTER FROM THE BOARD

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Given that Mr. ZHANG Jian, a shareholder representative Supervisor, tendered to resign as a Supervisor due to work adjustment, as recommended by China Post Group Corporation Limited, a Shareholder, the Supervisory Committee proposed Mr. XU to be elected as a shareholder representative Supervisor of the fifth session of the Supervisory Committee, who shall take office commencing from the date of consideration and approval at the EGM till expiry of the fifth session of the Supervisory Committee. Due to reaching the retirement age, Ms. TONG Jie, a shareholder representative Supervisor, tendered to resign as a Supervisor. As recommended by Shanghai Jinqiao Export Processing Zone Development Co., Ltd., a Shareholder, the Supervisory Committee proposed Mr. LING to be elected as a shareholder representative Supervisor of the fifth session of the Supervisory Committee, who shall take office commencing from the date of consideration and approval at the EGM till expiry of the fifth session of the Supervisory Committee.

The biographical details of Mr. XU are set out as below:

Mr. XU Yongmiao, born in 1977, is a member of the Communist Party of China and holds a master's degree in business administration. He currently serves as a member of the CPC party committee and deputy general manager of China Post Group Corporation Limited, Shanghai Branch. He used to serve as the general manager of the courier department of the delivery business division of China Post Group Corporation Limited.

The biographical details of Mr. LING are set out as below:

Mr. LING Yun, born in 1975, is a member of the Communist Party of China and holds a bachelor's degree in business administration. He currently serves as the deputy general manager of the planning and finance department of Shanghai Jinqiao Export Processing Zone Development Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600639), and concurrently serves as the chief financial officer of Shanghai Zongshun Construction and Development Co., Ltd., the chief financial officer of Shanghai Zong'ao Construction and Development Co., Ltd., and the chief financial officer of Shanghai Zongnuo Construction and Development Co., Ltd. He used to serve as the accounting supervisor and assistant to the general manager of the planning and finance department of Shanghai Jinqiao Export Processing Zone Development Co., Ltd.

As at the date of this circular and to the best knowledge of the Supervisory Committee, save as disclosed above, during the past three years, each of Mr. XU and Mr. LING has not held any directorship in any public company whose securities are listed on any securities market in Hong Kong or overseas. As at the date of this circular, each of Mr. XU and Mr. LING is not connected with any Directors, Supervisors, senior management or substantial Shareholders of the Company and does not hold any positions with the Company or any of its subsidiaries. Each of Mr. XU and Mr. LING does not have any interest in the Shares of the Company or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

There is no other information in relation to the appointments of Mr. XU and Mr. LING which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor are there any matters which need to be brought to the attention of the Shareholders. Each of Mr. XU and Mr. LING has not been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges.

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## LETTER FROM THE BOARD

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If appointed, the Company will enter into a service contract with each of Mr. XU and Mr. LING. Each of Mr. XU and Mr. LING will not receive remuneration from the Company during his term of office as a shareholder representative Supervisor.

The aforesaid resolution was considered and approved by the Supervisory Committee on October 9, 2023 and is hereby proposed at the EGM for consideration and approval.

#### **4. Resolution in relation to the formulation of Rules of Appraisal and Remuneration Management of Directors and Supervisors of the Company**

An ordinary resolution will be proposed at the EGM to consider and approve the resolution in relation to the formulation of Rules of Appraisal and Remuneration Management of Directors and Supervisors of the Company with details as follows:

In order to further regulate the appraisal and remuneration management of the Directors and Supervisors of the Company and implement relevant requirements of the Rules for Governance of Securities Companies of the CSRC, and with reference to the practice of the securities industry, the Company formulated the Rules of Appraisal and Remuneration Management of Directors and Supervisors of the Company, details of which are set out in the Annex of this circular. In case of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

The aforesaid resolution was considered and approved by the Board on August 30, 2023 and is hereby proposed at the EGM for consideration and approval.

#### **EGM**

The EGM will be held at Meeting Room, 15/F, No. 119 South Zhongshan Road, Shanghai, the PRC on Monday, October 30, 2023 at 2:00 p.m. The notice of the EGM is set out on pages 10 to 12 of this circular.

The register of members of H Shares of the Company will be closed from Wednesday, October 25, 2023 to Monday, October 30, 2023 (both days inclusive), during which time no transfers of H Shares will be effected. Holders of H Shares who have submitted their transfer documents 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 Tuesday, October 24, 2023 are entitled to attend and vote in respect of the resolutions to be proposed at the EGM. In order to attend the EGM, 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 Tuesday, October 24, 2023.

The form of proxy for the EGM has been distributed on Tuesday, October 10, 2023 and has also been published on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.dfzq.com.cn](http://www.dfzq.com.cn)).

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## LETTER FROM THE BOARD

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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 Company's H Share Registrar not less than 24 hours before the time appointed for the EGM (i.e. before 2:00 p.m. on Sunday, October 29, 2023). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM in person if you so wish.

### 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, voting for the resolutions at the EGM will be taken by way of a poll.

As at the Latest Practicable Date, to the best knowledge of the Directors, 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.

### 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 the proposed resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders to vote in favour of the resolutions in the notice of the EGM as annexed to this circular at the EGM.

Yours faithfully,  
By Order of the Board  
**JIN Wenzhong**  
*Chairman*

# NOTICE OF EXTRAORDINARY GENERAL 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 EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2023 second 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 Monday, October 30, 2023 at 2:00 p.m. for the following purposes:

### ORDINARY RESOLUTIONS

1. To consider and approve the resolution in relation to the election of executive director of the Company.
2. To consider and approve the resolution in relation to the election of independent non-executive director of the Company.
3. To consider and approve the resolution in relation to the election of supervisors of the Company, including:
  - 3.1 To consider and approve the election of Mr. XU Yongmiao as a shareholder representative supervisor of the Company;
  - 3.2 To consider and approve the election of Mr. LING Yun as a shareholder representative supervisor of the Company.
4. To consider and approve the resolution in relation to the formulation of Rules of Appraisal and Remuneration Management of Directors and Supervisors of the Company.

By order of the Board of Directors  
**JIN Wenzhong**  
*Chairman*

Shanghai, the PRC  
October 10, 2023

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# NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Notes:*

**1. ELIGIBILITY FOR ATTENDING THE EXTRAORDINARY GENERAL MEETING AND DATE OF REGISTRATION FOR HOLDERS OF H SHARES**

The register of members of H Shares of the Company will be closed from Wednesday, October 25, 2023 to Monday, October 30, 2023 (both days inclusive), during which time no share transfers of H Shares will be effected. Purchasers of 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 Tuesday, October 24, 2023 are entitled to attend and vote in respect of the 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 Tuesday, October 24, 2023.

**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/her/their 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/her/their 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 the 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 (i.e. before 2:00 p.m. on Sunday, October 29, 2023).

**3. REGISTRATION PROCEDURES FOR ATTENDING THE EXTRAORDINARY GENERAL MEETING**

A shareholder or his/her/their 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.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### 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.
- (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 department: 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 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 notice, the Board of Directors comprises Mr. JIN Wenzhong and Mr. LU Weiming as executive Directors; Mr. YU Xuechun, Mr. ZHOU Donghui, Ms. LI Yun, Mr. REN Zhixiang and Ms. ZHU Jing as non-executive Directors; and Mr. JIN Qinglu, Mr. WU Hong, Mr. FENG Xingdong, Mr. LUO Xinyu and Mr. CHAN Hon as independent non-executive Directors.*

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# **ANNEX    RULES OF APPRAISAL AND REMUNERATION MANAGEMENT OF DIRECTORS AND SUPERVISORS OF THE COMPANY**

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## **Chapter 1 General**

**Article 1** In order to improve the appraisal and remuneration management system of the Company and optimize the Company's appraisal and remuneration management mechanism for directors and supervisors, these Rules are formulated in accordance with the Company Law, the Securities Law, the Rules for Governance of Securities Companies, the Rules for Governance of Listed Companies and other laws and regulations, as well as the Articles of Association and other relevant provisions.

**Article 2** These Rules shall apply to all directors and supervisors of the Company.

**Article 3** Directors and supervisors who hold other positions in the Company shall, in addition to being appraised for their performance of duties in accordance with these Rules, be subject to performance appraisal and remuneration management in accordance with relevant rules of the Company based on their actual performance of duties.

## **Chapter 2 Management Structure**

**Article 4** The general meeting of the Company shall be responsible for considering the rules of appraisal and remuneration management of directors and supervisors of the Company.

**Article 5** The amount and payment method of the remuneration of the directors and supervisors of the Company shall be proposed by the board of directors and the supervisory committee respectively and submitted to the general meeting of the Company for decision.

**Article 6** The appraisal of directors of the Company shall be organized and implemented by the remuneration and nomination committee under the board of directors; and the appraisal of supervisors of the Company shall be organized and implemented by the supervisory committee.

**Article 7** The board of directors and the supervisory committee shall make special explanations to the general meeting on the appraisal and remuneration of directors and supervisors respectively.

## **Chapter 3 Performance Appraisal**

**Article 8** The directors and supervisors of the Company shall be subject to annual appraisal, which shall be conducted once a year.

**Article 9** The directors and supervisors of the Company shall perform their duties diligently and ensure that they have sufficient time and energy to fulfill their duties. The appraisal of directors and supervisors of the Company covers fiduciary duty, diligence, competence, compliance with laws and regulations and honest practice in the performance of their duties.

**Article 10** The board of directors, the supervisory committee and the independent directors of the Company shall each prepare an annual report on their work or performance of duties to be submitted to the general meeting for consideration.

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## **ANNEX    RULES OF APPRAISAL AND REMUNERATION MANAGEMENT OF DIRECTORS AND SUPERVISORS OF THE COMPANY**

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**Article 11** The appraisal and evaluation of directors and supervisors of the Company shall be categorized into three results, namely, “competent”, “basically competent” and “incompetent”.

**Article 12** Directors and supervisors shall be appraised as “incompetent” for the year if any of the following circumstances occurs in the course of performing their duties:

- (1) The number of meetings attended by a director or supervisor in person in a year is less than two-thirds of the number of meetings of the board of directors and the supervisory committee in that year; or he or she fails to attend in person and does not appoint other directors or supervisors to attend for two consecutive times;
- (2) Occurrence of the acts stipulated in Article 148 of the Company Law, which seriously jeopardize the interests of the Company;
- (3) Obtaining improper benefits in the course of performing duties, or taking advantage of the position of director or supervisor to seek private gain, or other serious violations of the requirements of honest practice;
- (4) Being subject to administrative penalties by regulatory authorities or being held criminally liable due to violations of laws and regulations in the performance of duties;
- (5) Being ordered to be replaced or deemed to be an unsuitable candidate by the securities regulatory authorities in accordance with the provisions of Article 140 and Article 142 of the Securities Law and other laws and regulations;
- (6) Being subject to disciplinary actions by the stock exchange that publicly determine that he or she is not suitable to serve as a director or supervisor of the Company, or regulatory measures that recommend the replacement of a director or supervisor;
- (7) Other serious misconduct as determined by the Company or the regulatory authorities;
- (8) Other circumstances in violation of the Articles of Association or laws and regulations.

**Article 13** The board of directors or the supervisory committee of the Company shall submit to the general meeting for consideration to determine whether a director or supervisor appraised as “incompetent” shall continue to serve as a director or supervisor.



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# ANNEX RULES OF APPRAISAL AND REMUNERATION MANAGEMENT OF DIRECTORS AND SUPERVISORS OF THE COMPANY

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## Chapter 4 Remuneration Management

**Article 14** The remuneration of directors and supervisors of the Company shall be determined based on the actual situation of the Company and after taking into account the market situation and other factors in a comprehensive manner.

**Article 15** The Company shall, based on the capacity and nature of work of the directors and supervisors, as well as the responsibilities and risks they bear, determine the relevant remuneration components and standards as follows:

- (1) Allowances for independent directors and independent supervisors shall be paid in accordance with the plan determined at the general meeting, and such allowances do not include travel and accommodation expenses for participation in the board meetings and other activities of the Company, nor do they include reasonable expenses required for the normal performance of their duties;
- (2) The Company may grant allowances to external non-independent directors and external non-independent supervisors after submitting the same to the general meeting for consideration and approval in compliance with relevant laws and regulations, and if the corporate shareholders have relevant requirements on remuneration paid to directors and supervisors assigned by them, such requirements shall apply;
- (3) Directors and supervisors who hold other positions in the Company shall not receive allowances and shall be remunerated in accordance with relevant rules of remuneration management of the Company.

**Article 16** Where laws and regulations provide that the remuneration of directors and supervisors shall be deferred, such provisions shall apply.

**Article 17** If a director or supervisor of the Company leaves office due to reasons such as expiration of his/her term of office, re-election or resignation during his/her term of office, the Company shall remunerate him/her based on his/her actual time in office and performance of duties.

**Article 18** If any of the following circumstances occurs during the performance of duties by a director or supervisor of the Company, the board of directors or the supervisory committee of the Company shall have the right to decide by resolution to reduce, suspend or decline the payment of allowance or remuneration:

- (1) The occurrence of any of the circumstances stipulated in Article 12 of these Rules under which a director or supervisor shall be deemed as “incompetent”;
- (2) Failure to exercise due diligence causing the Company to suffer significant economic or reputational losses, or causing the Company to engage in major violations of laws and regulations or expose to significant risks;

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## **ANNEX    RULES OF APPRAISAL AND REMUNERATION MANAGEMENT OF DIRECTORS AND SUPERVISORS OF THE COMPANY**

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- (3) Any other circumstances stipulated by laws and regulations or determined by the board of directors or the supervisory committee of the Company to be in serious violation of relevant requirements of the Company.

In making relevant resolutions as described above, or in appraising a director or supervisor or discussing on his/her remuneration, such director or supervisor shall recuse himself/herself from the meeting.

### **Chapter 5 Miscellaneous**

**Article 19** Matters not covered in these Rules shall be implemented in accordance with the requirements of relevant laws, regulations, rules, normative documents and the Articles of Association. In case of changes in the relevant regulatory rules during the implementation of these Rules, such changes shall apply.

**Article 20** The board of directors of the Company shall be responsible for the interpretation of these Rules.

**Article 21** These Rules shall be effective on the date of being considered and approved at the general meeting.