

ANNOUNCEMENT BY HUATAI SECURITIES CO., LTD. ON THE SOON-TO-EXPIRE LOCK-UP PERIOD OF THE GDRS

The board of directors and all directors of Huatai Securities Co., Ltd. (hereinafter referred to as “the Company”) warrant that there are no false representations, misleading statements contained in, or material omissions from, this announcement, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the content in this announcement.

Important notice:

- The Lock-up Period in which the Global Depositary Receipt issued by the Company (hereinafter referred to as “GDR” or “GDRs”) may not be redeemed is from June 20, 2019 (London time) to October 17, 2019 (London time) (hereinafter referred to as the “Lock-up Period”). The Lock-up Period of the GDRs will soon expire.
- Upon the expiration of the Lock-up Period, GDR can be converted into A shares, which will result in a corresponding decrease in the number of A shares held by the depositary Citibank, N.A. as a nominee holder upon the cancellation instruction and the corresponding A shares may be traded on the domestic market. The number of GDRs with soon-to-expire Lock-up Period was 82,515,000 and the number of underlying A shares of the GDRs is

825,150,000, representing 9.09% of the total share capital of the Company.

- The GDRs with soon-to-expire Lock-up Period can be converted into A shares from October 18, 2019 (Beijing time). Citibank, N.A., the depositary, will start processing GDR cancellation instruction from October 17, 2019 (London time).
- Under the arrangement for cross-border conversion of GDRs, the cross-border conversion of GDRs will not result in the change in the total number of outstanding A shares of the Company, and will have no impact on the share capital of the Company.

I. Arrangement for cross-border conversion of GDRs and information on redemption restriction

(I) Arrangement for cross-border conversion of GDRs

In addition to trading GDRs through the International Order Book, qualified international investors can also carry out cross-border conversion between GDRs and A shares by designated brokers. As of the date of this announcement, according to the public information released by the Shanghai Stock Exchange, a total of 10 designated brokers have completed their registration as cross-border conversion institutions.

Cross-border conversion includes the conversion of A shares into GDRs (hereinafter referred to as “creation”) and the conversion of GDRs into A shares (hereinafter referred to as “redemption”). Designated brokers shall conduct free of payment transfer of domestic underlying shares arising from the creation or redemption of GDRs through dedicated securities accounts

for cross-border conversion with China Clearing Depository and Clearing Corporation Limited (hereinafter referred to as “CSDC”). In the case that an overseas market investor creates or redeems GDRs, CSDC shall match the instructions sent by the GDR depositary and the designated broker, and conduct free of payment transfer of corresponding domestic underlying shares at the end of this business day after matching those instructions and confirming that relevant underlying shares are sufficient.

Designated brokers shall engage Shanghai Stock Exchange members to trade A shares on the domestic market and request the depositary to create or redeem the GDRs. In particular:

(1) Creation: As instructed by investors, designated brokers may engage Shanghai Stock Exchange members to buy A shares and deliver to the depositary, and instruct the depositary to issue and deliver the corresponding GDRs to the investors. The GDRs created therefrom may be traded on the Main Board of the London Stock Exchange.

(2) Redemption: As instructed by investors, designated brokers may instruct the depositary to cancel the GDRs, and the depositary shall deliver the underlying A shares of the GDRs to the designated brokers. Designated brokers may engage Shanghai Stock Exchange members to sell such A shares and deliver the proceeds to the investors.

(II) Information on redemption restriction

According to relevant domestic regulatory requirements, the Lock-up Period for the GDRs is from June 20, 2019 (London time) to October 17, 2019 (London time). During this period, the GDRs shall not be converted into A shares.

Pursuant to *The Approval of Issuance and Admission of Global Depositary Receipts on the London Stock Exchange plc by Huatai Securities Co., Ltd.* (Zheng Jian Xu Ke [2018] No. 1993) (《關於核准华泰證券股份有限公司發行全球存托憑證並在倫敦證券交易所上市的批覆》(證監許可 [2018]1993 號)) from the China Securities Regulatory Commission, the maximum number of GDRs at any given time will not exceed 82,515,000 and the maximum number of the corresponding A shares will not exceed 825,150,000. If the number of GDRs increases or decreases due to factors such as the Company's bonus issue, share split or consolidation and adjustment of conversion ratio, the maximum number of GDRs can be adjusted accordingly.

The number of GDRs with soon-to-expire Lock-up Period was 82,515,000, and the number of corresponding A shares is 825,150,000, representing 9.09% of the total share capital of the Company.

II. Arrangement for redemption of GDRs and its impact on the share capital of the Company

The Lock-up Period of the GDRs is from June 20, 2019 (London time) to October 17, 2019 (London time). The Lock-up Period of the GDRs will soon expire.

The GDRs with soon-to-expire Lock-up Period can be converted into A shares from October 18, 2019 (Beijing time). Citibank, N.A., the depositary, will start processing GDR cancellation instruction from October 17, 2019 (London time). GDR cancellation instruction will result in a corresponding decrease in the number of A shares held by the depositary Citibank, N.A. as a nominee holder and the corresponding A shares may be traded on the

domestic market.

As instructed by investors, designated brokers may also engage Shanghai Stock Exchange members to buy A shares and instruct the depositary to create corresponding GDRs representing the acquired A shares, subjecting to the maximum number of GDRs. The number of A shares held by the depositary Citibank, N.A. as a nominee holder will be increased by the GDRs created therefrom accordingly.

In any case of cross-border conversion, the remaining number of GDRs shall not exceed the maximum number of GDRs. Under the arrangement for cross-border conversion of GDRs, the cross-border conversion of GDRs will not result in change in the total number of outstanding A shares of the Company, and will have no impact on the share capital of the Company.

The Board of Huatai Securities Co., Ltd

October 9, 2019