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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 securities broker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Central China Securities Co., Ltd. (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, securities broker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中州证券

Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name “中原证券股份有限公司” and carrying on business in Hong Kong as “中州证券”)

(Stock Code: 01375)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Letter from the Board is set out on pages 3 to 10 of this circular.

The extraordinary general meeting of the Company will be held at 9:30 a.m. on 16 October 2017 (Monday) at 17th Floor, Zhongyuan Guangfa Finance Building, No. 10 Shangwu Waihuan Road, Zhengdong New District, Zhengzhou City, Henan Province, the PRC.

The proxy form for the EGM has been posted to you on 31 August 2017. Whether or not you are able to attend the EGM in person, you are requested to complete and return the applicable proxy form in accordance with the instructions printed thereon. In case of H Shareholders, the proxy form shall be lodged with 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 as soon as possible; but in any event, not less than 24 hours before the time scheduled for holding the relevant meeting (or any adjournment thereof) or the time appointed for the taking of the poll. Completion and delivery of the proxy form will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof if you so desire.

28 September 2017

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
Proposed amendments to the Articles of Association	3

DEFINITIONS

In this circular, unless the context otherwise requires, the expressions below have the meanings assigned:

“A Shares”	domestic listed ordinary shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed and traded on the main board of the Shanghai Stock Exchange
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	Central China Securities Co., Ltd. (中原证券股份有限公司) (carrying on business in Hong Kong as “中州证券”, a joint stock company incorporated on 8 November 2002 in Henan Province, the PRC with limited liability, the H Shares and A Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01375) and the Shanghai Stock Exchange (stock code: 601375), respectively)
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting (or any adjournment thereof) of the Company to be convened and held at 9:30 a.m. on 16 October 2017 (Monday) at 17th Floor, Zhongyuan Guangfa Finance Building, No. 10 Shangwu Waihuan Road, Zhengdong New District, Zhengzhou City, Henan Province, the PRC for the Shareholders to consider and approve, <i>inter alia</i> , the resolution regarding the proposed amendments to the Articles of Association
“H Shareholders”	holders of H Shares
“H Shares”	overseas listed foreign ordinary shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed and traded on the Main Board of the Stock Exchange
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China (excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“RMB”	the lawful currency of the PRC, Renminbi, the basic unit of which is “yuan”
“Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, including A Shares and H Shares
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



中州证券

Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name “中原证券股份有限公司” and carrying on business in Hong Kong as “中州证券”)

(Stock Code: 01375)

Executive Director:

Mr. JIAN Mingjun (*Chairman*)

Non-executive Directors:

Mr. LI Xingjia

Mr. WANG Lixin

Mr. ZHANG Qiang

Mr. ZHANG Xiaoqi

Mr. YU Zeyang

Independent Non-executive Directors:

Mr. YUAN Dejun

Mr. YUEN Chi Wai

Mr. NING Jincheng

Mr. YU Xugang

Registered Address in the PRC:

No. 10 Shangwu Waihuan Road

Zhengdong New District

Zhengzhou City, Henan Province

China

Headquarters/Principal Place

of Business in the PRC:

No. 10 Shangwu Waihuan Road

Zhengdong New District

Zhengzhou City, Henan Province

China

Principal Place of Business

in Hong Kong:

18/F, Tesbury Centre

28 Queen's Road East

Wanchai, Hong Kong

28 September 2017

To the Shareholders,

Dear Sir/Madam,

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

INTRODUCTION

Reference is made to the Company's announcement dated 24 August 2017 in relation to, among other things, the proposed amendments to the Articles of Association and the EGM notice issued on 31 August 2017.

The purpose of this circular is to provide you with details of the proposed amendments to the Articles of Association.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the relevant requirements of the Notice Regarding Amendments to the Articles of Association of Province-administered Enterprises (《關於省管企業公司章程修訂有關事項的通知》) (Yu Qi Gai Ban [2017] No.11) and the Guidelines for the Articles of Association of Listed Companies issued by the CSRC, the Board proposed to, with reference to the Company's actual situation, make the following amendments to the Articles of Association with a view to further improve the governance structure of the Company:

Existing Articles	Amended Articles	Impact of the Amendments
	Add: Article 2 The Company shall establish the committee for the Communist Party of China of Central China Securities Co., Ltd (hereinafter referred to as the Party Committee) in accordance with the Constitution of the Communist Party of China. The Party Committee shall play the core leadership and core political role of providing direction, managing the overall situation and ensuring implementation. The Company shall also establish the working organs of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.	The Company establishes the Party Committee within its internal structure.

LETTER FROM THE BOARD

Existing Articles	Amended Articles	Impact of the Amendments
Article 17 Subject to the national laws and regulations and approval by the securities regulatory authorities, the Company can set up subsidiaries to conduct direct investment business. Pursuant to the laws and administrative regulations and relevant requirements of the CSRC, the Company can set up subsidiaries to conduct investment in financial products other than those stated in the List of Securities Investment Products for the Proprietary Trading of Securities Companies.	Article 18 Subject to the requirements of national laws and regulations and approval by the securities regulatory authorities, the Company can set up subsidiaries to conduct direct investment business. Pursuant to the laws and administrative regulations and relevant requirements of the CSRC, the Company can set up subsidiaries to conduct investment in financial products other than those stated in the List of Securities Investment Products for the Proprietary Trading of Securities Companies, and the establishment shall be subject to the approval by the local branch of the CSRC where the company was registered. Pursuant to the laws and administrative regulations and relevant requirements of the CSRC, the Company can set up private fund subsidiaries to conduct private investment fund business, and the establishment shall be subject to the approval by the local branch of the CSRC where the company was registered.	(1) Addition of the requirement that the establishment of subsidiaries to conduct investment in financial products other than those stated in the List of Securities Investment Products for the Proprietary Trading of Securities Companies by the Company shall be subject to the approval by the local branch of the CSRC where the Company was registered; and (2) Addition of the right of the Company to set up private fund subsidiaries to conduct private investment fund business upon obtaining the approval from the local branch of the CSRC where the Company was registered.

LETTER FROM THE BOARD

Existing Articles	Amended Articles	Impact of the Amendments
	A new Chapter V shall be added after Chapter IV of the Articles of Association as follows: Chapter V Party Organization at the Primary Level Article 150 The Party Committee shall consist of one secretary and several other members as approved by the Party organization of higher levels. Typically, the secretary of the Party Committee and the chairman of the board of directors shall be assumed by the same person, and one deputy secretary shall be designated to focus on the Party building work of the Company. Eligible members of the Party Committee may take seats in the board of directors, the supervisory committee and the senior management through legal procedures, while eligible members of the board of directors, the supervisory committee and the senior management may take seats in the Party Committee in accordance with relevant requirements and procedures. Meanwhile, the Company shall establish the discipline inspection committee of Central China Securities Co., Ltd. for the Communist Party of China (hereinafter referred to as the “Discipline Committee”) in accordance with relevant requirements. Article 151 The Party Committee shall establish the grassroots committee, the general branch committee and the branch committee of the Party at respective levels in accordance with the relevant requirements with a view to improve the party’s organization at primary level. The Company shall also conduct Party activities in accordance with the Constitution of the Communist Party of China and other relevant requirements.	Specifications of the requirements in relation to the members of the Party Committee of the Company and the establishment of organizational structure, the arrangement in respect of decision-making mechanism for resolutions, and the leadership role of the Party organizations.

LETTER FROM THE BOARD

Existing Articles	Amended Articles	Impact of the Amendments
	Article 152 The Party organizations of the Company shall play a core leadership and core political role with a focus on direction control, overall management and ensuring implementation. It shall ensure the Company remains on the right track of reform and development by staying focus on implementing the theories, directions and policies of the Party. The Party organizations shall also adhere to the principle of focusing its efforts on major businesses and key matters, strengthening collective leadership and promoting scientific decision-making with a view to facilitate the Company's fulfilment of its economic, political and social responsibilities in all aspects. It shall also establish a strong team of management and staff by developing officials and talents for Party management so as to ensure the talent pool for the reform and development of the Company. With a focus on building a strong foundation through training of staff at entry level, the Company shall give full play to the role of the Party organizations as strongholds and the pioneer and exemplary role of the Party members, and lead the mass organizations by stepping up its efforts in ideological and political work so as to push ahead the implementation of various working tasks with concerted efforts. It shall also implement the principal responsibility and supervision responsibility system to reinforce the work in relation to the construction of the Party's working style and its clean and honest administration as well as anti-corruption with a view to rectify working style and discipline and prevent risks at the same time.	

LETTER FROM THE BOARD

Existing Articles	Amended Articles	Impact of the Amendments
	Article 153 The Company shall set up a decision-making mechanism for resolutions of the Party Committee, which defines the scope and procedures of decision-making and the participation in decision-making on material issues of the Party Committee. As a procedural prerequisite, major issues should be studied and discussed by the Party Committee before formulating a proposal and submitting the same to the board of directors and the senior management for decision. Major operational and administrative matters must be studied and discussed by the Party Committee before formulating and submitting a proposal to the board of directors or senior management for decision. Article 154 The decision-making process for resolutions of the Party Committee shall adhere to the principle of collective leadership, democratic-centered, case-specific consultation and resolved by meeting. Major matters should be negotiated adequately and decisions should be made in a scientific and democratic manner according to laws. Article 155 The organizational structure of the Party organizations of the Company and their staffing shall be incorporated into the administrative organs and the establishment of the Company. The Company shall include expenses of the Party organizations in the Company's budget, which will be credited to the Company's management fee.	

As a result of the proposed new articles above, the numbering of the respective subsequent chapters and articles of the Articles of Association shall be adjusted accordingly.

The English version of the Articles of Association is an unofficial translation of the Chinese version. In the event of any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

The proposed amendments to the Articles of Association are subject to the approval by the shareholders at the EGM by way of special resolution and the approval of the relevant government authorities of the PRC.

LETTER FROM THE BOARD

EGM

The EGM of the Company will be held at 9:30 a.m. on 16 October 2017 (Monday) at 17th Floor, Zhongyuan Guangfa Finance Building, No. 10 Shangwu Waihuan Road, Zhengdong New District, Zhengzhou City, Henan Province, the PRC.

No Shareholder is required to abstain from voting in connection with the resolutions to be proposed at the EGM.

The proxy form for the EGM has been posted to you on 31 August 2017. Whether or not you are able to attend the EGM in person, you are requested to complete and return the applicable proxy form in accordance with the instructions printed thereon. In case of H Shareholders, the proxy form shall be lodged with 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 as soon as possible; but in any event, not less than 24 hours before the time scheduled for holding the relevant meeting (or any adjournment thereof) or the time appointed for the taking of the poll. Completion and delivery of the proxy form will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof if you so desire.

VOTING

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by way of a poll. Therefore, the respective resolutions as stated in the notice of the EGM will be taken by way of a poll under the Article 124 of the Articles of Association.

During the poll, every Shareholder present in person or by proxy (or in case of Corporation, its duly authorised representative) at the EGM shall have one vote for each share registered in his/her name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same manner.

RECOMMENDATION

The Board considers that all resolutions to be proposed at the EGM are in the interests of the Company and the Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the meetings.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

Yours faithfully,
On behalf of the Board
Central China Securities Co., Ltd.
JIAN Mingjun
Chairman