东方证券

DFZQ

(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)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to further improve the corporate governance, 東方證券股份有限公司 (the "**Company**") proposed to make amendments to relevant articles of the articles of association of the Company (the "**Articles of Association**") in accordance with the Guidelines for the Articles of Association of Listed Companies, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations and other relevant regulations and based on the actual situation of operation and management of the Company.

The 19th meeting of the fifth session of the board of directors of the Company (the "**Board**") was convened on September 23, 2022, at which, among other things, the Resolution on Amendments to Certain Articles of the Articles of Association was approved. The amendments are subject to approval by the shareholders at the 2022 second extraordinary general meeting of the Company and will become effective immediately upon approval at the 2022 second extraordinary general meeting of the Company.

The Company proposed to make the following amendments to relevant articles of the Articles of Association:

Before amendments	After amendments	Basis of amendments
Article 71 The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the laws: (1) to determine the operating policies and investment plans of the Company; ... (21) to pass resolutions on purchase of the shares of the Company because of the circumstances (1) and (2) as required in Article 28 of the Articles of Association; (22) to consider such other matters to be resolved at shareholders' general meeting as required by laws, regulations, listing rules of the places where the shares of the Company are listed or the Articles of Association. ...	**Article 71** The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the laws: (1) to determine the operating policies and investment plans of the Company; ... (21) to pass resolutions on purchase of the shares of the Company because of the circumstances (1) and (2) as required in Article 28 of the Articles of Association; <u>(22) to consider government-directed charitable donations and relief donations with a single transaction amount of RMB20 million or more, as well as other external donations and commercial sponsorships with a single transaction amount of RMB10 million or more;</u> (<u>23</u>) to consider such other matters to be resolved at shareholders' general meeting as required by laws, regulations, listing rules of the places where the shares of the Company are listed or the Articles of Association. ...	Articles 107 and 110 of the Guidelines for the Articles of Association of Listed Companies and the actual situation of operation and management of the Company

Before amendments	After amendments	Basis of amendments
Article 113 The following matters shall be approved by special resolutions at the shareholders' general meeting: (1) increase or reduction in share capital of the Company and issuance of shares of any class, warrants and other similar securities; (2) issuance of bonds by the Company; (3) division, spin-off, merger, dissolution and liquidation of the Company; (4) amendments to the Articles of Association; (5) share incentive scheme; (6) purchase or disposal of substantial assets by the Company within one year or the guaranteed amount exceeding 30% of the Company's latest audited total assets; (7) other matters specified by laws, regulations, listing rules of the places where shares of the Company are listed or the Articles of Association and matters specified by ordinary resolutions of the shareholders' general meeting that are considered to be significant to the Company and shall be approved by special resolutions.	**Article 113** The following matters shall be approved by special resolutions at the shareholders' general meeting: (1) increase or reduction in share capital of the Company and issuance of shares of any class, warrants and other similar securities; (2) issuance of bonds by the Company; (3) division, spin-off, merger, dissolution and liquidation of the Company; (4) amendments to the Articles of Association; (5) share incentive scheme; (6) purchase or disposal of substantial assets by the Company within one year or the guaranteed amount exceeding 30% of the Company's latest audited total assets; (7) profit distribution plans formulated by the Company that fail to comply with the cash dividend policy set out in these Articles of Association in special circumstances; (8) other matters specified by laws, regulations, listing rules of the places where shares of the Company are listed or the Articles of Association and matters specified by ordinary resolutions of the shareholders' general meeting that are considered to be significant to the Company and shall be approved by special resolutions.	Article 6.5.5 of the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations

Note: The Articles of Association are prepared in Chinese and there is no official English version. Therefore, any English translation serves as a reference only. In case of any inconsistencies between the Chinese and English version, the former shall prevail.

The Company will convene the 2022 second extraordinary general meeting to, among other things, consider and, if thought fit, approve the relevant resolution on the proposed amendments to the Articles of Association. A circular containing, among other things, details of the above resolution, together with the notice of the 2022 second extraordinary general meeting, will be despatched to shareholders of the Company in due course.

By order of the Board of Directors
JIN Wenzhong
Chairman

Shanghai, PRC
September 23, 2022

As at the date of this announcement, the Board of Directors comprises Mr. SONG Xuefeng, Mr. JIN Wenzhong and Mr. LU Weiming as executive Directors; Mr. YU Xuechun, Mr. ZHOU Donghui, Mr. CHENG Feng, Mr. REN Zhixiang and Ms. ZHU Jing as non-executive Directors; and Mr. XU Zhiming, Mr. JIN Qinglu, Mr. WU Hong, Mr. FENG Xingdong and Mr. LUO Xinyu as independent non-executive Directors.