

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

ANNOUNCEMENT ON PROGRESS OF REDUCTION OF SHAREHOLDING BY WAY OF CENTRALIZED BIDDING BY SHAREHOLDER

Reference is made to the announcement of Central China Securities Co., Ltd. (the “**Company**”) dated 10 June 2020, in relation to the proposed reduction of shareholding in the Company by Bohai Industrial Investment Fund Management Co., Ltd.* (渤海產業投資基金管理有限公司) (holding the Company’s A shares on behalf of Bohai Industrial Investment Fund* (渤海產業投資基金), “**Bohai Company**”) by way of centralized bidding, a substantial shareholder of the Company (the “**Proposed Reduction by Centralized Bidding**”). Bohai Company planned to reduce its shareholding in the Company by not more than 77,381,414 A shares by way of centralized bidding within 6 months after 15 trading days from 11 June 2020, and the total number of shares to be reduced shall not exceed 1% of the total number of shares of the Company for any 90 consecutive days, and the price for shares involved in the reduction shall be determined based on the market price.

During the period from 6 July 2020 to 29 September 2020, Bohai Company reduced its shareholding in the Company by 38,690,800 A shares by way of centralized bidding, representing 0.83% of the total number of shares of the Company. The price range for the reduction is between RMB5.34 per share to RMB6.60 per share. Considering the passive dilution of Bohai Company’s shareholding following the completion of the non-public issuance of 773,814,000 new A shares by the Company on 30 July 2020 and the disposal of 3,300,000 A shares by Bohai Company by way of block trading during the aforementioned reduction period, as at the date of this announcement, Bohai Company held 492,318,967 A shares of the Company (tradable shares not subject to trading moratorium), representing 10.60% of the total number of shares of the Company. On 29 September 2020, the Company received the Notice Letter of the Progress of Shareholding Reduction from Bohai Company, pursuant to which, half of the shares subject to disposal has been disposed, and half of the period for implementation of the Proposed Reduction by Centralized Bidding will pass on 3 October 2020. The implementation of the Proposed Reduction by Centralized Bidding has not yet been completed.

The implementation of the Proposed Reduction by Centralized Bidding will neither have an impact on the corporate governance structure or ongoing operations of the Company, nor result in a change in control of the Company. During the implementation of the Proposed Reduction by Centralized Bidding, Bohai Company will decide on whether and how to implement the Proposed Reduction by Centralized Bidding according to market conditions, share price of the Company and other factors. The Company will pay constant attention to the subsequent implementation of the Proposed Reduction by Centralized Bidding by Bohai Company and fulfill its information disclosure obligation in a timely manner in accordance with relevant requirements.

By order of the Board of
Central China Securities Co., Ltd.
Jian Mingjun
Chairman

Henan, the PRC
29 September 2020

As at the date of this announcement, the Board comprises executive Directors Mr. JIAN Mingjun and Mr. CHANG Junsheng, non-executive Directors Mr. LI Xingjia, Mr. WANG Lixin, Mr. TIAN Shengchun, Mr. ZHANG Xiaoqi and Mr. LU Benson Cheng, and independent non-executive Directors Mr. YUEN Chi Wai, Mr. NING Jincheng, Mr. YU Xugang and Ms. ZHANG Dongming.