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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)

ANNOUNCEMENT ON THE REPLY TO THE FEEDBACK NOTICE TO THE APPLICATION MATERIALS FOR THE A SHARE RIGHTS ISSUE

References are made to the announcement of 東方證券股份有限公司 (the "**Company**") dated March 30, 2021 and the circular of the Company dated April 22, 2021 (the "**Circular**") in relation to, among others, the proposed issuance of A Shares and H Shares by way of the Rights Issue of the Company, and the announcement of the Company dated December 21, 2021 in relation to the acceptance by the China Securities Regulatory Commission ("**CSRC**") of the Company's application for administrative permission regarding the A Share and H Share Rights Issue. Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Circular.

The board of directors (the "**Board**") of the Company hereby announces that the Company has recently received the CSRC's Notice Regarding First Feedback on the Review of Administrative Permission Items (No. 213403) (《中國證監會行政許可項目審查一次反饋意見通知書》(213403號)) ("**Feedback Notice**") issued by the CSRC, requesting the Company to make written statements and explanations on the relevant issues.

Upon receipt of the Feedback Notice, the Company organized relevant intermediate agencies to review and implement on each issue as mentioned in the Feedback Notice in a timely manner and submitted its written responses (the "**Response**"). The following information in the afore-mentioned Response is related to the Rights Issue Plan disclosed in the Circular:

BASIS OF THE RIGHTS ISSUE AND NUMBER OF THE RIGHTS SHARES

Further information regarding the basis of the Rights Issue and the number of the Rights Shares is specified below:

Under the A Share Rights Issue, A Shares are proposed to be issued to all A Shareholders based on the total number of A Shares after trading hours on the record date determined for the A Share Rights Issue. Under the H Share Rights Issue, H Shares are proposed to be issued to all H Shareholders based on the total qualified number of H Shares determined on the record date for the H Share Rights Issue, both on the basis of 2.8 Rights Shares for every 10 existing A/H Shares with fractions to be dealt with according to relevant requirements of the Shanghai Stock Exchange (“SSE”) and China Securities Depository and Clearing Corporation Limited Shanghai Branch. The A Share Rights Issue and the H Share Rights Issue will proceed on the same basis. The Subscription Price of the A Rights Shares and the H Rights Shares shall be consistent after exchange rate adjustment. Calculated by the total issued Shares of the Company of 6,993,655,803 as at June 30, 2021, the number of Rights Shares to be issued under the Rights Issue will be 1,958,223,624 Shares (comprising 1,670,641,224 A Rights Shares and 287,582,400 H Rights Shares). If there is any change in the total issued Shares prior to the implementation of the Rights Issue due to bonus issue, capitalization of capital reserves or other reasons of the Company, the number of the Rights Shares to be issued will be adjusted based on the total issued Shares after such change.

For details of the above-mentioned Response, please refer to the Company’s announcement on the Reply to the Feedback Notice to the Application Materials for the Rights Issue of 東方證券股份有限公司 (《關於東方證券股份有限公司配股申請文件反饋意見的回覆》) published on the website of the SSE, and the overseas regulatory announcement published on the website of The Stock Exchange of Hong Kong Limited on the same date.

Both the A Share Rights Issue and the H Share Rights Issue of the Company are subject to approval by the CSRC. The Company will fulfill its information disclosure obligations regarding the updates of the above-mentioned issues in a timely manner in strict accordance with the requirements of relevant laws and regulations. Investors are advised to be aware of the investment risks involved.

By order of the Board of Directors
JIN Wenzhong
Chairman

Shanghai, PRC
January 14, 2022

As at the date of this announcement, the Board of Directors comprises Mr. SONG Xuefeng and Mr. JIN Wenzhong as executive Directors; Mr. YU Xuechun, Mr. LIU Wei, 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.