
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Everbright Securities Company Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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光大证券
EVERBRIGHT SECURITIES

光大證券股份有限公司

Everbright Securities Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6178)

2024 INTERIM PROFIT DISTRIBUTION PLAN AND NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

The 2024 first extraordinary general meeting of Everbright Securities Company Limited will be held at 2:30 p.m. on Tuesday, November 19, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC. A notice convening the EGM is set out on pages 6 to 9 of this circular.

Whether or not you are able to attend the EGM, you are advised to read the notice of the EGM and to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as early as possible. For H Shareholders, the form of proxy or any other authorization documents should be returned to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, in person or by post but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 2:30 p.m. on Monday, November 18, 2024) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof if you so wish.

October 25, 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING	6

DEFINITIONS

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

“A Shareholders”	holders of A Shares
“A Shares”	domestic shares of the Company with a nominal value of RMB1.00 each, which are listed on the SSE and traded in RMB (stock code: 601788)
“Articles of Association”	the articles of association of the Company
“Board” or “Board of Directors”	the board of Directors of the Company
“Company”	Everbright Securities Company Limited (光大證券股份有限公司), a joint stock company incorporated in the PRC with limited liability and whose H Shares and A Shares are listed on the main board of the Stock Exchange (stock code: 6178) and the SSE (stock code: 601788), respectively
“Director(s)”	director(s) of the Company
“EGM”	the 2024 first extraordinary general meeting of the Company to be held at 2:30 p.m. on Tuesday, November 19, 2024
“H Shareholders”	holders of H Shares
“H Shares”	ordinary shares of the Company with a nominal value of RMB1.00 each, which are issued outside the PRC, listed on the Stock Exchange and traded in Hong Kong dollars (stock code: 6178)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China
“Shareholders”	shareholders of the Company, including A Shareholders and H Shareholders
“Shares”	shares of the Company, including A Shares and H Shares

DEFINITIONS

“SSE” Shanghai Stock Exchange

“Stock Exchange” The Stock Exchange of Hong Kong Limited

If there is any inconsistency between the Chinese and English versions of this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



光大证券
EVERBRIGHT SECURITIES

光大證券股份有限公司

Everbright Securities Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6178)

Mr. Zhao Ling (*Chairman, Executive Director*)
Mr. Liu Qiuming (*Executive Director, President*)
Ms. Ma Rentao (*Non-executive Director*)
Mr. Lian Yalin (*Non-executive Director*)
Ms. Wang Yun (*Non-executive Director*)
Mr. Yin Yanwu (*Non-executive Director*)
Mr. Xie Song (*Non-executive Director*)
Mr. Qin Xiaozheng (*Non-executive Director*)
Mr. Ren Yongping (*Independent Non-executive Director*)
Mr. Yin Junming (*Independent Non-executive Director*)
Mr. Lau Ying Pan (*Independent Non-executive Director*)
Ms. Chen Xuanjuan (*Independent Non-executive Director*)
Mr. Lv Suiqi (*Independent Non-executive Director*)

*Registered office and
principal place of business
in the PRC:*

No. 1508 Xinzha Road,
Jing'an District,
Shanghai,
PRC

*Place of business in
Hong Kong:*

12/F, Everbright Centre,
108 Gloucester Road,
Wan Chai,
Hong Kong

October 25, 2024

To the Shareholders

Dear Sir or Madam,

**2024 INTERIM PROFIT DISTRIBUTION PLAN
AND
NOTICE OF 2024 FIRST EXTRAORDINARY
GENERAL MEETING**

I. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the EGM to be held at 2:30 p.m. on Tuesday, November 19, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC. The purpose of this circular is to give you the information regarding, among other things, (i) the 2024 interim profit distribution plan; and (ii) the notice of the EGM, to enable you to make an informed decision on whether to vote for or against the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

II. BUSINESSES TO BE CONSIDERED AT THE EGM

An ordinary resolution will be proposed at the EGM for approval: 2024 interim profit distribution plan.

Ordinary Resolution: 2024 Interim Profit Distribution Plan

In response to the relevant requirements of the *Several Opinions of the State Council on Strengthening Supervision, Preventing Risks and Promoting High-Quality Development of the Capital Market* (《國務院關於加強監管防範風險推動資本市場高質量發展的若干意見》) and in order to enhance investors' sense of gain and boost their confidence, the Company proposes to conduct the 2024 interim profit distribution. For the first half of 2024, the consolidated net profit attributable to the shareholders of the parent company was RMB1,390,527,589.65.

After considering Shareholders' returns and the Company's needs for business development, the Company's 2024 interim profit distribution plan is proposed as follows: based on the total share capital of 4,610,787,639 Shares (comprising A Shares and H Shares) of the Company as at June 30, 2024, it is proposed to distribute a cash dividend of RMB0.905 (tax inclusive) per 10 Shares to all A Shareholders and H Shareholders, with the total cash dividend amounting to RMB417,276,281.33.

Pursuant to the above profit distribution plan, the total amount of cash dividend proposed to be distributed by the Company accounts for 30.01% of the consolidated net profit attributable to the shareholders of the parent company for the first half of 2024, which meets the requirements of the *Guidelines for the Application of Self-regulation Rules for Listed Companies No. 1* (《上市公司自律監管指引第1號》) and the Articles of Association.

The above resolution was considered and approved by the Board of Directors on August 29, 2024, and is hereby presented to the Shareholders for consideration and approval at the EGM. If the 2024 interim profit distribution plan is approved by the Shareholders at the EGM, the Company will distribute the cash dividend within two months from the date of the EGM. The cash dividend is denominated and declared in RMB, and will be paid to A Shareholders in RMB and H Shareholders in Hong Kong dollars. The actual distribution amount in Hong Kong dollars will be calculated based on the average benchmark exchange rate of RMB against Hong Kong dollars published by the People's Bank of China for the week prior to and including the date of the EGM.

With respect to details of, among others, the record date and book closure period for the distribution of H Share dividend, as well as the record date and specific payment date for the distribution of A Share dividend, the Company will make separate announcement(s).

LETTER FROM THE BOARD

III. THE EGM

The EGM will be held at 2:30 p.m. on Tuesday, November 19, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC, to consider and, if thought fit, approve the aforesaid resolution. The notice of the EGM is set out on pages 6 to 9 of this circular.

A form of proxy for use at the EGM is enclosed herewith. Whether or not you are able to attend the EGM, you are advised to read the notice of the EGM and to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as early as possible. For H Shareholders, the form of proxy or any other authorization documents should be returned to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, in person or by post but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 2:30 p.m. on Monday, November 18, 2024) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof if you so wish. Computershare Hong Kong Investor Services Limited, the Company's H share registrar, is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Telephone: (852) 2862 8555).

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote by Shareholders at a general meeting must be taken by poll. Therefore, the resolution to be proposed at the EGM will be voted on by poll. The poll results will be posted on the website of the SSE at www.sse.com.cn and on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the EGM.

V. RECOMMENDATION

The Board considers that the aforesaid resolution is in the best interests of the Company and the Shareholders as a whole and accordingly recommends you to vote in favor of such resolution to be proposed at the EGM.

Yours faithfully,
By order of the Board
Everbright Securities Company Limited
Zhao Ling
Chairman

Shanghai, the PRC

NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

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EVERBRIGHT SECURITIES

光大證券股份有限公司

Everbright Securities Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6178)

NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 first extraordinary general meeting (the “**EGM**”) of Everbright Securities Company Limited (the “**Company**”) will be held at 2:30 p.m. on Tuesday, November 19, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC, to consider and, if thought fit, approve the following resolution.

ORDINARY RESOLUTION

1. To consider and approve the 2024 interim profit distribution plan.

By order of the Board
Everbright Securities Company Limited
Zhao Ling
Chairman

Shanghai, the PRC
October 25, 2024

As at the date of this notice, the board of directors of the Company comprises Mr. Zhao Ling (Chairman, Executive Director), Mr. Liu Qiuming (Executive Director, President), Ms. Ma Rentao (Non-executive Director), Mr. Lian Yalin (Non-executive Director), Ms. Wang Yun (Non-executive Director), Mr. Yin Yanwu (Non-executive Director), Mr. Xie Song (Non-executive Director), Mr. Qin Xiaozheng (Non-executive Director), Mr. Ren Yongping (Independent Non-executive Director), Mr. Yin Junming (Independent Non-executive Director), Mr. Lau Ying Pan (Independent Non-executive Director), Ms. Chen Xuanjuan (Independent Non-executive Director) and Mr. Lv Suiqi (Independent Non-executive Director).

NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

Notes:

1. Eligibility for Attending the EGM and Closure of Register of Members for H Shares

The H Share register of members of the Company will be closed for the purpose of determining H Shareholders' entitlement to attend the EGM from Tuesday, November 12, 2024 to Tuesday, November 19, 2024 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the EGM, H Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, November 11, 2024 to complete registration.

The Company will announce separately on the Shanghai Stock Exchange for details of A Shareholders' eligibility for attending the EGM.

2. Proxy

- (1) Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote at the meeting on his or her behalf. A proxy need not be a Shareholder.
- (2) The instrument appointing a proxy must be in writing by the appointor or his/her attorney duly authorized in writing, or if the appointor is a legal entity, either under seal of the legal person or signed by a director or a duly authorized attorney.

To be valid, for H Shareholders, the form of proxy or other documents of authorization must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 24 hours before the time fixed for the EGM (i.e. 2:30 p.m. on Monday, November 18, 2024) (the proxy form for the EGM is enclosed herewith).

Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjourned meeting thereof if they so wish.

3. Registration Procedures for Attending the EGM

A Shareholder or his/her proxy should produce proof of identity when attending the EGM. If a Shareholder is a legal person, its legal representative or other person authorized by the board of directors or other decision-making body of such Shareholder may attend the EGM by producing a copy of the resolution of the board of directors or other decision-making body of such Shareholder appointing such person to attend the meeting.

4. Voting by Poll

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to the resolution to be proposed at the EGM. Results of the poll voting will be posted on the website of the Shanghai Stock Exchange at www.sse.com.cn and on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the EGM.

5. Distribution of Interim Dividend

The board of directors of the Company (the "Board") has proposed to pay an interim cash dividend of RMB0.905 (tax inclusive) per 10 Shares for the six months ended June 30, 2024 to all A Shareholders and H Shareholders, which is expected to amount to RMB417,276,281.33 (tax inclusive) in total, based on the total share capital of 4,610,787,639 Shares (comprising A Shares and H Shares) as at June 30, 2024. The cash dividend is denominated and declared in RMB, and will be paid to A Shareholders in RMB and H Shareholders in Hong Kong dollars. The actual distribution amount in Hong Kong dollars will be calculated based on the average benchmark exchange rate of RMB against Hong Kong dollars published by the People's Bank of China for the week prior to and including the date of the EGM.

If the 2024 interim profit distribution plan is approved by the Shareholders at the EGM, the Company will distribute the cash dividend within two months from the date of the EGM.

With respect to details of, among others, the record date and book closure period for the distribution of H Share dividend, as well as the record date and specific payment date for the distribution of A Share dividend, the Company will make separate announcement(s).

NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

6. Tax Matters

Pursuant to the *Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348)*, the dividend and bonus income received by the overseas resident individual shareholders from the stocks issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax according to the items of “interests, dividend and bonus income”, which shall be withheld by the withholding agents according to the relevant laws. The overseas resident individual shareholders who hold the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China or the tax arrangements between Mainland China and Hong Kong (Macau). The tax rate for dividends under the relevant tax agreements and tax arrangements is generally 10%, and for the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividend (bonus), generally withhold individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividend is not equal to 10%, the following provisions shall apply: (1) for citizens from countries under tax agreements to be entitled to tax rates lower than 10%, the withholding agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the tax authorities, over withheld tax amounts will be refunded; (2) for citizens from countries under tax agreements to be entitled to tax rates higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividend (bonus), and are not obligated to file an application; (3) for citizens from countries without tax agreements or being under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividend (bonus). Pursuant to the *Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to Holders of H Shares Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897)*, a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to holders of H Shares who are overseas non-resident enterprises, shall be subject to the enterprise income tax withheld at a uniform rate of 10%.

Withholding of income tax on H shareholders of Hong Kong Stock Connect

In accordance with the relevant provisions of the *Notification on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81)*, which has been implemented since November 17, 2014:

- For the dividend income obtained by mainland individual investors from investment in H Shares of the Company through HK-Shanghai Stock Connect, the Company shall withhold the income tax as per the 20% tax rate. For the dividend income obtained by mainland securities investment funds from investment in H Shares of the Company through HK-Shanghai Stock Connect, the income tax shall be levied in accordance with the above provisions; and
- For the dividend income obtained by mainland enterprise investors from investment in H Shares of the Company through HK-Shanghai Stock Connect, the income tax on the mainland enterprises shall not be withheld by the Company, and the tax payable shall be declared and paid by the mainland enterprises.

In accordance with the *Notification on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127)* put into force on December 5, 2016:

- For the dividend income obtained by mainland individual investors from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the Company shall withhold the income tax as per the 20% tax rate. For the dividend income obtained by mainland securities investment funds from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the income tax shall be levied in accordance with the above provisions; and
- For the dividend income obtained by mainland enterprise investors from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the income tax on the mainland enterprises shall not be withheld by the Company, and the tax payable shall be declared and paid by the mainland enterprises.

If the H Shareholders of the Company have any questions regarding the above arrangements, they may consult their tax advisers on the tax implications in Mainland China, Hong Kong and other countries (regions) from owning and disposing of the H Shares of the Company.

NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING

7. Others

- (1) The duration of the EGM is expected not to exceed half a day. All Shareholders who attend the EGM shall arrange for their own transportation and accommodation at their own expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Telephone: (852) 2862 8555, Fax: (852) 2865 0990).
- (3) The address of the Company's Board office is at No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC (Postcode: 200040, Telephone: (86) 21 2216 9914, Fax: (86) 21 2216 9964).