

Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated June 22, 2016 (the “**Prospectus**”) issued by 東方證券股份有限公司 (the “**Company**”).

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This announcement is made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

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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: 3958**)

## **PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION, STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

### **PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION**

The Company announces that, on 27 July 2016, the Over-allotment Option was partially exercised by the Joint Global Coordinators on behalf of the International Underwriters in respect of an aggregate of 70,080,000 H Shares (the “**Over-allotment Shares**”), representing approximately 7.32% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), to, among other things, cover over-allocations in the International Offering. The Over-allotment Shares will be issued and allotted by the Company and sold by the Selling Shareholders at HK\$8.15 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

In accordance with relevant PRC regulations regarding the transfer of state-owned shares and the letter issued by the NSSF (Shebaojijinfafa [2016] No. 62) on 28 April 2016, the Selling Shareholders are required to sell an aggregate of 6,370,910 additional Sale Shares, equivalent to 10% of the number of the H Shares to be issued by the Company pursuant to the partial exercise of the Over-allotment Option, and remit the proceeds (after deducting the SFC transaction levy and Hong Kong Stock Exchange trading fee) to an account designated by the NSSF.

## **STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

The Company further announces that the stabilization period in connection with the Global Offering ended on 27 July 2016, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilization actions undertaken by Goldman Sachs (Asia) L.L.C., the Stabilizing Manager, during the stabilization period were:

- (1) over-allocations of an aggregate of 143,000,000 H Shares in the International Offering, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);
- (2) the purchase of an aggregate of 72,920,000 H Shares in the price range of HK\$8.06 to HK\$8.15 per Share on the market (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), representing approximately 7.62% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). The last on-market purchase made by the Stabilizing Manager during the stabilization period was on 22 July 2016 at the price of HK\$8.15 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%); and
- (3) the partial exercise of the Over-allotment Option by the Joint Global Coordinators, on behalf of the International Underwriters, on 27 July 2016 in respect of an aggregate of 70,080,000 H Shares, representing approximately 7.32% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option at the Offer Price per H Share.

The portion of the Over-allotment Option which has not been exercised by the Joint Global Coordinators, on behalf of the International Underwriters, lapsed on 27 July 2016.

## **PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION**

The Company announces that, on 27 July 2016, the Over-allotment Option was partially exercised by the Joint Global Coordinators on behalf of the International Underwriters in respect of an aggregate of 70,080,000 H Shares, representing approximately 7.32% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), to, among other things, cover over-allocations in the International Offering.

The Over-allotment Shares will be issued and allotted by the Company and sold by the Selling Shareholders at HK\$8.15 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in such Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on 3 August 2016.

In accordance with relevant PRC regulations regarding the transfers of state-owned shares and a letter issued by NSSF (Shebaojijinfafa [2016] No. 62) on 28 April 2016 in this regard, proceeds from the conversion of A Shares held by the Selling Shareholders to H Shares upon the partial exercise of the Over-allotment Option (the “**Conversion**”) and sale of such H Shares by the Selling Shareholders, being 6,370,910 H Shares (representing 10% of the number of H Shares to be issued by the Company pursuant to the partial exercise of the Over-allotment Option), will be remitted to an account designated by NSSF (after deducting the SFC transaction levy and Hong Kong Stock Exchange trading fee). The Conversion from A Shares into H Shares was made on a one-for-one basis in accordance with relevant PRC regulations. The Company will not receive any proceeds from the sale of the additional Sale Shares by the Selling Shareholders.

The shareholding structure of the Company immediately before and immediately after the completion of the partial exercise of the Over-allotment Option is as follows:

	Immediately before the partial exercise of the Over-allotment Option		Immediately after the partial exercise of the Over-allotment Option	
	Number of Shares	Approximate percentage of the Company's issued share capital (%)	Number of Shares	Approximate percentage of the Company's issued share capital (%)
<b>A Shares</b>	5,194,742,921	84.44%	5,188,372,011	83.48%
<b>H Shares</b>				
H Shares converted from A Shares and offered for sale by the Selling Shareholders under the Global Offering	87,000,000	1.41%	93,370,910	1.50%
H Shares issued pursuant to the Global Offering	870,000,000	14.14%	933,709,090	15.02%
<b>TOTAL</b>	<u>6,151,742,921</u>	<u>100%</u>	<u>6,215,452,011</u>	<u>100%</u>

The additional net proceeds of approximately HK\$510.6 million to be received by the Company (excluding the proceeds from the sale of the additional Sale Shares by the Selling Shareholders) from the issue and allotment of the Over-allotment Shares after deducting the underwriting commissions, the incentive fees and other estimated expenses in connection with the exercise of the Over-allotment Option, will be used by the Company for the purposes as set out in the section headed “Future Plans and Use of Proceeds — Use of Proceeds” in the Prospectus.

The Company will not receive any of the net proceeds from the sale of the additional Sale Shares by the Selling Shareholders pursuant to the Over-allotment Option.

## STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on 27 July 2016, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilization actions undertaken by Goldman Sachs (Asia) L.L.C., the Stabilizing Manager, during the stabilization period were:

- (1) over-allocations of an aggregate of 143,000,000 H Shares in the International Offering, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);

- (2) the purchase of an aggregate of 72,920,000 H Shares in the price range of HK\$8.06 to HK\$8.15 per H Share on the market (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), representing approximately 7.62% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). The last on-market purchase made by the Stabilizing Manager during the stabilization period was on 22 July 2016 at the price of HK\$8.15 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%); and
- (3) the partial exercise of the Over-allotment Option by the Joint Global Coordinators, on behalf of the International Underwriters, on 27 July 2016 in respect of an aggregate of 70,080,000 H Shares, representing approximately 7.32% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option at the Offer Price per H Share. The Over-allotment Shares will be issued and allotted by the Company and sold by the Selling Shareholders at HK\$8.15 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

The portion of the Over-allotment Option which has not been exercised by the Joint Global Coordinators, on behalf of the International Underwriters, lapsed on 27 July 2016.

The Company continues to comply with the public float requirements under Rule 8.08(1) of the Listing Rules.

By order of the Board of Directors of the Company  
**Pan Xinjun**  
Chairman

Shanghai, PRC, 27 July 2016

*As of the date of this announcement, the Board of Directors comprises Mr. PAN Xinjun and Mr. JIN Wenzhong as executive Directors; Mr. WU Jianxiong, Mr. ZHANG Qian, Mr. WU Junhao, Mr. CHEN Bin, Mr. LI Xiang, Ms. HUANG Laifang and Mr. ZHOU Yao as non-executive Directors; and Mr. LI Zhiqiang, Mr. XU Guoxiang, Mr. TAO Xiuming, Mr. WEI Anning and Mr. PAN Fei as independent non-executive Directors.*