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If you have sold or transferred all your shares in **HAITONG INTERNATIONAL SECURITIES GROUP LIMITED**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HAITONG INTERNATIONAL SECURITIES GROUP LIMITED

海通國際證券集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 665)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “**Annual General Meeting**”) of Haitong International Securities Group Limited (the “**Company**”) to be held at Executive Meeting Room A, 22nd Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on Friday, 24 May 2019 at 10:30 a.m. is set out on pages 22 to 26 of this circular.

A proxy form for use at the Annual General Meeting and any adjournment thereof is enclosed with this circular. Such proxy form can also be downloaded from the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.htisec.com). Whether or not you are able to attend the Annual General Meeting or any adjourned meeting, you are requested to read this notice and complete the proxy form in accordance with the instructions printed thereon and return it to the Company’s Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

18 April 2019

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DEFINITIONS

In this circular (not including the accompanying AGM Notice), the following expressions have the following meanings unless the context requires otherwise:

“AGM Notice”	the notice for convening the Annual General Meeting set out on pages 22 to 26 of this circular;
“Annual General Meeting”	the annual general meeting of the Company to be held at Executive Meeting Room A, 22nd Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on Friday, 24 May 2019 at 10:30 a.m.;
“Board” or “Board of Directors”	the board of Directors;
“Business Day”	means a day (other than a Saturday or a Sunday) on which the Stock Exchange is opened for the business of dealing in securities;
“CG Code”	Corporate Governance Code as set out in Appendix 14 of the Listing Rules;
“Companies Act”	the Companies Act 1981 of Bermuda;
“Company”	Haitong International Securities Group Limited, an exempted company incorporated in Bermuda with limited liability with its Shares listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HKEx”	Hong Kong Exchanges and Clearing Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

DEFINITIONS

“HSCL”	Haitong Securities Co., Ltd., a joint stock company incorporated in PRC with limited liability, whose overseas listed foreign invested shares are listed on the main board of the Stock Exchange (stock code: 6837) and the domestic shares are listed on the Shanghai Stock Exchange (stock code: 600837) and the holding company of HTIH;
“HTIH”	Haitong International Holdings Limited, a company incorporated in Hong Kong with limited liability which is a wholly-owned subsidiary of HSCL and the controlling shareholder of the Company;
“Issue Mandate”	a proposed general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in Ordinary Resolution no. 5.1 in the AGM Notice up to 20% of the issued share capital of the Company as at the date of passing such Ordinary Resolution;
“Latest Practicable Date”	11 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Bye-laws”	the bye-laws of the Company, as amended, supplemented or modified;
“Nomination Committee”	the nomination committee of the Company;
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice;
“PRC”	the People’s Republic of China;

DEFINITIONS

“Repurchase Mandate”	a proposed general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in Ordinary Resolution no. 5.2 in the AGM Notice up to 10% of the issued share capital of the Company as at the date of passing such Ordinary Resolution;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company;
“Share Option(s) ”	the option(s) which are validly vested and exercisable by the holders entitling them to subscribe for a total of 45,642,428 as at the date of this circular;
“Share Repurchase Rules”	the relevant rules set out in Chapter 10 of the Listing Rules to regulate the repurchase by companies with primary listing of their own securities on the Stock Exchange;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers as approved by the Securities and Futures Commission; and
“%”	per cent.



HAITONG INTERNATIONAL SECURITIES GROUP LIMITED

海通國際證券集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 665)

Board of Directors:

Executive Directors

Mr. LIN Yong (*Deputy Chairman and Chief Executive Officer*)

Mr. LI Jianguo (*Deputy Chairman*)

Mr. POON Mo Yiu

Mr. SUN Jianfeng

Mr. SUN Tong

Non-executive Directors

Mr. QU Qiuping (*Chairman*)

Mr. CHENG Chi Ming Brian

Ms. WANG Meijuan

Mr. ZHANG Xinjun

Mr. William CHAN

Independent Non-executive Directors

Mr. TSUI Hing Chuen William *JP*

Mr. LAU Wai Piu

Mr. WEI Kuo-chiang

Mr. WAN Kam To

Ms. LIU Yan

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of

Business in Hong Kong:

22nd Floor, Li Po Chun Chambers

189 Des Voeux Road Central

Hong Kong

18 April 2019

Dear Shareholders

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval of the resolutions regarding the proposed re-election of Directors, the Issue Mandate, the Repurchase Mandate, and to provide you with the AGM Notice.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. QU Qiuping (Chairman), Mr. LIN Yong (Deputy Chairman and Chief Executive Officer), Mr. LI Jianguo (Deputy Chairman), Mr. POON Mo Yiu, Mr. SUN Jianfeng, Mr. SUN Tong, Mr. CHENG Chi Ming Brian, Ms. WANG Meijuan, Mr. ZHANG Xinjun, Mr. William CHAN, Mr. TSUI Hing Chuen William, Mr. LAU Wai Piu, Mr. WEI Kuo-chiang, Mr. WAN Kam To and Ms. LIU Yan.

According to bye-law 86(2) of the New Bye-laws, Mr. WAN Kam To and Ms. LIU Yan, who have been appointed as independent non-executive Directors of the Company with effect from 19 June 2018, shall hold office only until the Annual General Meeting and shall be eligible for election at the Annual General Meeting. In addition, pursuant to bye-laws 87(1) and (2) of the New Bye-laws, Messrs. SUN Jianfeng, CHENG Chi Ming Brian, TSUI Hing Chuen William, LAU Wai Piu and WEI Kuo-chiang shall retire from office by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

The Nomination Committee had assessed and reviewed the written confirmation of independence of each of the independent non-executive Directors who have offered themselves for re-election at the Annual General Meeting (namely Mr. TSUI Hing Chuen William, Mr. LAU Wai Piu, Mr. WEI Kuo-chiang, Mr. WAN Kam To and Ms. LIU Yan) based on the independence criteria as set out in Rule 3.13 of the Listing Rules and are satisfied that all of them remain independent in accordance with Rule 3.13 of the Listing Rules. In addition, the Nomination Committee had evaluated their performance and are of the view that they have provided valuable contributions to the Company and have demonstrated their abilities to provide independent, balanced and objective view to the Company's affairs.

The Nomination Committee is also of the view that each of Mr. TSUI Hing Chuen William, Mr. LAU Wai Piu, Mr. WEI Kuo-chiang, Mr. WAN Kam To and Ms. LIU Yan would bring to the Board their own perspective, skills and experience, as further described in their respective biographies in Appendix II to this circular.

Based on the board diversity policy adopted by the Company, the Nomination Committee considers that each of the independent non-executive Directors of the Company can contribute to the diversity of the Board, in particular, with their strong and diversified educational background and professional experience in their expertise, including their in-depth knowledge in legal and compliance, financial management and connections in various industries.

LETTER FROM THE BOARD

The Board has also noted that: 1) the term of office of the retiring independent non-executive Directors, namely Mr. TSUI Hing Chuen William and Mr. LAU Wai Piu who were appointed in 2004 and 2006 respectively, are more than 9 years. Mr. TSUI and Mr. LAU had made annual confirmations of independence pursuant to Rule 3.13 of the Listing Rules and the Board considers that re-election of Mr. TSUI and Mr. LAU are in the best interests of the Company and the Shareholders as a whole in view of their extensive knowledge and experience; and 2) Mr. WAN Kam To being an independent non-executive Director of the Company subject to re-election at the Annual General Meeting, is a director of 7 or more listed companies. However, Mr. WAN Kam To attended all the regular board meetings and audit committee meetings since his appointment. He also actively participated in the Company's communication meetings and development seminars. The Board believed that Mr. WAN would still be able to devote sufficient time to the Board even he held more than seven listed company directorship.

Particulars of the Directors who offer themselves for re-election at the Annual General Meeting are set out in Appendix II to this circular.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 29 May 2018, a general mandate was given by the Company to the Directors to exercise the power of the Company to allot, issue and deal with Shares. Such general mandate will lapse at the conclusion of the forthcoming Annual General Meeting. In order to give flexibility for the Company to issue any Shares in the event that it becomes desirable, the Board proposes to put forward for your consideration and, if thought fit, approval of Ordinary Resolution no. 5.1 in relation to the Issue Mandate to be proposed at the Annual General Meeting for (i) granting to the Directors a general mandate to allot, issue and deal with Shares with a total nominal amount not exceeding 20% of the issued share capital of the Company as at the date of passing such Ordinary Resolution; and (ii) adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to a maximum of 10% of the issued share capital of the Company as at the date of passing such Ordinary Resolution.

4. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 29 May 2018, a general mandate was also given by the Company to the Directors to exercise the power of the Company to repurchase Shares. Such general mandate will lapse at the conclusion of the forthcoming Annual General Meeting. The Board proposes to put forward for your consideration and, if thought fit, approval of Ordinary Resolution no. 5.2 in relation to the Repurchase Mandate to be proposed at the Annual General Meeting. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in the Appendix I to this circular.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 22 to 26 of this circular. At the Annual General Meeting, Ordinary Resolutions, amongst others, will be proposed to:

- elect Mr. WAN Kam To and Ms. LIU Yan as Directors;
- re-elect each of Messrs. SUN Jianfeng, CHENG Chi Ming Brian, TSUI Hing Chuen William, LAU Wai Piu and WEI Kuo-chiang as Directors;
- grant to the Directors a general mandate to exercise all the powers of the Company to allot, issue and deal with Shares with a total nominal amount not exceeding 20% of the issued share capital of the Company as at the date of passing such Ordinary Resolution;
- grant to the Directors a general mandate to exercise all the powers of the Company to repurchase on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose Shares with a total nominal amount up to a maximum of 10% of the issued share capital of the Company as at the date of passing such Ordinary Resolution; and
- extend the Issue Mandate for the Directors to allot, issue and deal with Shares by adding to it the number of Shares repurchased under the Repurchase Mandate subject to the granting of such general mandates.

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. In accordance with bye-law 66 of the New Bye-laws, the chairman of the Annual General Meeting will therefore demand a poll on each of the resolutions to be proposed at the Annual General Meeting.

An announcement will be published by the Company on the websites of the HKEx (www.hkexnews.hk) and the Company (www.htisec.com) after the conclusion of the Annual General Meeting to inform the Shareholders of the voting results of the Annual General Meeting.

LETTER FROM THE BOARD

7. ACTION TO BE TAKEN

A proxy form for use by the Shareholders at the Annual General Meeting and at any adjournment thereof is enclosed with this circular and such proxy form can also be downloaded from the websites of HKEx (www.hkexnews.hk) and the Company (www.htisec.com).

Whether or not you are able to attend the Annual General Meeting or any adjourned meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

9. RECOMMENDATION

There is no Shareholder who is required to abstain from voting in respect of any of the Ordinary Resolutions.

The Directors are of the opinion that the proposals for the election and re-election of Directors, general mandates to issue and repurchase Shares, among others, are in the best interests of the Company and the Shareholders as a whole and therefore recommend the Shareholders to vote in favour of the Ordinary Resolutions.

10. FURTHER INFORMATION

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully
By order of the Board
LIN Yong
Deputy Chairman and Chief Executive Officer

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,792,329,147 Shares.

Subject to the passing of the Ordinary Resolution in relation to the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 579,232,914 fully paid-up Shares representing not more than 10% of the issued share capital of the Company as at the date of passing such Ordinary Resolution.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate would give the Company additional flexibility where situation warrants for repurchasing the Shares and is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company will only apply its available cash flow or working capital which is legally available for such purpose in accordance with its New Bye-laws and the Companies Act. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may only be derived from capital paid up on the relevant Shares to be repurchased, or funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchases may only be derived from funds of the Company that would otherwise be available for dividend or distribution or the share premium account of the Company.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2018 of the Company in the event that the power to repurchase Shares pursuant to the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest HK\$	Lowest HK\$
2018		
April	4.88	4.38
May	4.72	4.30
June	4.53	3.46
July	3.85	3.32
August	3.70	2.90
September	2.98	2.48
October	2.77	2.25
November	2.86	2.54
December	2.87	2.36
2019		
January	2.80	2.32
February	3.81	2.68
March	3.75	2.86
April (up to and including the Latest Practicable Date)	3.24	2.89

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and the applicable laws and regulations of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

At the Latest Practicable Date, HSCL is deemed to be interested in 3,681,633,864 Shares, representing approximately 63.56% of the issued share capital of the Company. In the event the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, (if the present shareholding structure of the Company remains the same) the aforesaid interest of HSCL would be increased to approximately 70.62% of the issued share capital of the Company. As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336(1) of the SFO, HSCL is holder of over 10% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

The Directors do not propose to repurchase shares which would result in the aggregate amount of the share capital of the Company in public hands reducing to below 25%.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the 6 months preceding the Latest Practicable Date.

This appendix provides you with biographical details of the Directors who will retire from their offices at the Annual General Meeting and being eligible, will offer themselves for re-election at the Annual General Meeting, for consideration of the proposal in relation to the re-election of retiring Directors:

WAN KAM TO

- (a) Mr. WAN, aged 66, was appointed as an Independent Non-executive Director of the Company on 19 June 2018 and is the chairman of the Audit Committee of the Company. Save as disclosed herein, Mr. WAN has not held any other positions with the Company and other members of the Group.
- (b) Mr. WAN graduated from the accountancy department of Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a higher diploma in 1975. He was a partner of PricewaterhouseCoopers where he worked for over 30 years and accumulated extensive experience in auditing, finance advisory and management. Mr. WAN is currently a council member of The Open University of Hong Kong and a fellow member of Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Mr. WAN is also currently an independent non-executive director of various listed companies, namely A-Living Services Co., Ltd, China Resources Land Limited, Fairwood Holdings Limited, Harbin Bank Co., Ltd., Huaneng Renewables Corporation Limited, Kerry Logistics Network Limited, KFM Kingdom Holdings Limited, and Target Insurance (Holdings) Limited. The shares of all these companies are listed on the Stock Exchange. He also serves as an independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd. (listed on the Stock Exchange and the Shanghai Stock Exchange (the “SSE”)) and an independent director of China World Trade Center Co., Ltd. (listed on the SSE). Mr. WAN was previously as an independent non-executive Director of Dalian Port (PDA) Company Limited (listed on the Stock Exchange and the SSE) from June 2011 to June 2017 and S. Culture International Holdings Limited (listed on the Stock Exchange) from May 2013 to July 2017. Save as disclosed herein, Mr. WAN did not hold any other directorships in listed public companies in the last 3 years.

- (c) Mr. WAN had entered into a service agreement with the Company on 19 June 2018 for a term of 3 years commencing from 19 June 2018 to 18 June 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. Mr. WAN is entitled to an annual director's fee of HK\$250,000 payable every half-yearly in equal amounts of HK\$125,000 each.
- (d) Save as disclosed above, Mr. WAN has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. WAN held an interest in: 300,000 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. WAN had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed election of Mr. WAN as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

LIU YAN

- (a) Ms. LIU, aged 48, was appointed as an Independent Non-executive Director of the Company on 19 June 2018 and is a member of the Nomination Committee. Save as disclosed herein, Ms. LIU has not held any other positions with the Company and other members of the Group.
- (b) Ms. LIU holds a Bachelor degree in economics from Central University of Finance and Economics and a master degree in Business Administration from University of Rochester. She is a member of Chinese Institute of Certified Public Accountants (CICPA) and passed all tests for Chartered Financial Analyst (CFA) Program. Ms. LIU has over 20 years of experience in auditing, financial management, taxation and fund management. From 1992 to 1994, Ms. LIU was employed as an analyst at Brilliance Group Holdings Limited. From 1994 to 2001, Ms. LIU worked at PricewaterhouseCoopers as an audit manager. In 2005, Ms. LIU joined Barclays Bank (New York) Global Financial Risk Management Department as an investment manager. She worked as a vice president for Angelo Gordon Asia Limited from 2007 to 2010. From 2010 to 2015, Ms. LIU was a managing director of Fund Management Department and Investment Management Department in China Everbright Limited (Hong Kong). Ms. LIU is currently an independent non-executive director of Tai United Holdings Limited and Great Wall Pan Asia Holdings Limited. She was an independent non-executive director of U Banquet Group Holding Ltd from November 2016 to September 2018. The shares of all these companies are listed on the Stock Exchange. Save as disclosed herein, Ms. LIU did not hold any other directorships in listed public companies in the last 3 years.
- (c) Ms. LIU had entered into a service agreement with the Company on 19 June 2018 for a term of 3 years commencing from 19 June 2018 to 18 June 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. Ms. LIU is entitled to an annual director's fee of HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000 each.
- (d) Save as disclosed above, Ms. LIU has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Ms. LIU held an interest in: 300,000 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Ms. LIU had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed election of Ms. LIU as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

SUN JIANFENG

- (a) Mr. SUN, aged 42, joined the Group in 2010 and was appointed as an Executive Director of the Company with effect from 1 June 2017. He is the Chairman of Corporate Finance and is leading the Corporate Finance Function to provide a wide range of corporate finance services. He is also responsible for the development and management of the Leveraged and Acquisition Finance business. He is also a member of the Executive Committee of the Company. Mr. SUN is also a director of various subsidiaries of the Company as well as a responsible officer of Haitong International Capital Limited and Haitong International Capital (HK) Limited (formerly known as Hai Tong Capital (HK) Limited) under the Securities and Futures Ordinance. Save as disclosed herein, Mr. SUN has not held any other positions with the Company and other members of the Group.
- (b) Mr. SUN holds a Master of Applied Economics from Xi'an Jiaotong University. He possesses extensive experience in the corporate finance industry. He has participated in and completed a number of IPOs in Hong Kong and China. Save as disclosed herein, Mr. SUN has not held any other directorships in listed public companies in the last 3 years.
- (c) Mr. SUN had entered into a service agreement with the Company on 12 May 2017 for a term of 3 years commencing from 1 June 2017 to 31 May 2020 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. His monthly salary is HK\$206,500, and he is also entitled to receive an annual management bonus to be determined by taking into account of operating results of the Group and performance of Mr. SUN.
- (d) Save as disclosed above, Mr. SUN has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. SUN held an interests in (i) 1,915,025 Shares (including the unvested awarded shares granted by the Company pursuant to the share award scheme); and (ii) 2,205,685 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. SUN had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed re-election of Mr. SUN as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

CHENG CHI MING BRIAN

- (a) Mr. CHENG, aged 36, joined the Group in June 2009 and was appointed as an Executive Director of the Company on 1 July 2009. He was re-designated as a Non-executive Director of the Company on 13 January 2010. Mr. CHENG is also a member of the Remuneration Committee and the Strategic Development Committee of the Company. Save as disclosed herein, Mr. CHENG has not held any other positions with the Company and other members of the Group.
- (b) Mr. CHENG holds a Bachelor of Science Degree from Babson College in Massachusetts, U.S.A. Mr. CHENG is currently an executive director of NWS Holdings Limited, chairman and non-executive director of Integrated Waste Solutions Group Holdings Limited, non-executive director of Wai Kee Holdings Limited and Leyou Technologies Holdings Limited. Mr. CHENG was a non-executive director of Newton Resources Ltd (resigned on 23 January 2017) and Beijing Capital International Airport Company Limited (resigned on 2 February 2018). The shares of all these companies are listed on the Stock Exchange. Mr. CHENG is also a director of certain subsidiaries of NWS Holdings Limited. He is mainly responsible for overseeing the infrastructure business and the merger and acquisition affairs of NWS Holdings Limited and its subsidiaries. In addition, Mr. CHENG is also the Chairman of Goshawk Aviation Limited, and a director of SUEZ NWS Limited, PBA International Pte. Ltd. as well as a director of a number of companies in Mainland China, and a non-executive director of Tharisa plc (retired on 1 February 2017), whose shares are listed on the Johannesburg Stock Exchange Limited and the London Stock Exchange plc. Mr. CHENG is currently a member of the Thirteenth Shanghai Municipal Committee of the Chinese People's Political Consultative Conference. Mr. CHENG has previously worked as a research analyst in the Infrastructure and Conglomerates sector for CLSA Asia-Pacific Markets. Save as disclosed herein, Mr. CHENG has not held any other directorships in listed public companies in the last 3 years.
- (c) Mr. CHENG had entered into a new service agreement with the Company on 19 June 2018 for a term of 3 years commencing from 1 July 2018 to 30 June 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. Mr. CHENG is entitled to an annual director's fee of HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000 each.

- (d) Save as disclosed above, Mr. CHENG has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. CHENG held an interest in (i) 880,946 Shares; and (ii) 903,409 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. CHENG had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed re-election of Mr. CHENG as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2) (h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

TSUI HING CHUEN WILLIAM JP

- (a) Mr. TSUI, aged 67, was appointed as an Independent Non-executive Director of the Company on 1 July 2004 and is the Chairman of the Remuneration Committee, a member of the Audit Committee and the Nomination Committee of the Company. Save as disclosed herein, Mr. TSUI has not held any other position with the Company and other members of the Group.
- (b) Mr. TSUI is the founding partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries since 1980. He has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England & Wales since 1981 as well as a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor of the Supreme Court of Republic of Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. TSUI was appointed as a Justice of the Peace by the Government of Hong Kong in 1997. He was admitted to the Roll of Honour of The Law Society of Hong Kong in 2013. Mr. TSUI is currently an independent non-executive director of Mongolia Energy Corporation Limited and Vision Values Holdings Limited and he was an independent non-executive director of International Entertainment Corporation till June 2017. The shares of all these companies are listed on the Stock Exchange. Save as disclosed herein, Mr. TSUI did not hold any other directorships in listed public companies in the last 3 years.
- (c) Mr. TSUI had entered into a new service agreement with the Company on 19 June 2018 for a term of 3 years commencing from 1 July 2018 to 30 June 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. Mr. TSUI is entitled to an annual director's fee of HK\$250,000 payable every half-yearly in equal amounts of HK\$125,000 each.
- (d) Save as disclosed above, Mr. TSUI has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. TSUI held an interests in (i) 346,712 Shares; and (ii) 903,409 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. TSUI had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed re-election of Mr. TSUI as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

LAU WAI PIU

- (a) Mr. LAU, aged 55, was appointed as an Independent Non-executive Director of the Company on 1 December 2006 and is a member of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Risk Committee of the Company. Save as disclosed herein, Mr. LAU has not held any other position with the Company and other members of the Group.
- (b) Mr. LAU is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He possesses over 20 years of extensive experience in accounting and financial management. Mr. LAU is currently an independent non-executive director of Mongolia Energy Corporation Limited and Vision Values Holdings Limited and he was an independent non-executive director of International Entertainment Corporation till June 2017. The shares of all these companies are listed on the Stock Exchange. Save as disclosed herein, Mr. LAU did not hold any other directorships in listed public companies in the last 3 years.
- (c) Mr. LAU had entered into a new service agreement with the Company on 19 June 2018 for a term of 3 years commencing from 1 July 2018 to 30 June 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing to determine the same. Mr. LAU is entitled to an annual director's fee of HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000 each.
- (d) Save as disclosed above, Mr. LAU has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. LAU held an interest in (i) 428,160 Shares; and (ii) 903,409 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. LAU had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed re-election of Mr. LAU as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.

WEI KUO-CHIANG

- (a) Mr. WEI, aged 68, was appointed as an Independent Non-executive Director of the Company on 31 December 2012 and is a member of the Remuneration Committee and the Risk Committee of the Company. Save as disclosed herein, Mr. WEI has not held any other position with the Company and other members of the Group.
- (b) Mr. WEI was awarded a Doctor of Philosophy Degree in Finance from the University of Illinois at Urbana-Champaign in the United States, a Master of Business Administration Degree in Finance from the National Chengchi University in Taiwan, and a Bachelor of Engineering Degree in Industrial Management from the National Taiwan University of Science and Technology. Mr. WEI is currently the Chair Professor of Financial Economics in the School of Accounting and Finance at The Hong Kong Polytechnic University. He previously acted as chair professor, professor, associate professor and assistant professor of finance at a number of prestigious universities, including the University of Mississippi, the University of Miami and the Indiana University at Bloomington/Indianapolis in the United States as well as the The Hong Kong University of Science and Technology (“**HKUST**”), and also served as Director of Value Partners Center for Investing, Director of the Center for Asian Financial Markets and Director of Master of Science (Financial Analysis)/(Investment Management) Programs at the HKUST for many years. Mr. WEI has written a number of research papers on issues such as the United States and Global Capital Markets and Pricing of Assets and he was also a column writer on Hong Kong stock market and warrant trading for Hong Kong Economic Journal for many years. Moreover, he assisted to develop wealth management and investment models for, among others, Hang Seng Bank Limited and The Hongkong and Shanghai Banking Corporation Limited and also organized and conducted a consultancy project for the Government of Hong Kong and Asia-Pacific Economic Cooperation. Mr. WEI has been a council member of the Chinese Finance Annual Meeting and the Global Chinese Real Estate Congress since 2004 and 2008 respectively. Save as disclosed herein, Mr. WEI did not hold any other directorships in listed public companies in the last 3 years.
- (c) Mr. WEI had entered into a new service agreement with the Company on 19 December 2018 for a term of 3 years commencing from 31 December 2018 to 30 December 2021 (both dates inclusive), subject to the retirement and re-election provisions in the New Bye-laws, unless and until terminated by either party giving to the other not less than 3 months’ prior notice in writing to determine the same. Mr. WEI is entitled to an annual director’s fee of HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000 each.

- (d) Save as disclosed above, Mr. WEI has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.
- (e) As at the Latest Practicable Date, Mr. WEI held an interest in: 903,409 Share Options of the Company, in the securities of the Company. Save as disclosed herein, Mr. WEI had no other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no more information relating to the proposed re-election of Mr. WEI as a Director that should be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are also no other matters that need to be brought to the attention of the Shareholders.



HAITONG INTERNATIONAL SECURITIES GROUP LIMITED

海通國際證券集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 665)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Annual General Meeting**”) of Haitong International Securities Group Limited (the “**Company**”) will be held at Executive Meeting Room A, 22nd Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on Friday, 24 May 2019 at 10:30 a.m. for the following business:

1. To receive and consider the audited financial statements for the year ended 31 December 2018 and reports of the board of directors and auditor of the Company;
2.
 - (a) To elect Mr. WAN Kam To as an independent non-executive director of the Company;
 - (b) To elect Ms. LIU Yan as an independent non-executive director of the Company;
 - (c) To re-elect Mr. SUN Jianfeng as an executive director of the Company;
 - (d) To re-elect Mr. CHENG Chi Ming Brian as a non-executive director of the Company;
 - (e) To re-elect Mr. TSUI Hing Chuen William as an independent non-executive director of the Company;
 - (f) To re-elect Mr. LAU Wai Piu as an independent non-executive director of the Company;
 - (g) To re-elect Mr. WEI Kuo-chiang as an independent non-executive director of the Company;
3. To authorize the board of directors of the Company to fix the remuneration of directors of the Company;

NOTICE OF ANNUAL GENERAL MEETING

4. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorize the board of directors of the Company to fix their remuneration; and
5. To consider and, if thought fit, pass with or without modifications the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5.1 “THAT:

- (a) subject to paragraph (c) below, the exercise by the board of directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the board of directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the board of directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the new bye-laws of the Company from time to time; or (iv) an issue of shares upon the exercise of the subscription rights under any option scheme or similar arrangement for the grant or issue to employees and other participants of the Company and/or any of its subsidiaries and associated companies of shares or rights to acquire shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the new bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting;

“Rights Issue” means an offer of shares open for a period fixed by the board of directors of the Company to the holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the board of directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

5.2 “THAT:

- (a) subject to paragraph (b) below, the exercise by the board of directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of the shares of the Company which the board of directors of the Company are authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the new bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

5.3 “THAT subject to the passing of the resolutions nos. 5.1 and 5.2 in the notice convening this meeting, the general mandate granted to the board of directors of the Company to allot, issue and deal with additional shares pursuant to resolution no. 5.1 in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5.2 in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By order of the Board
Haitong International Securities Group Limited
LO Wai Ho
Company Secretary

Hong Kong, 18 April 2019

Principal Place of Business in Hong Kong:
22nd Floor, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Every shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A shareholder who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a shareholder of the Company.
2. In order to be valid, the proxy form, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting thereof.
3. The proxy form for use at the Annual General Meeting is enclosed in the circular. Completion and delivery of the proxy form will not preclude a shareholder of the Company from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if the shareholder of the Company so desires, and in such event, the proxy form will be deemed to be revoked.
4. Where there are joint registered holders of any share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint registered holders are present at the Annual General Meeting personally or by proxy, then one of the registered holders so present whose name stands first on the register of members of the Company in respect of such share, or his/her proxy, shall alone be entitled to vote and will be accepted to the exclusion of other joint registered holders in respect thereof.
5. The register of members of the Company will be closed, for the purpose of determining shareholders' entitlement to attend and vote at the Annual General Meeting, from Tuesday, 21 May 2019 to Friday, 24 May 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, unregistered holders of the shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 20 May 2019.

As at the date of this notice, the board of directors of the Company comprises Mr. QU Qiuping (Chairman), Mr. LIN Yong (Deputy Chairman and Chief Executive Officer), Mr. LI Jianguo (Deputy Chairman), Mr. POON Mo Yiu, Mr. SUN Jianfeng, Mr. SUN Tong, Mr. CHENG Chi Ming Brian*, Ms. WANG Meijuan*, Mr. ZHANG Xinjun*, Mr. William CHAN*, Mr. TSUI Hing Chuen William**, Mr. LAU Wai Piu**, Mr. WEI Kuo-chiang**, Mr. WAN Kam To** and Ms. LIU Yan**.*

* Non-executive Directors

** Independent Non-executive Directors