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中信证券股份有限公司
CITIC Securities Company Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6030)

2022 ANNUAL RESULTS ANNOUNCEMENT

The board of directors of CITIC Securities Company Limited is pleased to announce the audited annual results of the Company and its subsidiaries for the year ended 31 December 2022. This announcement, containing the full text of the 2022 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information accompanying preliminary announcement of annual results. The 2022 Annual Report of the Company and its printed version will be published and delivered to the H Shareholders of the Company and available for viewing on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at http://www.hkexnews.hk and the website of the Company at http://www.citics.com on or before 30 April 2023.

IMPORTANT NOTICE

The Board and the Supervisory Committee and the Directors, Supervisors and Senior Management of the Company warrant the truthfulness, accuracy and completeness of the contents of this results announcement and that there is no false representation, misleading statement contained herein or material omission from this results announcement, for which they will assume joint and several liabilities.

This results announcement was considered and approved at the Fourth Meeting of the Eighth Session of the Board of the Company. All Directors attended this meeting of the Board. No Director raised any objection to this results announcement.

PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers issued the standard and unqualified auditor's reports for the Company's domestic and international financial statements for the year, respectively.

Mr. ZHANG Youjun, head of the Company, Mr. SHI Benliang, the Chief Financial Officer and Ms. XI Zhiying, the head of the Company's accounting department, warrant that the financial statements set out in this results announcement are true, accurate and complete.

The Company's profit distribution plan during the Reporting Period as resolved and approved by the Board is to distribute a cash dividend of RMB4.90 (tax inclusive) for every 10 Shares. This proposal is subject to the approval by the general meeting of the Company.

Forward looking statements, including future plans and development strategies, contained in this results announcement do not constitute a substantive commitment to the investors by the Company. Investors should be aware of investment risks.

There was no appropriation of funds of the Company by the controlling shareholder and its related/connected parties for non-operating purposes.

The Company had made no guarantee to external parties in violation of the stipulated decision-making procedures.

There is no such a situation where the majority of the Directors cannot warrant the truthfulness, accuracy and completeness of the annual results announcement disclosed by the Company.

The Company prepared this results announcement in both English and Chinese versions. In the event of any discrepancies between the English version and the Chinese version of this results announcement, the Chinese version shall prevail.

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CHAIRMAN'S STATEMENT

2022 was an extraordinarily remarkable year. The Communist Party of China (CPC) held the 20th National Congress and depicted a grand blueprint for building China into a modern socialist country in all respects. How the finance sector serves the Chinese modernization and high-quality economic development in the new era deals with various causes, ranging from supporting emerging sectors through financing, promoting the realization of common prosperity, underpinning green and low-carbon development, strengthening financial risk prevention to reinforcing two-way financial opening-up. Although this means more demanding tasks and requirements for the securities industry, new opportunities for development have come along. Facing opportunities and challenges, CITIC Securities achieved pleasing operating results and maintained its leading position in various businesses in the industry. During this year, the Company recorded total revenue and other income of RMB85.941 billion, net profit attributable to shareholders of the Company of RMB21.317 billion, and total assets of RMB1.31 trillion. What delighted me more was that a growing number of clients have chosen us, which indicated a steady increase of clients' trust in CITIC Securities and an expanding friend circle of CITIC Securities.

We took further steps to buttress our foundation for sustainable and healthy development, in a bid to empower our high-quality development. In 2022, we renewed the corporate culture system of CITIC Securities. Exploiting our cultural essence and the wisdom of all employees, we mapped out a systemic roadmap of our corporate culture, as well as put forward our mission of "helping enhance the function of capital markets and serving high-quality economic development" and our core values of "integrity, innovation, excellence, and sharing". In addition, we summarized a ten-point set of consensus statements. The above have constituted the mindset standards and behavior standards for employees of CITIC Securities to observe.

Functioning as a financing intermediary in the capital market, we helped the new economy to develop and the innovative enterprises to grow and excel and rendered services to promote the global presence of Chinese enterprises. In 2022, centering around the STAR Market and the ChiNext Market, CITIC Securities assisted in expediting the development of companies possessing hard technologies, facilitated small and medium-sized enterprises to improve their professional strengths, and incubated the specialized and sophisticated "little giant" enterprises and individual champions in the manufacturing industry, while further developing our services for digital economy innovation sectors such as industrial Internet, cloud computing, AI, big data, and blockchain. Leveraging our services, a total of 68 enterprises effected their equity financing through the STAR Market, the ChiNext Market and the BSE and raised funds of RMB149.7 billion; we delivered services to the issuance of 36 science and technology innovation bonds, through which the issuers raised funds of RMB54 billion; we strategically invested RMB1.7 billion in 22 projects on the STAR Market as a co-investor. To promote our international businesses and innovative businesses around the globe, CLSA (UK) gained the approval for the membership of the exchanges in Germany, Switzerland and the UK, completed the filing as an institution engaged in cross-border conversion of GDR with the Shanghai Stock Exchange and the Shenzhen Stock Exchange, and aided a number of enterprises in issuing GDRs on the SIX Swiss Exchange and LSE, becoming the most active Chinese-backed investment bank engaged in GDR projects.

Implementing inclusive finance and solidly promoting common prosperity, we continued to provide all-round, high-quality and multi-level wealth management and asset management services for residents and all communities. In 2022, we refined our service system for institutional customers such as NSSF accounts, annuity accounts, special account customers, banks and asset management companies, steadily advanced the businesses of enterprise annuity and occupational annuity, and valued the third pillar pension business. Our social security portfolios and basic pension portfolios received an A rating in the annual evaluation by NSSF. To vigorously develop the fund investment consulting business, we furnished fund holders with fund products catering to their risk and return characteristics, so as to maintain and increase the value of their wealth. We prioritized the development of low-threshold and low-risk inclusive financial products and enriched our product line to fully satisfy the wealth management requirements of different customers with respective risk-return preferences.

As a champion of the new development philosophy, we integrated ESG into our business operations. In 2022, the "Strategic Planning Committee" under the Board of Directors was renamed "Strategic Planning and ESG Committee"; the Responsible Investment Statement of CITIC Securities Company Limited was issued for systematical promotion and practice of the concept of responsible investment at the company level. To propel and participate in the innovation of sustainable finance, we guided the green and low-carbon transformation of industrial structure and energy structure through capital allocation and accomplished equity financing at home and abroad for multiple environmental protection enterprises. In particular, we underwrote a total of RMB273.7 billion in 129 green bonds (including carbon-neutral bonds and blue bonds), completed the issuance of the first "carbon-neutral" green bond for a commercial bank, the first green technology innovation exchangeable bond, the largest carbon-neutral CMBS project, the first green technology innovation bond, and other market-leading products. Proactively involved in the construction of the carbon market, the cooperation among industries and the formulation of standards, we pioneered products and services such as credit risk mitigation instruments for carbon mortgage loans, carbon allowance lending value-added trade, and carbon emission reduction investment and trade; we were among the first participants in the trading on the new international carbon market launched by the HKEX. Our MSCI ESG rating was upgraded to BBB.

We have been an ardent supporter of rural revitalization and public benefit. In 2022, to assist in education, consumption and production, we fully leveraged the professional function of "CITIC Securities Charitable Foundation" to donate a total of RMB55.97 million for public interest, of which RMB50.47 million was invested in rural revitalization. Besides, we contributed RMB15.17 million to the construction of the dormitory building for Gaoguan Middle School in Jishishan County, Gansu Province, and the construction was completed; we launched a capability enhancement program for teachers in Jishishan County and other areas under the paired-up assistance initiative. Furthermore, in serving the enterprises operating in poverty-stricken areas, we completed one IPO project and three refinancing projects, raising a total of RMB11.1 billion. Our subsidiary CITIC Futures invested millions of yuan in continuing promotion of the "insurance + futures" project in areas such as Yuanyang County in Yunnan Province.

Looking to the future, China's capital market is getting more pronounced as a pivot in supporting innovative industrial transformation and improving the allocation of residents' wealth, while providing high-quality services to the real economy in a more stable manner. On the new journey in this new era, CITIC Securities will proceed to thoroughly implement the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, follow national strategies, and serve real economy. By earnestly fulfilling our social responsibilities and serving the new development pattern to achieve high-quality development, we will forge ahead with our vision of becoming a domestically leading and internationally first-class Chinese investment bank most trusted by clients around the world, create a greater value for the Shareholders, and contribute our financial strength to the Chinese modernization.

ZHANG Youjun
Chairman
30 March 2023

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

"A Share(s)"	the domestic share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the SSE (stock code: 600030)
"A Shareholder(s)"	holder(s) of A Shares
"BSE"	Beijing Stock Exchange
"China AMC"	China Asset Management Company Limited (華夏基金管理有限公司)
"China CITIC Bank"	China CITIC Bank Corporation Limited (中信銀行股份有限公司)
"CITIC Buyout Fund"	CITIC Buyout Fund Management Company Limited (中信併購基金管理有限公司)
"CITIC Corporation Limited"	CITIC Corporation Limited (中國中信有限公司)
"CITIC Dicastal"	CITIC Dicastal Co., Ltd. (中信戴卡股份有限公司)
"CITIC Financial Holdings"	China CITIC Financial Holdings Limited (中國中信金融控股有限公司)
"CITIC Futures"	CITIC Futures Co., Ltd. (中信期貨有限公司)
"CITIC Global Leasing"	CITIC Global Financial Leasing CO., LTD. (中證寰球融資租賃股份有限公司)
"CITIC Global Trade"	CITIC Global Trade Company Limited (中信寰球商貿有限公司)
"CITIC GoldStone Fund"	CITIC GoldStone Fund Management Company Limited (中信金石基金管理有限公司)
"CITIC Group"	CITIC Group Corporation (中國中信集團有限公司)
"CITIC Holdings"	CITIC Holdings Limited (中信控股有限責任公司)
"CITIC Investment Holdings"	CITIC Investment Holdings Limited (中信投資控股有限公司)
"CITIC Investment Management"	CITIC Investment Management (Shanghai) Co., Ltd. (中信投資管理(上海)有限公司)
"CITIC Limited"	CITIC Limited (中國中信股份有限公司)
"CITIC PE Fund"	CITIC Private Equity Funds Management Company Limited (中信產業投資基金管理有限公司)
"CITIC POLY Fund"	CITIC POLY (Tianjin) Private Equity Fund Management Co., Ltd. (信保(天津)股權投資基金管理有限公司)
"CITIC Prudential"	CITIC Prudential Life Insurance Co., Ltd.
"CITIC Securities Brokerage (HK)"	CITIC Securities Brokerage (HK) Limited
"CITIC Securities Finance MTN"	CITIC Securities Finance MTN Co., Ltd.
"CITIC Securities Investment"	CITIC Securities Investment Limited (中信証券投資有限公司)
"CITIC Securities (Shandong)"	CITIC Securities (Shandong) Co., Ltd. (中信証券(山東)有限責任公司)
"CITIC Securities South China" or "Guangzhou Securities"	CITIC Securities South China Company Limited (formerly known as "Guangzhou Securities Company Limited" (廣州證券股份有限公司))

"CITIC Trust"	CITIC Trust Co., Ltd. (中信信託有限責任公司)
"CITIC United Asia"	CITIC United Asia (Beijing) Enterprise Management Consulting Co., Ltd. (中信裕聯(北京)企業管理諮詢有限公司)
"CITIC Venture"	CITIC Venture Capital (Shanghai) Co., Ltd. (中信創業投資(上海)有限公司)
"CLSA B.V."	a private limited company incorporated under the laws of the Netherlands and becoming a wholly-owned subsidiary of CSI on 31 July 2013
"CLSA Limited"	CLSA Limited
"Company" or "CITIC Securities"	CITIC Securities Company Limited
"Company Law"	the Company Law of the People's Republic of China
"connected transaction(s)"	has the same meaning ascribed to it under the Hong Kong Listing Rules currently in effect and as amended from time to time
"CSC Financial"	CSC Financial Co., Ltd. (中信建投證券股份有限公司)
"CSDC"	China Securities Depository and Clearing Corporation Limited
"CSI"	CITIC Securities International Co., Ltd. (中信証券國際有限公司)
"CSRC"	China Securities Regulatory Commission
"E-Capital Transfer"	E-Capital Transfer Co., Ltd. (證通股份有限公司)
"GoldStone Haorui"	Qingdao GoldStone Haorui Investment Company Limited (青島金石灝汭投資有限公司)
"GoldStone Investment"	GoldStone Investment Co., Ltd. (金石投資有限公司)
"GoldStone Zexin"	GoldStone ZeXin Investment Management Co., Ltd. (金石澤信投資管理有限公司)
"Group"	the Company and its subsidiaries
"Guangdong Securities Regulatory Bureau"	the Guangdong Securities Regulatory Bureau of the CSRC
"Guangzhou Yuexiu Capital" or "Financial Holdings Limited"	Guangzhou Yuexiu Capital Holdings Co., Ltd. (廣州越秀資本控股集團有限公司) (formerly known as "Guangzhou Yuexiu Financial Holdings Co., Ltd." (廣州越秀金融控股集團有限公司))
"GZS Lingxiu"	GZS Lingxiu Investment Co., Ltd. (廣證領秀投資有限公司)
"H Share(s)"	the overseas-listed foreign Share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange (stock code: 6030)
"H Shareholder(s)"	holder(s) of H Shares
"HKEX"	Hong Kong Exchanges and Clearing Limited
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Jiangsu Securities Regulatory Bureau"	the Jiangsu Securities Regulatory Bureau of the CSRC
"Jiangxi Securities Regulatory Bureau"	the Jiangxi Securities Regulatory Bureau of the CSRC
"Kington Securities"	Kington Securities Limited Liability Company (金通證券有限責任公司)
"Ministry of Finance"	the Ministry of Finance of the People's Republic of China
"NSSF"	National Social Security Fund of the PRC
"PRC" or "China"	the People's Republic of China
"PwC"	PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers
"PwC Hong Kong"	PricewaterhouseCoopers
"PwC Zhong Tian"	PricewaterhouseCoopers Zhong Tian LLP
"related party transaction(s)"	has the same meaning ascribed to it under the SSE Listing Rules currently in effect and as amended from time to time
"Reporting Period"	From 1 January 2022 to 31 December 2022
"Securities Law"	the Securities Law of the People's Republic of China
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai Clearing House"	Interbank Market Clearing House Co., Ltd.
"Shenzhen Securities Regulatory Bureau"	the Shenzhen Securities Regulatory Bureau of the CSRC
"Share(s)"	A Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the domestic Share(s) or the overseas-listed foreign Share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the SSE and the Hong Kong Stock Exchange, respectively
"SSE"	Shanghai Stock Exchange
"SSE Listing Rules"	Rules Governing the Listing of Stocks on Shanghai Stock Exchange
"SZSE"	Shenzhen Stock Exchange
"Tianjin Haipeng"	Tianjin Haipeng Technology Consulting Co., Ltd. (天津海鵬科技諮詢有限公司)
"Wind Info"	Wind Information Co., Ltd.
"Xinjiang Equity Exchange"	Xinjiang Equity Exchange Center Co., Ltd. (新疆股權交易中心有限公司)
"Yuexiu Capital" or "Yuexiu Financial Holdings"	Guangzhou Yuexiu Capital Holdings Group Co., Ltd. (廣州越秀資本控股集團股份有限公司) (formerly known as "Guangzhou Yuexiu Financial Holdings Group Co., Ltd." (廣州越秀金融控股集團股份有限公司))
"Yuexiu Financial International"	Yuexiu Financial International Holdings Limited (越秀金融國際控股有限公司)
"Yuexiu Industrial Investment"	Guangzhou Yuexiu Industrial Investment Co., Ltd. (廣州越秀產業投資有限公司) (formerly known as "Guangzhou Yuexiu Financial Holdings Capital Management Co., Ltd." (廣州越秀金控資本管理有限公司))
"Yuexiu Industrial Investment Fund"	Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd. (廣州越秀產業投資基金管理股份有限公司)

MATERIAL RISK FACTORS

The Group's business is highly dependent on the macroeconomic and market conditions of China and other areas in which the Company operates its business. Therefore, fluctuation in the Chinese and international capital markets will have material impact on the operating results of the Group.

The major risks exposed to by the Group mainly include: legal and compliance risk caused by possible failure of the business management and standards to align in a timely manner with changes in national laws and the regulations and rules promulgated by the regulatory authorities; strategic risk where the Group may not be able to adjust the strategic plan in response to the profound changes in the domestic and overseas capital markets; internal operations and management risks arising from the transformation of the Group's business model and the emergence of new businesses and new technologies; market risk that may arise from the fluctuating market price of the financial positions held by the Group; credit risk that may arise from the default or deterioration of credit qualification of its borrower, trading counterparty or the issuer of financial positions held; liquidity risk where the Group may encounter a shortage of fund in fulfillment of payment obligations; operational risk that may arise from the negligence or omission of the internal process management, information system failure or personnel misconduct; reputational risk caused by negative evaluation of the Company by stakeholders due to the Company's operation, management and other behaviors or external events; risks such as currency exchange risk that may arise from the operation of international businesses and financial innovative businesses. In particular, credit risk, market risk and compliance risk are the major risks currently being faced by the Group.

To cope with the above risks, the Group takes preventive measures through its organizational structure, management system, information technology, and other aspects, while at the same time, optimizes its business process and focuses on strengthening the management of credit risk and liquidity risk.

1. COMPANY INFORMATION

1.1. Profile

Name in Chinese	中信証券股份有限公司
Abbreviation in Chinese	中信証券
Name in English	CITIC Securities Company Limited
Abbreviation in English	CITIC Securities Co., Ltd.
Legal Representative	ZHANG Youjun
President	YANG Minghui
Authorized Representatives	YANG Minghui, LIU Xiaomeng

Registered Capital and Net Capital of the Company

In RMB Yuan

	As at the end of the Reporting Period	As at the end of last year
Registered Capital	**14,820,546,829.00**	12,926,776,029.00
Net Capital	**136,199,250,785.40**	107,575,219,488.54

Note: As of the date of publication of the results announcement, the total number of Shares of the Company was 14,820,546,829, of which 12,200,469,974 were A Shares and 2,620,076,855 were H Shares.

Business Qualifications for Each Business of the Company

The Business Scope of the Company includes: securities brokerage (for areas other than Shandong Province, Henan Province, Tiantai and Cangnan Counties of Zhejiang Province), securities investment consulting, financial advice in relation to securities trading and investment activities, securities underwriting and sponsoring, self-operated securities business, securities assets management, securities margin trading, selling of securities investment funds, provision of intermediary introduction services to futures companies, distribution of financial products, stock options market making.

In addition, the Company also has the following business qualifications:

1. Business qualifications approved or certified by the CSRC: entrusted investment management business, online securities entrustment business; entrusted wealth management; operation of overseas securities investment management business by qualified domestic institutional investors (QDII); direct investment; interbank market interest rate swap business; stock index futures trading in proprietary business and asset management business; pilot business of stock return swap; first class OTC option dealer; treasury bond futures trading in proprietary business and securities asset management business; pilot business of agency services for gold and other precious metal spot contracts and proprietary trading for spot gold contracts; custodian business for securities investment funds; and credit risk mitigation instruments selling business; market making business of treasury bond futures; commodities derivatives transaction and the trading of financial products on overseas exchanges; carrying out pilot cross-border business; market making business for listed securities.

2. Business qualifications approved by the stock exchange: market maker of stock exchange fixed income platform; warrants trading; stock repo business; stock pledge-style repo business; margin refinancing and securities relending; Southbound Trading Connect business; bond pledge-style quoted repo business; financing business with respect to exercising rights under share incentive schemes of listed companies; stock options brokerage; proprietary trading for stock options; SSE and SZSE ETF options market makers; China Financial Futures Exchange stock index options market maker; commodity options market maker of Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai Futures Exchange, Shanghai International Energy Trading Center; and member of BSE.

3. Business qualifications approved by SAC: quoted transfer business; OTC market business; OTC trading business; internet-based securities business pilot; cross-border income swap transaction business.

4. Business qualifications approved by the People's Bank of China: qualification for lending transactions and bond transactions in the National Interbank Funding Centre; short-term commercial paper underwriting; market maker in interbank bond market; and primary dealer of open market.

5. Other business qualifications: member of book-entry government bond underwriting syndicates; Class A clearing participant of CSDC; license for operating foreign exchange in securities business (foreign-currency negotiable securities brokerage, foreign-currency negotiable securities underwriting and entrusted foreign-exchange asset management); investment manager for enterprise annuity fund and occupational pension fund; member of underwriting syndicate of policy bank; manager of converted shares of the NSSF; NSSF domestic investment manager; entrusted management of insurance funds; securities investment management for national basic pension insurance fund; pilot refinancing business; sideline insurance agency business; business with special institutional clients of insurance institutions; recommending business and brokerage business through National Equities Exchange and Quotation; market-making business through National Equities Exchange and Quotation; consultancy services relating to the secrecy-involved business of the military industry; member of Shanghai Gold Exchange; product general clearing member of Shanghai Clearing House; foreign exchange settlement and sale business; member of Asset Management Association of China; member of interbank foreign exchange market; member of interbank foreign currency market; member of the Shanghai Commercial Paper Exchange Corporation Ltd.; and trustee of debt financing instruments for non-financial enterprises.

1.2. Contact Person and Methods

	Board Secretary, Securities Affairs Representative, Company Secretary
Name	Board Secretary: WANG Junfeng Securities Affairs Representative: YANG Baolin Company Secretary: LIU Xiaomeng
Contact Address	CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing CITIC Securities Tower, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province (Note: This is a postal address and is in the same building as that of the registered address of the Company. The registered address of the Company corresponds to the name of the building registered with the Shenzhen Real Estate Ownership Registration Centre)
Telephone	0086-10-60836030, 0086-755-23835383
Facsimile	0086-10-60836031, 0086-755-23835525
Email	ir@citics.com

1.3. Basic Information

Registered Address of the Company	North Tower, Excellence Times Plaza (II), No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province
Historical Change of Registered Address of the Company	On 6 April 2000, with the approval of CSRC and the State Administration for Industry & Commerce of the People's Republic of China, the registered office of the Company was changed from Beijing to Shenzhen.
Office Address of the Company	CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing CITIC Securities Tower, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province
Postal Code of Office Address of the Company	100026, 518048
Business Address in Hong Kong	26/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong
Website of the Company	http://www.citics.com
Email	ir@citics.com
Telephone	0086-10-60838888, 0086-755-23835888
Facsimile	0086-10-60836029, 0086-755-23835861
Customer Service Hotline for Brokerage and Asset Management Business	95548, 4008895548
Investor Relations Hotline	0086-10-60836030, 0086-755-23835383
Unified Social Credibility Code	914403001017814402

1.4. Information Disclosure and Availability Places

Media designated for information disclosure by the Company	China Securities Journal, Shanghai Securities News, Securities Times
The websites designated for publication of the Annual Reports of the Company	Website designated by the CSRC: http://www.sse.com.cn (website of the SSE) Website designated by the Hong Kong Stock Exchange: http://www.hkexnews.hk (HKEXnews website of HKEX) Website of the Company: http://www.citics.com
Places where Annual Reports of the Company are available	10/F, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing 16/F, CITIC Securities Tower, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province 26/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong

1.5. Brief Information of the Shares of the Company

Class of Shares	Stock Exchange of Listing	Stock Short Name	Stock Code
A Shares	SSE	CITIC Securities	600030
H Shares	Hong Kong Stock Exchange	CITIC SEC	6030

1.6. Other Information of the Company

1.6.1. History of the Company

The Company was incorporated in Beijing in October 1995, under the name of CITIC Securities Limited, with registered capital of RMB300,000,000. The principal Shareholder of the Company was CITIC Group which directly held 95% of share capital of the Company.

In December 1999, CITIC Securities Limited was converted into a joint stock limited company known as CITIC Securities Company Limited. The registered capital was increased to RMB2,081,500,000 and the direct shareholding of CITIC Group was 37.85%.

In April 2000, with the approval of CSRC and the State Administration for Industry & Commerce of the People's Republic of China, the Company was relocated to Shenzhen.

In December 2002, the Company conducted the initial public offering of 400,000,000 A Shares, and such Shares were listed on the SSE in January 2003 with proceeds of RMB1.8 billion. The total number of Shares of the Company was increased to 2,481,500,000 and the direct shareholding of CITIC Group was 31.75%.

In August 2005, the Company carried out and completed the non-tradable shares reform, and all such Shares were tradable shares, and the direct shareholding of CITIC Group was 29.89%.

In June 2006, the Company completed the A Shares private issuance and the proceeds amounted to RMB4.645 billion. The total number of Shares of the Company increased to 2,981,500,000 and the direct shareholding of CITIC Group was 24.88%.

In September 2007, the Company completed the A Shares public equity issuance and the proceeds amounted to RMB25 billion. The total number of Shares of the Company increased to 3,315,233,800 and the direct shareholding of CITIC Group was 23.43%.

In April 2008, the Company completed a capitalization issue of 10 bonus Shares for every 10 Shares. The total number of Shares of the Company increased to 6,630,467,600.

In June 2010, the Company completed a capitalization issue of 5 bonus Shares for every 10 Shares. The total number of issued Shares of the Company increased to 9,945,701,400.

In October 2011, the Company conducted the initial public offering of 1,071,207,000 H Shares, which were listed and traded on the Hong Kong Stock Exchange in October and November. The net proceeds amounted to approximately HK$13.82 billion, making the Company the first Chinese securities company listed overseas. The total number of Shares of the Company increased to 11,016,908,400, of which 9,838,580,700 Shares were A Shares and 1,178,327,700 Shares were H Shares, and the direct shareholding of CITIC Group was 20.30%.

In February 2013, the largest Shareholder of the Company was changed to CITIC Corporation Limited and its direct shareholding in the Company was 20.30%.

In June 2015, the Company completed the H Share private placement and the proceed amounted to approximately HK$27.06 billion. The total number of Shares of the Company increased to 12,116,908,400, of which 9,838,580,700 Shares were A Shares and 2,278,327,700 Shares were H Shares. The direct shareholding of CITIC Corporation Limited was 15.59%.

In February 2016, CITIC Corporation Limited increased its shareholding in the Company and the direct shareholding of CITIC Corporation Limited increased to 16.50%.

In March 2020, the Company completed the acquisition of Guangzhou Securities by A Shares private placement. The total number of Shares of the Company increased to 12,926,776,029, of which the number of A Shares increased to 10,648,448,329. The direct shareholding of CITIC Corporation Limited was 15.47%. New substantial shareholders, namely Yuexiu Financial Holdings (now renamed as "Guangzhou Yuexiu Capital Holdings Group Co., Ltd. (廣州越秀資本控股集團股份有限公司)") and Financial Holdings Limited (now renamed as "Guangzhou Yuexiu Capital Holdings Co., Ltd. (廣州越秀資本控股集團有限公司)"), with an aggregate shareholding ratio of 6.26%, were added.

In March 2022, the Company completed A+H Share rights issuance and the proceed amounted to approximately RMB27.33 billion. The total number of Shares of the Company increased to 14,820,546,829 Shares, of which A Shares increased to 12,200,469,974 Shares and H Shares increased to 2,620,076,855 Shares. CITIC Limited and CITIC Corporation Limited held a total of 18.45% of the Company's Shares, and Yuexiu Financial Holdings, Financial Holdings Limited and Yuexiu Financial International held a total of 7.47% of the Company's Shares.

After its listing on SSE, the Company has since been included in the SSE 180 Index, SSE 50 Index, CSI 300 Index, FTSE China A50 Index, Dow Jones China 88 Index, MSCI China A50 Index, Hang Seng (China A) Corporate Sustainability Benchmark Index, CSI 300 ESG Benchmark Index, SSE SH Equities Index, SSE Central State-owned Enterprises 50 Index, CSI State-owned Enterprises 200 Index, CSI Connect A Share Investment 50 Thematic Index (中證互聯互通A股投資50主題指數), CSI 180 ESG Index, CSI High Dividend ESG Index, CSI Green Value ESG 100 Index (中證綠色價值ESG100指數), CSI Dividend Growth Low Volatility Index, CSI High Dividend Top Index, SSEF 200 Index and SSE Dividend Allocation Index, etc. After its listing on the Hong Kong Stock Exchange, the Company has since been included in constituent stocks of indices such as the Hang Seng China H-Financials Index, Hang Seng China AH Index Series, Hang Seng Composite Index, Hang Seng Composite Industry Index — Financials, Hang Seng Composite MidCap Index, Hang Seng China (Hong Kong-listed) 100 Index, Hang Seng CSI Shanghai-Hong Kong AH Smart Index, MSCI China Index, Hang Seng (China A) Corporate Sustainability Benchmark Index, FTSE China 50 Index, Hang Seng Climate Change 1.5°C Target Index, Hang Seng China 50 Index, Hang Seng Stock Connect China 80 Index and Hang Seng Stock Connect Greater Bay Area High Dividend Yield Index, which greatly enhanced the prestige of the Company. Since the launch of Shanghai-Hong Kong Stock Connect on 17 November 2014, the Shares of the Company have been included in its northbound trading list and southbound trading list respectively. Upon the launch of Shenzhen-Hong Kong Stock Connect on 5 December 2016, H Share of the Company has become an eligible stock of Shenzhen-Hong Kong Stock Connect.

Changes in registration status during the Reporting Period:

On 22 June and 26 July 2022, the Company completed the filing of amendments to the Articles of Association of the Company and changes to the registered capital and directors with the Shenzhen Administration for Market Regulation, respectively.

Information of first registration:

Date of First Registration: 25 October 1995
First Registered Address: Capital Mansion, No. 6 Xinyuan South Road, Chaoyang District, Beijing
Registration Number of Corporate Legal Person Business License: 10001830
Certificate of Organization Code: 10178144-0
Please refer to "1. Company Information" of the 2002 Annual Report of the Company for the information on the first registration of the Company.

1.6.2. Changes in the businesses

The Company was established by CITIC Group through integrating the original scattered securities operating institutions immediately after the initial start of the securities market in China. At the end of 1996, the Company became one of the first ten securities houses whose stock underwriting qualification was re-approved by CSRC.

In October 1999, the Company became one of the first batch of comprehensive securities companies approved by CSRC and one of the first batch of securities houses whose qualification as a lead underwriter for equity product was re-approved by CSRC. The Company is one of the supervisor members of the Securities Association of China, one of the first batch of securities companies to enter into the national interbank lending market, and one of the first batch of securities companies authorized to engage in stock-secured loans.

In 2002, the Company obtained the qualifications to engage in entrusted investment management business and fund sales agency services.

In 2005, the Company obtained the qualification as enterprise annuity investment manager.

In 2006, the Company became the first batch of securities company to obtain the qualification as a lead underwriter of short-term commercial papers.

In 2007, the Company obtained the qualifications for the trial business of direct investment and overseas securities investment management business as a qualified domestic institutional investor (QDII).

In 2008, the Company became a Class-A clearing participant of CSDC and obtained the qualification for the provision of brokerage services to futures companies.

In 2009, the Company obtained the qualification to manage the transfer of converted shares of the NSSF.

In 2010, the Company obtained the qualifications for margin financing and securities lending business, stock index futures trading in proprietary business and assets management business and was approved to be a domestic investment manager for the NSSF.

In 2011, the Company became one of the first batch of companies to obtain the stock repo trading qualification.

In 2012, the Company obtained the qualifications for underwriting of private placement of SME bonds, entrusted management of insurance funds, distribution of financial products, pilot businesses of stock return swap, pilot refinancing business and consultancy services relating to secrecy-involved business of the military industry.

In 2013, the Company obtained the qualifications for sideline insurance agency business, and treasury bond futures trading in proprietary business and the securities assets management business. It was among the first batch of companies to obtain the qualifications for membership of Shanghai Clearing House on RMB interest rate swaps.

In 2014, the Company was among the first batch of companies to obtain the qualification as a general clearing member of Shanghai Clearing House to conduct the clearing agency business. It obtained the qualifications for agency services business for gold and other precious metal spot contracts and proprietary business for spot gold contracts, OTC option business, Internet-based securities business, New OTC market-making business, securities investment fund custody business, Southbound Trading Connect business, credit risk mitigation instruments selling business and financing business with respect to exercising rights under share incentive schemes of listed companies, and was qualified as a primary dealer of the open market.

In 2015, the Company obtained the qualification of the stock options market making business, and was approved to commence SSE 50 ETF options market making business; the Company became a stock options trading participant on the SSE and obtained the trading permission to commence the stock options brokerage and proprietary trading business.

In 2016, the Company obtained the qualification to manage investment with occupational annuity and was accepted as a non-bank member on the Shanghai Commercial Paper Exchange Corporation Ltd., and obtained the trading permission to commence the rediscount, pledged repurchase, outright repurchase and other transactions of bills.

In 2017, the Company obtained the qualification of market-making of commodity options on the Zhengzhou Commodity Exchange.

In 2018, the Company obtained the qualifications for investment in overseas financial products or instruments that other QDIIs are allowed to invest in using its proprietary capital; obtained the qualifications of market-making on the Shanghai Futures Exchange.

In 2019, the Company obtained the business qualification as principal market maker of listed funds; was approved to conduct the market making business of treasure bond futures and the stock index option market making business; obtained the operation qualification of settlement and sale of foreign exchange business, and can conduct pilot settlement and sale of foreign exchange business; became a member of the interbank foreign exchange market and the interbank foreign currency market, and can engage in spot, forward, swap, currency swap, foreign currency interest rate swap and options trading; obtained the qualification of market-making of commodity options on the Zhengzhou Commodity Exchange and the Dalian Commodity Exchange.

In 2020, the Company can carry out related foreign exchange business on behalf of customers, and became the trustee of debt-financing instruments for non-financial enterprises and can carry out entrusted management business.

In 2021, the Company obtained the qualification of membership on the BSE, carried out the pilot fund investment advisory business, the pilot business of account management function optimization, and centralized clearing agency business for credit default swaps.

In 2022, the Company obtained the qualification of market-making trading of listed securities, and can engage in the pilot market-making business of stocks on the STAR Market, can participate in the market-making and securities lending business on the STAR Market, can independently carry out the lead underwriting business of debt financing instruments of non-financial enterprises, carry out insurance and insurance agency business and agency sale business of personal pension investment fund.

1.6.3. Changes of principal Shareholders

On 13 April 2022, the Company received a notice from CITIC Corporation Limited, the largest Shareholder of the Company, that the Company's operating performance and financial position were consolidated into the financial statements of CITIC Corporation Limited from that date. For details, please refer to the Announcement on the Consolidation of the Company into Its Largest Shareholder of CITIC Securities disclosed by the Company on the website of the Shanghai Stock Exchange (http://www.sse.com.cn) on 14 April 2022 and the announcement on the Consolidation of the Company into its Largest Shareholder's Financial Statements published by the Company on the HKEXnews website of HKEX on 13 April 2022.

On 22 June 2022, the Company received another notification from CITIC Corporation Limited, indicating that CITIC Corporation Limited and CITIC Limited intended to gratuitously transfer a total of 2,733,961,712 shares of the Company, representing 18.45% of the total issued shares of the Company, to CITIC Financial Holdings. The above-mentioned three parties entered into a gratuitous transfer agreement on the same day. The gratuitous transfer has been confirmed by the Ministry of Finance and is yet subject to the approval of the CSRC for the shareholder's qualification of CITIC Financial Holdings. Upon the completion of the gratuitous transfer, CITIC Financial Holdings will succeed to the position as the largest shareholder of the Company. For details, please refer to the "Indicative Announcement of CITIC Securities Company Limited on the Signing of the Gratuitous Share Transfer Agreement by the Largest Shareholder and Changes in Equity", "Detailed Report on Changes in Equity of CITIC Securities Company Limited" and "Announcement of Progress of Change in Equity of the Largest Shareholder in CITIC Securities Company Limited" disclosed on the SSE's website (http://www.sse.com.cn) on 23 June, 23 July and 23 August 2022, respectively as well as relevant overseas regulatory announcements published on the HKEXnews website of HKEX on 22 June, 22 July and 22 August 2022, respectively.

1.6.4. The organization status of the Company

As at the end of the Reporting Period, the Company has six principal wholly-owned subsidiaries, namely CITIC Securities (Shandong), CSI, GoldStone Investment, CITIC Securities Investment, CITIC Futures and CITIC Securities South China, and one principal non wholly-owned subsidiary, namely China AMC. Please refer to "3.4.5. Analysis of principal controlling and non-controlling companies" of this results announcement for details.

1.6.5. Number and distribution of securities branches of the Company

As at the end of the Reporting Period, the Company, CITIC Securities (Shandong), CITIC Securities South China, Kington Securities had 53 branch offices and 317 securities outlets in China. In addition, as at the end of the Reporting Period, CSI had five branches in Hong Kong through its subsidiary.

The number and distribution of domestic securities outlets of the Group are as follows:

Province, city or area	Number of outlets	Province, city or area	Number of outlets	Province, city or area	Number of outlets
Zhejiang	61	Shandong	56	Guangdong	49
Jiangsu	26	Beijing	22	Shanghai	20
Hubei	10	Liaoning	10	Fujian	7
Jiangxi	7	Henan	7	Sichuan	7
Hebei	7	Shaanxi	6	Hunan	6
Tianjin	4	Anhui	3	Shanxi	2
Guangxi	2	Heilongjiang	1	Yunnan	1
Chongqing	1	Jilin	1	Inner Mongolia	1

The number and distribution of other domestic securities branch offices of the Group are as follows:

Province, city or area	Number of branch offices	Province, city or area	Number of branch offices	Province, city or area	Number of branch offices
Zhejiang	7	Shandong	5	Guangdong	7
Jiangsu	5	Beijing	1	Shanghai	2
Hubei	1	Liaoning	2	Fujian	2
Jiangxi	1	Henan	1	Sichuan	1
Hebei	1	Shaanxi	1	Hunan	1
Tianjin	1	Anhui	1	Shanxi	1
Guangxi	1	Heilongjiang	1	Yunnan	1
Chongqing	1	Jilin	1	Inner Mongolia	1
Hainan	1	Guizhou	1	Gansu	1
Xinjiang	1	Ningxia	1	Qinghai	1

1.6.6. Number and distribution of other branches

As at the end of the Reporting Period, CITIC Futures held 46 branch offices and 4 futures outlets in China, the number and distribution of which are as follows:

Province, city or area	Number of branches	Province, city or area	Number of branches	Province, city or area	Number of branches
Beijing	3	Guizhou	1	Inner Mongolia	1
Shanghai	4	Hainan	1	Ningxia	1
Guangdong	6	Hebei	1	Shandong	4
Zhejiang	7	Henan	1	Shanxi	1
Yunnan	1	Hubei	1	Shaanxi	1
Heilongjiang	1	Hunan	1	Sichuan	1
Anhui	1	Jiangsu	3	Tianjin	1
Fujian	1	Jiangxi	1	Xinjiang	1
Gansu	1	Liaoning	2	Chongqing	1
Guangxi	1				

1.7. Other Relevant Information

Auditors engaged by the Company (Domestic)	Name	PwC Zhong Tian
	Office Address	11/F, Pricewaterhouse-Coopers Center, Link Square 2, 202 Hu Bin Road, Huangpu District, Shanghai
	Name of the signing accountant	HAN Dan, LU Yibin
Auditors engaged by the Company (Overseas)	Name	PwC Hong Kong *(Certified Public Accountants Registered Public Interest Entity Auditor)*
	Office Address	22/F, Prince's Building, Central, Hong Kong
	Name of the signing accountant	Yip Siu Foon, Linda
Sponsors performing continuous supervision duties during the reporting period	Name	Tianfeng Securities Co., Ltd
	Office Address	Building 2, Tianfeng Mansion, No. 217 Zhongbei Road, Wuchang District, Wuhan, Hubei Province
	Name of the signing sponsor	LU Yongwei, ZHOU Jianwen
	Period of continuous supervision	From 15 February 2022 to 31 December 2023
Sponsors performing continuous supervision duties during the reporting period	Name	China Post Securities Co., Ltd.
	Office Address	17 Zhushikou Dong Street, Dongcheng District, Beijing
	Name of the signing sponsor	CUI Pingping, LI Yong
	Period of continuous supervision	From 15 February 2022 to 31 December 2023
Legal Advisers as to PRC Laws	Name	Beijing Jiayuan Law Firm
	Office Address	F408, Ocean Plaza, 158 Fuxing Men Nei Street, Xicheng District, Beijing, the PRC
Legal Advisers as to Hong Kong Laws	Name	Jia Yuan Law Office
	Office Address	7 & 17/F, No.238 Des Vouex Road Central, Sheung Wan, Hong Kong
A Share Registrar	Name	CSDC, Shanghai Branch
	Office Address	No. 188 Yanggao South Road, Pudong New Area, Shanghai
H Share Registrar	Name	Computershare Hong Kong Investor Services Limited
	Office Address	Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

1.8. Awards in 2022

♦ **The Company**

Issued by	Awards
SSE	Top 10 Options Brokers, Excellent Options Market Maker, Excellent Funds Market Maker, Top 10 ETF Sellers
SZSE	Excellent Options Brokers, Excellent Options Market Maker, Award for Contribution by New Options Species Market-making, Excellent REITs Liquidity Service Provider, Best ETF Investment Advisor
China Association for Public Companies	List of Public Companies with Abundant Returns, List of Public Companies with Proactive Supervisory Committees, Best Practice Awards for Board Office of Public Companies, Best Practice Cases of Annual Report Performance Briefing of Public Companies
Singapore Exchange	"Excellent Trading Partner" in Forex Futures Trading for 2022
SRP	Best Issuer and Best Performance Award in China
China Securities Journal	**2022 Golden Bull Award in Chinese Securities Industry** Golden Bull Award of Top Ten Securities Companies, Golden Bull Award of Social Responsibility of Securities Companies, Golden Bull Award for Culture Construction of the Securities Industry, Golden Bull Award for Financial Technology of Securities Companies, Golden Bull Wealth Management Team Award, Golden Bull Investment Bank Team Award, Five-Year Golden Bull Broker's Collective Asset Manager
Securities Times	**2022 Jun Ding Award for Securities Investment Bank in China** Full-Service Investment Bank, STAR Market Investment Bank, Investment Bank on the Main Board of Shanghai Stock Exchange and Shenzhen Stock Exchange, Financial Advisor, Overseas Investment Bank, Financial Advisor of Public Reits **2022 Jun Ding Award for Securities Industry Asset Management in China** Jun Ding Award for Full-Service Asset Management Institution **2022 Jun Ding Award for Securities Industry Wealth Management in China** Jun Ding Award for Full-Service Wealth Management Broker
Yicai	Top 10 Investment Banks of the Year of China Financial Value Ranking 2022
Wind Info	**Wind's Best Investment Bank for 2021** Best Investment Bank, Best A-Share Equity Underwriter, Best A-Share IPO Underwriter, Best A-Share Refinancing Underwriter, Best STAR Market Equity Underwriter, Best ChiNext Equity Underwriter, Best Equity Underwriter on Beijing Stock Exchange, Best H-Share IPO Underwriter, Best H-Share IPO Sponsor, Best H-Share IPO Global Coordinator, Best H-Share IPO Bookrunner
New Fortune	**The 15th New Fortune Best Investment Bank** No. 1 Best Local Investment Bank, No. 1 Best Investment Bank in Equity Underwriting, No. 2 Best Investment Bank in Debt Underwriting, No. 1 Best Refinancing Investment Bank, No. 1 Best Investment Bank in Mergers and Acquisitions, No. 1 Best IPO Investment Bank, No. 2 Best Investment Bank in Serving Overseas Markets, Best Innovative Investment Bank, Best Practice ESG Investment Bank
Finance Asia	Best Sustainable Financial Institution Best Project of the Year in China: IPO of BeiGene on STAR Market (CITIC Securities as Bookrunner)

♦ **CLSA Limited**

Issued by	Awards
Asiamoney	**Asiamoney Brokers Poll 2021** No. 2 Best Broker in Asia (Excluding Australia & Japan), No. 2 Best Research and Salesperson in Asia (Excluding Australia & Japan)
Finance Asia	Best IPO Project: IPO of GoTo from Indonesia (CLSA Limited as underwriter)

♦ **Goldstone Investment**

Issued by	Awards
Zero2IPO Group	2022 Top 12 Private Equity Investment Institutions in China
CVINFO	2022 Top 20 Best State-Owned Investment Institutions in China

♦ **CITIC Futures**

Issued by	Awards
Securities Times/ Futures Daily	2022 Best Futures Company in China

♦ **China AMC**

Issued by	Awards
China Securities Journal	Golden Bull Award for Passive Investment Fund Managers
Securities Times	Award for Top 10 Star Fund Companies of the Year, Award for Star Fund Companies with Three-year Overseas Investment

2. FINANCIAL SUMMARY

2.1. Key Financial Data

2.1.1 Key accounting data

In RMB million

Items	**2022**	2021	Variance in Comparison with last year (%)	2020
Total revenue and other income	**85,941**	97,324	-11.70	71,869
Operating profit	**28,277**	31,004	-8.80	19,885
Profit before income tax	**28,950**	31,894	-9.23	20,470
Net profit attributable to owners of the parent	**21,317**	23,100	-7.72	14,902
Net cash inflow/(outflow) from operating activities	**55,258**	5,518	901.41	20,708

Items	**31 December 2022**	31 December 2021	Variance in Comparison with last year (%)	31 December 2020
Total assets	**1,308,289**	1,278,665	2.32	1,052,962
Total liabilities	**1,049,917**	1,064,857	-1.40	867,080
Equity attributable to owners of the parent	**253,118**	209,171	21.01	181,712
Total share capital	**14,821**	12,927	14.65	12,927
Gearing ratio (%) Note	**74.51**	79.18	Decreased by 4.67 percentage points	78.10

Note: Gearing ratio = (total liabilities – customer brokerage deposits – funds payable to securities issuers)/(total assets – customer brokerage deposits – funds payable to securities issuers)

2.1.2 Key financial indicators

Key financial indicators	2022	2021		Variance in comparison with last year (%)	2020	
		After adjustment	Before adjustment		After adjustment	Before adjustment
Basic earnings per share (RMB yuan/share)[Note]	**1.42**	1.69	1.77	-15.98	1.10	1.16
Diluted earnings per share (RMB yuan/share)	**1.42**	1.69	1.77	-15.98	1.10	1.16
Return on weighted average equity (%)	**8.67**	12.07	12.07	Decreased by 3.40 percentage points	8.43	8.43

Note: In February and March 2022, the Company completed A Share Rights Issue and H Share Rights Issue, respectively. In accordance with the Accounting Standards No. 34 – Earnings per Share and the Application Guidelines for Accounting Standards No. 34 – Earnings per Share, and taking into account the bonus issue included in the rights issue, retrospective adjustment was made to the weighted average number of ordinary shares outstanding for each period presented in the above table when calculating the earnings per share

2.1.3 Net capital and relevant risk control indices of the parent company

Items	31 December 2022	31 December 2021
Net capital (RMB million)	**136,199**	107,575
Net assets (RMB million)	**211,825**	173,843
Total risk capital reserves (RMB million)	**66,776**	61,561
Risk coverage ratio (%)	**203.96**	174.74
Capital leverage ratio (%)	**17.79**	14.22
Liquidity coverage ratio (%)	**130.53**	140.76
Net stable funding ratio (%)	**129.64**	126.45
Net capital/net assets (%)	**64.30**	61.88
Net capital/liabilities (%)	**23.94**	16.73
Net assets/liabilities (%)	**37.23**	27.04
Value of proprietary equity securities and derivatives held/net capital (%)	**35.90**	41.37
Value of proprietary non-equity securities and derivatives held/net capital (%)	**269.17**	319.26

Note: The risk control indices for every business of the parent company are in compliance with the relevant requirements of Administrative Measures for the Risk Control Indices of Securities Companies issued by the CSRC.

2.2 Financial Data for the Last 5 Years

2.2.1 Operating results

In RMB million

Items	**2022**	2021	2020	2019	2018
Total revenue and other income	**85,941**	97,324	71,869	57,080	51,061
Operating expenses	**57,664**	66,320	51,984	40,886	39,327
Share of profits and losses of associates and joint ventures	**673**	890	585	801	732
Profit before income tax	**28,950**	31,894	20,470	16,995	12,466
Net profit attributable to owners of the parent	**21,317**	23,100	14,902	12,229	9,390

2.2.2 Financial position

In RMB million

Items	**31 December 2022**	31 December 2021	31 December 2020	31 December 2019	31 December 2018
Issued share capital	**14,821**	12,927	12,927	12,117	12,117
Total equity	**258,372**	213,808	185,882	165,450	156,832
Equity attributable to owners of the parent	**253,118**	209,171	181,712	161,625	153,141
Total liabilities	**1,049,917**	1,064,857	867,080	626,272	496,301
Customer brokerage deposits[Note 1]	**279,402**	251,164	203,111	123,351	97,774
Funds payable to securities issuers	**15,254**	712	1,071	273	148
Total assets	**1,308,289**	1,278,665	1,052,962	791,722	653,133

2.2.3 Key financial indicators

Items	**2022**	2021	2020	2019	2018
Dividends per share (RMB yuan/share)	**0.49**	0.54	0.40	0.50	0.35
Basic earnings per share[Note 2] (RMB yuan/share)	**1.42**	1.69	1.10	0.96	0.74
Diluted earnings per share (RMB yuan/share)	**1.42**	1.69	1.10	0.96	0.74
Return on weighted average equity (%)	**8.67**	12.07	8.43	7.76	6.20
Gearing ratio (%)[Note 3]	**74.51**	79.18	78.10	75.24	71.75

Notes:

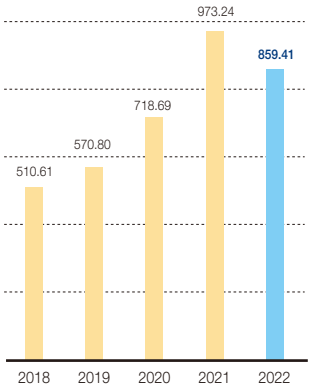
(1) Customer brokerage deposits above represent the amount received from and repayable to clients arising from the normal courses of the Group's securities brokerage business. The fund is restricted and governed by the relevant third-party deposit institutions.

(2) In February and March 2022, the Company completed A Share Rights Issue and H Share Rights Issue, respectively. In accordance with the Accounting Standards No. 34 – Earnings per Share and the Application Guidelines for Accounting Standards No. 34 – Earnings per Share, and taking into account the bonus issue included in the rights issue, retrospective adjustment was made to the weighted average number of ordinary shares outstanding for each period presented in the above table when calculating the earnings per share.

(3) Gearing ratio = (total liabilities – customer brokerage deposits – funds payable to securities issuers)/(total assets – customer brokerage deposits – funds payable to securities issuers)

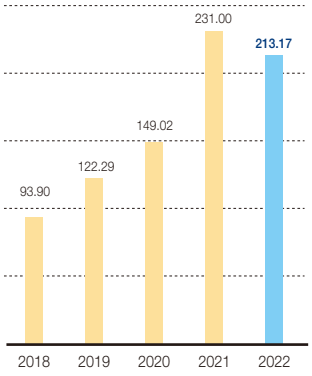
Total revenue and other income

In RMB100 million



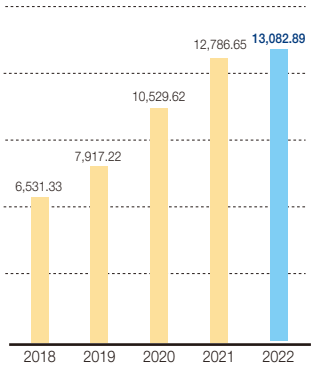
Net profit attributable to owners of the parent

In RMB100 million



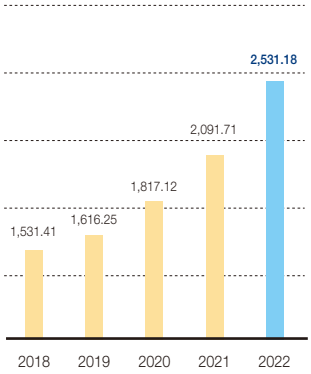
Total asset

In RMB100 million

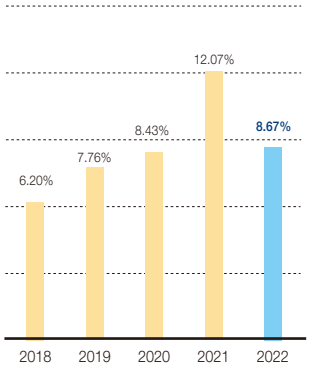


Equity attributable to owners of the parent

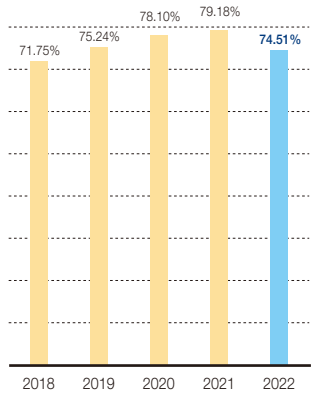
In RMB100 million



Return on weighted average equity



Gearing ratio



3. MANAGEMENT DISCUSSION AND ANALYSIS

3.1. Discussion and Analysis on the Future Development of the Company

3.1.1. Landscape and trend of the industry

It is proposed in the Report to the 20th National Congress of the Communist Party of China to "improve the functions of the capital market and increase the proportion of direct financing". To "build a standardized, transparent, open, dynamic, and resilient capital market", the comprehensive registration system reform will be a top priority, with a focus on promoting the registration system reform of the main boards of Shanghai Stock Exchange and Shenzhen Stock Exchange, and improving the multi-level capital market system. Additionally, the trading system will be improved, margin financing and securities lending and refinancing business mechanisms will be optimized, and the investment side will undergo a reform to raise more medium- and long-term funds. The aim is to build a modern capital market with Chinese characteristics by combining the general laws of the capital market with China's reality. Industry supervision will be a combination of decentralization and management to strengthen supervision during and after events and urge intermediaries to fulfill their duties. Furthermore, there will be a stronger focus on the supervision of information disclosure and corporate governance. Institutional arrangements will be in place to make securities companies better and stronger.

There has been sustained growth potential for top securities companies, leading to a competitive pattern of differentiation and distinctive development. Leading securities companies with quality customer service capabilities are expected to maintain their edge in market competition. The market-making on the STAR Market, an expanded pool of potential GDR investors, pilot scheme of personal pensions, investment advisory services for buyers, a wider range of underlying stocks of margin financing and securities lending, and the launch of derivatives related to the CSI 1000 will create business growth opportunities for brokerage firms. To achieve high-quality development, securities companies need to move beyond their homogeneous business model and focus on professional abilities, characteristics, and advantages. This will allow them to adhere to the road of professional development, gradually build up reputation, and earn the trust of customers and the public.

3.1.2. Development strategy of the Company

The development vision of the Company is to become a "domestically leading and internationally first-class Chinese investment bank most trusted by clients around the world". The Company aims to enhance the competitiveness of its domestic business, expand its market share, and maintain its leading position in China. To achieve this goal, the Company will benchmark itself against top-tier international investment banks and build comprehensive financial services capabilities that meet the needs of global clients. Furthermore, the Company will continuously improve its systems and rules to enhance the comprehensiveness, effectiveness, and timeliness of its internal control system. The Company will also adapt to international operating rules and promote a comprehensive upgrade of its operation and management systems.

3.1.3. Business plan

In 2023, key tasks of the Company for the year ahead include promoting the modernization of the capital market by taking practical actions that align with the Company's development mission and vision. This will continuously inject new momentum to promote high-quality economic development. Additionally, the Company will persist in its international development efforts by accelerating the improvement of its global client market layout and enhancing its cross-border, cross-business, and cross-market comprehensive financial services capabilities. Furthermore, the Company will optimize its business model and management mechanism, with a focus on improving its investment and trading capabilities, promoting business and product innovation, and strengthening its core anti-cyclical capabilities. The Company will firmly establish a sense of boundaries by incorporating the concept of "righteousness" into the whole process of building a world-class investment bank, and ensuring comprehensive risk compliance management. The Company will also continuously optimize the layout of human resources by improving its talent selection and appointment mechanisms, as well as its incentive mechanisms. It will strengthen talent training to meet the business needs of a world-class investment bank. Finally, the Company will increase investment in information technology to promote the construction of a global integrated information system platform. This will allow the Company to continuously improve the capacity, performance, security, and reliability of its information system and enhance its digital operation capability.

3.1.4. Capital requirement

In 2022, the Company conducted all businesses in an orderly manner. The businesses including fixed income and margin financing and securities lending are all capital intensive and have high capital requirements. As of the end of the Reporting Period, the balance of the Group's domestic and overseas short-term and long-term loans, debt instruments issued and non-current liabilities due within one year and short-term financing instruments payable totaled RMB149,377 million. The Company will strengthen its unified management of domestic and overseas capitals, continue to improve its overall capital allocation efficiency and keep exploring new financing products and models to ensure the satisfaction of capital requirement in business development.

3.1.5. Possible risks exposure

The global economy is facing increased risk challenges, with continued high inflation in supply chain gradually spreading to the labor market. Additionally, the global liquidity environment is generally constrained, and there are increasing concerns of a recession in major developed economies overseas. Against this backdrop, the global economy is heading into a phase of low growth. The domestic economic development is facing the pressure from shrinking demand, supply shock and weakening expectations. A volatile external environment and declining external demand are having a greater impact on China's economy, making it difficult to stabilize the economy in short term. With changes in the internal and external environments, credit risks associated with financing businesses and fixed income product investments, and especially risks related to urban investment and local government financing, are still increasing. The growth of credit derivatives, bulk commodities, foreign exchange, and other new businesses comes with noteworthy market risks. Especially, there has been an increased probability of "black swan" and "grey rhino" events given currently unstable market expectations. Therefore, the Company should, in its steady operation, ensure that the risks are detectable and controllable amid business expansion.

3.2. Business Overview

Analysis of principal businesses

The investment banking business of the Group consists of equity financing, debt financing and financial advisory services. The Group provides fund raising and financial advisory services to a wide range of enterprises and other institutional clients in China and globally. The wealth management business of the Group mainly includes securities and futures brokerage business, distribution of financial products and investment consulting services. The institutional stock brokerage business of the Group provides domestic and overseas professional institutional investors client bases with various professional value-added services, including marketing research, transaction execution, equity financing and trading projects recommendation for their investments and trading, in Chinese stock markets and Asia-Pacific, American and other overseas stock markets. The financial market business of the Group mainly includes trading and market-making of equity products, fixed income products and derivatives, foreign exchange business, margin financing and securities lending business, alternative investment and bulk commodity business. Asset management business of the Group includes collective asset management ("**CAM**"), separately managed account ("**SMA**") and specialized asset management ("**SAM**"), fund management and other investment accounts management. The investment business of the Group mainly comprises alternative investment and private equity investment. The Group also provides services such as custody and research.

3.2.1. Investment banking

(1) Equity financing

Market conditions

In 2022, the offering size of A-share (for cash and asset transactions) amounted to RMB1,686,614 million, representing a year-on-year decrease of 7.22%; the offering size of A-share (for cash) amounted to RMB1,517,524 million, representing a year-on-year decrease of 7.01%. Based on the shares underwritten by lead underwriters, the market share of the top ten securities companies in A-share equity underwriting (for cash) amounted to 71.69%. The offering size of Hong Kong IPO amounted to US$13,380 million, representing a year-on-year decrease of 68.76%; the offering size of Hong Kong refinancing market amounted to US$11,785 million, representing a year-on-year decrease of 85.35%. Calculated based on the total offering size distributed evenly among all book runners, the market share of the top ten investment banks in the Hong Kong equity financing market totaled 58.14%.

In 2022, the number of A-share IPOs declined, but the offering size increased, with a total of 428 enterprises completing the IPO process, representing a year-on-year decrease of 18.32%. The total offering size amounted to RMB586,966 million, representing a year-on-year increase of 8.17%. The cumulative IPO passing rate was 92.26%, pointing to a high approval rate for IPO issuance. Refinancing issuance saw a decline. The total issuance size of private placement (for cash) amounted to RMB552,179 million, representing a year-on-year decrease of 23.57%. The total issuance of convertible bonds amounted to RMB273,558 million, representing a year-on-year decrease of 0.30%.

Actions and achievements

In 2022, in respect of domestic equity financing, the Company completed a total of 166 A-share lead underwriting projects with an aggregate lead underwriting size of RMB376,317 million (for cash and asset transactions), representing a year-on-year increase of 13.38%, accounting for a market share of 22.31% and ranking first in the market. With the advancement of registration-based system reform, the Company completed 58 IPO projects, with a lead underwriting size of RMB149,832 million, accounting for a market share of 25.53% and ranking first in the market; 108 refinancing projects with an aggregate lead underwriting size of RMB226,485 million, accounting for a market share of 20.60% and ranking first in the market. Among them, 68 were private placement (for cash) projects with a lead underwriting size of RMB115,564 million, accounting for a market share of 20.93% and ranking first in the market.

Projects	**2022 Lead Underwriting Size *(RMB million)***	**Number of Issuances**	2021 Lead Underwriting Size *(RMB million)*	Number of Issuances
IPOs	**149,832**	**58**	85,922	68
Refinancing issuances	**226,485**	**108**	245,995	126
Total	**376,317**	**166**	331,917	194

Source: Wind Info and the Company's internal statistics

Note 1: When compiling the above table, the date of completion of an IPO, a public equity issuance, an issuance of convertible bonds/exchangeable bonds, a private placement, a rights issue and an issuance of preference shares is the listing date

Note 2: In the event that the amount undertaken by respective underwriter is not specified, the underwriting size of joint-lead underwriting projects is calculated by dividing the total project size by the number of lead underwriters

In 2022, in respect of overseas equity financing, calculated on the basis of the total offering size of projects distributed evenly among all bookrunner roles, the Company completed a total of 43 overseas equity projects with an underwriting size of US$2,383 million in aggregate. Among them, 16 were IPO projects in the Hong Kong market with an underwriting size of US$698 million, 9 were refinancing projects with an underwriting size of US$572 million, ranking the second among Chinese securities companies in respect of equity financing business in the Hong Kong market, and 8 were GDR projects in the Europe market with an underwriting size of US$795 million, ranking the first among Chinese securities companies. The Company completed 10 equity financing projects in overseas markets in the Southeast Asia, India, Australia and other areas, with an underwriting size of US$318 million.

Outlook for 2023

In 2023, the Company will continue to capitalize on the opportunities presented by the capital market reform and development, play a role in serving the real economy, continue to expand customer market development, boost equity project reserve, and increase market share. To achieve these goals, the Company will strengthen industry research and client market analysis, take positive steps to promote business and product innovation, continuously optimize its business structure and quality. Furthermore, the Company will continue to strengthen its presence in equity financing in Hong Kong, GDR, and the return of Chinese concept stocks, thereby continuously enhancing its competitiveness in the global market. The Company will provide clients with high-quality domestic and overseas investment banking services by leveraging its integrated service and platform strength.

(2) *Debt financing*

Market conditions

In 2022, the yield rate of bond market exhibited an overall low level of volatility in the domestic market, the issuance size of bonds amounted to RMB61.54 trillion, representing a year-on-year decrease of 0.35%; and net financing amount reached RMB11.10 trillion, representing a year-on-year decrease of 31.90%. The issuance size of credit bonds (excluding interbank certificates of deposit) amounted to RMB18.07 trillion, representing a year-on-year decrease of 9.94%. The steady growth policy exerted its power, and the issuance scale of treasury bonds increased significantly compared with the same period in 2021; with respect to non-financial corporate bonds, affected by the credit contraction of real estate companies and local government financing vehicles, the overall issuance volume decreased slightly compared to 2021; the issuance of asset-backed securitization shrank obviously. In overseas market, the yield rate of U.S. bond fluctuated on the rise. According to Dealogic's statistics, Chinese enterprises issued a total of 458 offshore bonds with a total issuance scale of US$97,894 million in 2022.

Actions and achievements

In 2022, the Company maintained its leadership in the debt financing business, underwriting a total of 3,555 projects and ranking the first among securities companies. The total underwriting size amounted to RMB1,578,581 million, representing a year-on-year increase of 0.93%. The Company contributed 6.32% of the total underwriting size of the market, ranking the first in the market, and 14.74% of the total underwriting size of securities companies, ranking the first among securities companies.

Projects	**2022** **Lead Underwriting Size *(RMB million)***	**Number of Issuances**	2021 Lead Underwriting Size *(RMB million)*	Number of Issuances
Enterprise bonds	**39,033**	**45**	44,218	59
Corporate bonds	**354,186**	**722**	336,374	663
Financial bonds	**390,774**	**247**	374,538	231
Medium-term notes	**83,123**	**140**	62,694	98
Short-term commercial papers	**18,785**	**50**	23,009	57
Private placement notes	**10,092**	**33**	15,661	49
Project revenue notes	**—**	**—**	65	1
Asset-backed securities	**229,811**	**836**	316,267	942
Convertible bonds/exchangeable bonds	**53,974**	**26**	40,279	25
Local government bonds	**398,802**	**1,456**	350,949	1,193
Total	**1,578,581**	**3,555**	1,564,054	3,318

Source: Wind Info and the Company's internal statistics

In respect of offshore bonds issued by Chinese enterprises in overseas market, the Company completed a total of 141 issuance of bonds with a total underwriting size of US$3,833 million, accounting for market share of 3.92% and ranking the second among Chinese securities companies. The Company also provided customers with structured and leveraged financing, risk solutions, cross-border liquidity management and other diversified services.

Outlook for 2023

In 2023, the Company will further strengthen its domestic and overseas customer services, providing them with financial solution packages. The Company will actively implement national strategies, increase investment in green bonds, carbon-neutral bonds, rural revitalization bonds and science and technology innovation bonds, and drive innovation in bond business and products; continuously promote the publicly-offered infrastructure REITs projects, revitalize the stock assets and expand effective investment; strengthen efforts to explore bond financing opportunities of regional customers to consolidate its regional advantages and competitiveness, and support regional economic construction and coordinated development; vigorously expand in the offshore bond (issued by Chinese enterprises) customer markets, and improve underwriting capacity and market share of overseas bond business.

(3) Financial advisory services

Market conditions

According to Dealogic, in 2022, the total amount of global merger and acquisition transactions announced reached US$3.80 trillion and the number of transactions amounted to 38,900. On a sector basis, the electronics and computer sector was the most active with the value of merger and acquisition transactions announced amounting to US$903,724 million, which accounted for 23.76% of the total amount of merger and acquisition transactions announced; the medical and healthcare sector followed with the amount of merger and acquisition transactions announced amounting to US$365,568 million, accounting for 9.61% of the total amount of merger and acquisition transactions announced. The 3,332 transactions out of all the announced merger and acquisition transactions in the market involved Chinese enterprises, with a transaction size of US$410,377 million, of which 420 were cross-border transactions, with a transaction size of US$52,461 million.

Actions and achievements

In 2022, the size of material assets restructuring transactions in A-share market completed by the Company amounted to RMB107,450 million, ranking the first in the market. The Company has completed a number of influential merger and acquisition and restructuring transactions on the market, including the absorption and merger of XCMG Construction Machinery by XCMG Machinery. The value of global merger and acquisition transactions involving Chinese enterprises completed by the Company amounted to US$41,933 million, ranking second among Chinese securities companies. The Company remained dedicated to strengthening its global merger and acquisition business development efforts. It assisted Chifeng Gold with its privatization and acquisition of control of Golden Star Resources across three overseas locations by means of agreement, and aided Sinomine Resource in cross-border merger and acquisition of lithium resource projects in Zimbabwe, supporting enterprises in expanding and establishing their overseas presence.

Outlook for 2023

In 2023, the Company will keep improving its ability to provide integrated merger and acquisition services to increase its market share. It will focus on key industries to deliver superior merger and acquisition and restructuring services, foster the development of a modern industrial system, facilitate industrial agglomeration, structural adjustment and transformation & upgrading, and enhance its innovation capabilities and core competitiveness. Building on its extensive global network, it will reinforce efforts in cross-border merger and acquisition, merger and acquisition and privatization of overseas-listed companies, and strengthen its merger and acquisition service capabilities in the international market, so as to bolster its global merger and acquisition business competitiveness.

(4) The business of New OTC Market

Market conditions

In 2022, 268 new enterprises were listed on the New OTC Market, representing a surge of 194.51% year-on-year. Among them, 62 were provincial-level specialized and special new enterprises, while 82 were national-level specialized and special new enterprises. The private issuance size of enterprises listed on the New OTC Market increased by 16.03% year-on-year, reaching RMB23,614 million. Notably, 36 enterprises, mainly operating in high-tech industries such as new energy, new materials, and communication equipment, recorded an issuance size of RMB100 million or more.

Through the continuous optimization of its entry mechanism, the New OTC Market's innovation layer underwent four systematic optimization procedures in 2022, resulting in 557 basic layer enterprises entering the innovation layer. This expansion not only increased the size of the innovation layer but also improved its overall quality, providing the BSE with a greater number of high-quality resources and facilitating its high-quality development.

Actions and achievements

The Company continued to operate the business of New OTC Market on the basis of expanding the customer coverage, and increased the coverage of innovative SMEs by seizing the historical opportunity resulting from the deepened reform of the multi-level capital market. In 2022, the Company, as the chief agency broker of the New OTC Market, submitted applications for listing of 11 companies, of which five companies have been successfully listed and two companies have received listing consent letters. The Company continuously supervised a total of 23 listed companies, of which 13 companies entered the innovation layer.

Outlook for 2023

In 2023, the Company will further enhance its business layout in the domains of new technologies, new industries, and new business models. It will delve deeper into key industries with a focus on specialization, refinement, distinctiveness, and originality to identify high-quality clients. Meanwhile, it will also persist in bolstering the professional service capability of the New OTC Market, and endeavor to provide superior investment banking services to innovative SMEs.

3.2.2. Wealth management

Market conditions

In 2022, the domestic securities market witnessed a general downturn, with the average daily trading volume of equity funds declining by over 10% compared to 2021. The SSE Composite Index decreased by 15.13%, the SME Composite Index decreased by 20.06%, and the ChiNext Composite Index decreased by 29.37%.

Actions and achievements

In 2022, the Company launched an overall solution for entrepreneurs' offices as a focus, expanding from cash services to share services, asset services and risk management services. The Company strengthened the capability of investment advisory and core wealth allocation. As of the end of the Reporting Period, the scale of various private equity products allocated to high-net-worth clients amounted to approximately RMB180,000 million; the scale of public funds in the non-money market reached RMB173,300 million, ranking the first in the industry; the public fund investment advisory business had nearly 140 thousand signed-up clients on a cumulative basis, with accumulated contracted assets exceeding RMB10,000 million. The Company officially launched the insurance agency sales business, making it the first and only innovative pilot company approved for sideline insurance agency business in the industry. The Company officially commenced the individual pension investment fund business, becoming one of the first sales institutions in the industry.

As of the end of the Reporting Period, the Company had over 13 million clients on a cumulative basis, and its total assets of clients under custody remained at RMB10 trillion. Among them, nearly 160 thousand were wealth management clients with assets over RMB2 million. The Company, together with CITIC Securities (Shandong) and CITIC Securities South China, provided agency services for stock and fund transactions of a total of RMB36.2 trillion, maintaining the top position in the industry in terms of brokerage business revenue.

Outlook for 2023

In 2023, the Company will continue to rely on the huge development potential of the wealth management market, take advantage of its comprehensive financial services, deepen the customer-centered development model, reinforce the professional capacity of wealth allocation and investment consulting, diversify the integrated wealth management service scenarios, establish a new wealth management team, and improve the digital platform of wealth management, to achieve multi-level, comprehensive and sustained upgrade of wealth management service ecosystem, help promote inclusive finance, serve the real economy and highlight the professional value of wealth management.

3.2.3. Institutional stock brokerage business

Market conditions (refer to the section titled "Wealth Management")

Actions and achievements

The domestic institutional stock brokerage business of the Company mainly covers services for domestic and foreign professional institutional investors such as public funds, insurance companies, private funds, bank wealth management subsidiaries, QFIs, WFOEs, etc. In 2022, the Company continued to maintain its overall leading position in the domestic institutional brokerage business. Among them, the split commission of public funds ranked the first in the market in the first half of 2022; the number of QFI clients increased to 264, ranking the first in the market; the key private fund account opening rate throughout the year amounted to 60%. The Company explored the linkage between primary and secondary markets and deepened multi-dimensional cooperation with equity investment institutions, financial peers and other wealth management institutions in the market.

The offshore institutional stock brokerage business of the Company continued to maintain its leading market share in Asia Pacific region. The Company further expanded its global business, linked the differences between domestic and overseas business models, and built an integrated global institutional stock brokerage business platform. The Company expanded from cash services to asset services, transformed from single business-driven model to a multi-business collaborative model, to provide differentiated and specialized integrated financial services for global clients.

Outlook for 2023

In 2023, relying on domestic and overseas business advantages and customer resources, the Company will continuously promote the integration and expansion of the stock brokerage business for global institutions. In respect of stock brokerage business for domestic institutions, the Company will continue to explore traditional customer market, expand effective customer coverage, develop the business client market of the wealth management institutions and explore new business model. The offshore institutional stock brokerage business of the Company maintained a top-ranked market position in Asia Pacific region. With an eye on the world, the Company will gather consensus, unite and collaborate, actively coordinate various business products and resources of the Company, step up efforts in the development of new fields and new business models, and provide comprehensive equity investment transactions for our clients with full support.

3.2.4. Financial markets

Market conditions

The year 2022 saw the Shanghai and Shenzhen 300 Index fallen by 21.63% and the CSI 500 Index fallen by 20.31%. Throughout the year, growth-style stocks underperformed, while low-valuation stocks remained relatively stable. Most industries experienced a decline, with the exception of the coal industry which saw an increase. The consumer sector experienced a comparatively minor decline, whereas TMT, new energy, and other industries had the largest declines for the year. Most of the major markets overseas recorded decline, with the S&P 500 and Nasdaq index declined by 19.44% and 33.10% respectively. The European STOXX 50 declined by 4.51%, the Hang Seng Index fell by 15.46% and the Hang Seng Technology Index fell by 27.19%. China's bond market performed steadily throughout the year with solid returns, with the China Bond Composite Index rising by 3.29%, though it became more volatile in the fourth quarter. Interest rates for key medium- and long-term maturities of treasury bonds remained low and fluctuated throughout the year, but experienced an uptick in the fourth quarter, while interbank liquidity remained relatively accommodative overall.

Actions and achievements

Over-the-counter derivatives business is continuously deepening its product innovation and expanding its application scenarios. Counter products are also being developed to further enrich the coverage of underlying assets and product structure. In addition, the market-making business is consistently ranking among the top in the market, making the Company one of the first to launch market-making trading of stocks on the STAR Market. The derivatives business demonstrates outstanding trading ability and offers stable income. Moreover, overseas equity derivatives business provides clients with one-stop investment trading services in global markets across time zones.

In terms of fixed income business, the Company gave full play to the advantages of customer resources, improved the comprehensive ability in product design and customer service, and continued to enrich the profit model, with steady development of various businesses. In 2022, the Company's sales scale of interest rate product maintained the first in the industry.

In terms of equity proprietary business, the Company insisted on focusing on the fundamentals of listed companies, while fully playing the positive role of a top-down macro strategy research in portfolio style and industry allocation, and further focusing on reducing portfolio volatility and enhancing the ability to resist the impact of external macro factors. The Company continued to take industry chain research as the entry point and strengthened cross-industry comparative research.

In terms of financing business, the Company took the financing demand of the shareholder group as the new driving force for business growth, with its market share continuing to lead the market; in terms of securities lending business, the Company was qualified to conduct market making and securities lending business on the STAR Market, further consolidating its leading position; in terms of stock pledge business, the Company focused on improving its risk identification and management ability, and the new pledges were all made against high quality underlying assets, contributing to a steady improvement of asset quality; overseas margin business developed steadily.

In terms of alternative investment business, the Company has developed strategies that feature stronger risk resistance and lower correlation with traditional factors. The Company stepped up efforts to develop overseas business and has become more and more experienced in this regard. Besides, it outperformed industry peers in terms of strategies for investing in different markets. The diversification strategy effectively diversified the risks and achieved a positive overall return.

In respect of commodities business, in addition to continuously providing hedging services for industrial customers and asset allocation services for financial institutions, the Company helped the customers effectively avoid and reduce risks resulting from unusual fluctuations in the market through professional capabilities in risk control and market risk hedging, further promoting business expansion and enhancing customer services and maintaining its leadership in the industry.

Outlook for 2023

In terms of equity derivatives business, the Company will stick to a customer-oriented principle, continue to create value for customers, improve product supply and service ecology, continue to improve trading and pricing capabilities, enhance international and regional layout, promote digital operation, focus on specialized features, create differentiated advantages, build an international integrated business platform and provide domestic and foreign customers with a global multi-market and all-day investment and trading experience and integrated financial services.

In fixed income business, the Company will make further efforts in the exploration of the customer market, grasp emerging business opportunities and customer needs, and provide customers with diverse products and trading services. It will continue to develop cross-border business and promote the joint development of domestic and overseas business.

In terms of equity proprietary trading business, the Company will continue to optimize its investment research system, strengthen the integration of macro, meso and micro research, improve business stability, explore more diversified investment models, and enhance its capital utilization capability.

In terms of financing and securities lending business, the Company is poised to capitalize on the registration system reform and other innovation opportunities. It will intensify its efforts in creative product design, shaping business scenarios and investing in financial technologies. Through these efforts, the Company will create long-term competitive advantages, enhance its overall business competitiveness and provide efficient and professional financing and securities lending services to domestic and foreign clients.

Research and development of strategies remain the focus of alternative investment business. The Company will continue to enrich the feature library and factor library, leverage the latest research findings from academia and industry to build models and create diversified investment strategies that meet evolving requirements.

In terms of the commodities business, the Company will continue to increase the market coverage of customers, diversify customer base, optimize customer structure, and strengthen effort in the services for the real industrial customers. We will continue to enrich product design, cover the global mainstream commodity varieties, provide diversified derivative instruments, provide risk hedging instruments and risk transfer channels for domestic and foreign clients.

3.2.5. Asset Management

Market conditions

The transition period of the new regulations on capital management came to an end in 2022, marking the dawn of the net worth era for the asset management industry. Despite the complex macro environment and intensified market volatility, the expansion rate of the asset management industry has slowed down, but it remains positive overall. Looking ahead, as financial reform intensifies, the multi-level capital market system matures and financial market innovation gains momentum, asset management institutions will also encounter more opportunities and challenges. Securities firms' asset management institutions need to build core competitiveness in investment management, product layout, marketing, customer service, financial technology, and other areas. Moreover, they need to capitalize on pivotal opportunities such as the construction of the three pillars of pension system, the upgrading of institutional customized service demand, and the reallocation of residents' wealth, so as to drive the transformation of their business ecology towards high-quality development.

(1) Asset management business of the Company

Actions and achievements

In 2022, in respect of its asset management business, the Company maintained a stable size of pension business as the first pillar while steadily increasing the size of the second pillar; expanded the coverage of its services to state-owned joint-stock banks and wealth management subsidiaries of regional banks, and enhanced cooperation with core customers through diversified strategies and intensive services; completed the public offering transformation of all 19 collective investment schemes; obtained approval from the China Securities Regulatory Commission for the establishment of an asset management subsidiary; and acquired securities trading and public fund licenses from the Hong Kong Securities and Futures Commission for its Hong Kong-based asset management platform.

As of the end of the Reporting Period, the total assets under management ("**AUM**") of the Company amounted to RMB1,417,792 million, including CAM and SMA, with a size of RMB503,307 million and RMB914,485 million, respectively. The market share of the Company's privately-offered asset management business (excluding pension business, publicly-offered collective investment schemes and asset-backed securitization products) under the new regulations on capital management was approximately 16.13%, ranking first in the industry.

	AUM (RMB million)		***Income from Management Fee (RMB million)***	
Category	**2022**	2021	**2022**	2021
CAM	**503,307**	660,485	**1,506.72**	1,800.86
SMA	**914,485**	965,250	**1,366.35**	1,529.82
SAM	**—**	—	**73.27**	94.38
Total	**1,417,792**	1,625,735	**2,946.34**	3,425.06

Source: Statistics from the Company

Note: The size of CAM includes collective investment schemes, excluding pension products; the size of SMA includes pension business; and the size of SAM does not include asset-backed securitization products

Outlook for 2023

In 2023, the Company will further expand and strengthen its asset management business with focus on enhancing its pension business, deepening the coverage of institutional clients, building differentiated competitiveness in the private banking business, expanding retail client base and developing an integrated channel layout. The Company will continue to reinforce its active management capabilities, build absolute return product lines, and improve its ability to capture excess return. While actively promoting the implementation of special strategies of brokers, the Company will prioritize compliance and risk management and comprehensively upgrade its business system to empower business development. Additionally, the Company will facilitate the commencement of business of asset management subsidiaries, and take advantage of its Hong Kong platform to secure rapid growth in foreign asset management scale.

(2) China AMC

Actions and achievements

In 2022, China AMC saw outstanding medium- and long-term results in its equity funds. It maintained industry leadership in the number of product offerings and capital raised, established a leading brand in personal pensions and remained at the forefront of the publicly-offered REITs business. It also enhanced its social security product layout, improved the structure of actively managed SMA services and sustained stable growth in institutional business. Additionally, more efforts were made to promote digital transformation, strengthen the human resources system and further expand the overall asset management scale. As at the end of the Reporting Period, the total AUM of China AMC reached RMB1,721,626 million, of which, the AUM of public funds reached RMB1,137,477 million and the AUM of institutional and international business reached RMB584,145 million.

Outlook for 2023

In 2023, China AMC will further refine its product strategy, improve its investment methodology and make every effort to enhance its investment performance. It will also scientifically allocate newly issued funds to lead the development of innovative business, and keep beefing up the risk control system to facilitate steady growth in institutional business. Moreover, it will promote the development of digital integration, strengthen financial technology capabilities and build a team of talents in pursuit of excellence, thereby maintaining its comprehensive competitiveness in the industry.

3.2.6. Custody

Market conditions

In 2022, due to frequent fluctuations in the capital market, the asset management industry saw greater volatility in the net value of various public and private equity products. The regulatory authorities issued guidelines to support custodians in faithfully fulfilling their fiduciary responsibilities and proactively practicing innovative development. "New Financial Instrument Standards" for asset management products went into effect, which improved information transparency and promoted the healthy development of the financial market. According to the latest data of Asset Management Association of China, as of the end of the Reporting Period, the management scale of public funds was RMB26.03 trillion and the management scale of private funds was RMB20.03 trillion.

Actions and achievements

In 2022, the Company continued to consolidate its leading position in the field of custody and fund services, led service innovation, and launched the "Xin-e-bao" (信e寶) cash value-added open information platform; the Company completed the first transaction of its credit default swap centralized clearing agency business in the inter-bank market; offshore fund administration service institutions obtained Trust or Company Service Providers ("**TCSPs**") license in Hong Kong; the first "Xin e+" platform integrating fundraising, contract signing and product management for custodial securities companies was continuously optimized and perfected; the function of direct-link settlement with custodians in the inter-bank bond market was fully launched; the Company's fund investment research and analysis platform was released. As of the end of the Reporting Period, the Company's asset custody and fund operation outsourcing business continued to grow, and the Company had been providing asset custody services for 13,960 existing products and providing fund operation outsourcing services for 15,406 existing products.

Outlook for 2023

In 2023, the Company will make full use of domestic and overseas business resources and customer resources, rely on the synergy mechanism to give full play to its integrated and comprehensive advantages, improve its services as a public fund manager, and attract more private fund clients. The Company will build a comprehensive, high-quality and professional integrated financial service system through technological empowerment and refined management.

3.2.7. Equity investment

Market conditions

Zero2IPO's data shows that the number of new funds raised in China's equity investment market in 2022 was 7,061, representing a year-on-year increase of 1.2%; the disclosed raised amount was RMB2,158.3 billion, representing a year-on-year decrease of 2.3%. Fundraising trends remained polarized, with large-scale funds maintaining a relatively stable pace of establishment and fundraising. Although the number of small-scale funds below RMB100 million accounted for more than 60%, they represented no more than 10% of the total amount. The market investment pace in 2022 slowed down significantly, with 10,650 investment deals for the year, indicating a 13.6% decrease. The total investment amount was RMB906.7 billion, representing a year-on-year decrease of 36.2%. There was an increased proportion of investment in industries such as semiconductors, new energy and automobiles. In terms of exits, the number of IPO exits for the year was 2,696, with a 13% year-on-year decrease. The proportion of mergers and acquisitions, transfers and repurchases increased somewhat, and IPO remained the main exit method.

(1) CITIC Securities Investment

Actions and achievements

In 2022, as an alternative investment subsidiary of the Company, CITIC Securities Investment closely monitored the development of the capital market and the macro situation in China and abroad, with a fundamental focus on serving the real economy. Its new investments were primarily directed towards the areas of new energy, semiconductors, new materials, advanced intelligent manufacturing, innovative medicine and new equipment.

Outlook for 2023

In 2023, CITIC Securities Investment will continue to be guided by the national strategic needs and further increase its support to the real economy. It will focus on major projects that are strategic, global and forward-looking in nature, and actively invest in high-quality real enterprises related to independent innovation and cutting-edge technologies around new industrialisation and the upgrading and transformation of the manufacturing industry, so as to continue to provide a boost to the high-quality development of the social economy.

(2) GoldStone Investment

Actions and achievements

As a platform for the Company to raise and manage private equity investment funds, in 2022, GoldStone Investment initiated and established funds with a combined size of over RMB10 billion. GoldStone Investment, as the fund manager, supported the development of enterprises in line with the layout of national strategic emerging industries and with core competitiveness by way of equity investment. In terms of investment, GoldStone Investment made outward investment of nearly RMB10 billion in 2022 in various fields such as new materials, new energy, new generation of information technology and healthcare. As of the end of the Reporting Period, GoldStone Investment had more than 20 private equity investment funds under management.

From the establishment of the first REITs fund in China in 2014 to the end of the Reporting Period, CITIC GoldStone Fund, a wholly-owned subsidiary of GoldStone Investment, has cumulatively established property private funds of approximately RMB30.982 billion, ranking forefront among the property funds with the cumulative management scale in China. As of the end of the Reporting Period, CITIC GoldStone Fund and its subsidiaries had approximately RMB7.737 billion of funds under management.

Outlook for 2023

GoldStone Investment will take a "top-down, research-first" approach to identifying investment targets and achieving systematization and systematism in investment. In 2023, it will continue to invest in enterprises with forward-looking technologies and high-tech barriers, with a focus on opportunities in fields of new materials, new energy, healthcare and new generation of information technology, and continue to empower enterprises in post-investment management to enhance the industrial value. In addition, GoldStone Investment will also continuously expand its overseas investment and seize economic development opportunities in new regions as a beneficial supplement to its domestic investment.

3.2.8. Research

In 2022, the Company offered professional, forward-thinking, and comprehensive research services to global investors, supporting diverse businesses and providing comprehensive customer service across various industries. Its research business boasted a diverse product portfolio, with a publication of 10,112 reports throughout the year. The Company also provided international reports to markets in Europe, the United States, and the Asia-Pacific region, establishing a globally-oriented but locally-informed CITIC research brand in the international arena. The Company has comprehensive research capabilities backed by 12 quantitative and industry-specific research teams, which analysed over 1,600 listed companies, and has also established research relationships and business connections with top-performing companies in various fields. Over the course of the year, the Company held 19 offline forum activities, including events at major international venues such as "China International Fair for Trade in Services" and "World Artificial Intelligence Conference", and its research capabilities and industry appeal earned recognition from the market. The Company stepped up efforts on network conferences and online services, successfully hosting more than 50 large and medium-sized industry forums online, as well as the semi-annual strategy meeting with the theme of "Gathering Strength to Accelerate" and the annual strategy meeting themed on "Gathering Strength to Breakthrough". These efforts have increased the Company's social reputation and market influence.

In 2023, the Company will continue to concentrate its research efforts on Chinese companies, while also prioritizing the needs of professional investors. Additionally, the Company aims to broaden its research influence, bolster its reputation, and increase its overall value.

3.3. Core Competitiveness Analysis

In the course of 27 years of development, backed by powerful shareholder background, and adhering to the development principle of Seven Commitments, the Company has developed and achieved a sound corporate governance structure, prospective strategic layout and complete business system, solid capital strength and industry-leading operating results, profound customer resources, excellent corporate culture system, all of which contribute to the core competitiveness of the Company.

1. Adhering to the development principle of "Seven Commitments"

The Company concludes the principle of "Seven Commitments", which serves as the core value of the Company and is also the constant motivation for corporate development: We adhere to the commitment to the party's leadership that provides sound political protection for corporate development; the commitment to the business objective of following the national strategy and serving the real economy; the commitment to the client-oriented business approach which allows us to achieve mutual development with clients; the commitment to operating philosophy of compliance operations and stringent risk management; the commitment to innovation and entrepreneurship with a persistent ambition; the commitment to the talent nurture strategy which is under people-focused and market-oriented management; and the commitment to uphold and promote the excellent corporate culture and tradition of the Company.

2. Powerful shareholder background and sound corporate governance structure

Founded on integrating the securities business under CITIC Group, the Company has grown from a small and medium-sized securities company into a large integrated securities group with the full support from CITIC Group. Listed on SSE in 2003 and on the Hong Kong Stock Exchange in 2011, the Company is China's first listed securities company in terms of A share, H share IPO. The Company has formed a sound corporate governance structure centering on the general meeting, the Board, the Supervisory Committee and the Operation Management, which ensures the Company's sustained healthy development under the long-term market-based operation mechanism.

3. Prospective strategic layout and comprehensive financial services capabilities

The Company has been exploring and putting into practice new business models over the years. It took the lead in the industry in proposing and practicing the flow-based business, drives wealth management transformation and engages in business such as direct investment and block trading; by acquisition and continuous cultivation, it has established its leading strength in fund, futures, commodity and other business; it has expanded investment in business such as fixed income, margin financing and securities lending, equity derivatives and alternative investment and established the financial market business system. The Company has obtained qualifications for multiple businesses permitted by domestic and foreign regulatory authorities, forming a full-product, full-market and full-business coverage landscape, with basic financial functions in investment, financing, trading and custody gradually improved.

4. Solid capital strength and industry-leading operating results

The Company has boasted prominent scale advantage in net capital, net assets and total assets. It is the first securities company in the industry with total assets exceeding one trillion yuan and has ranked first in the industry in terms of operating income and net profit for 17 consecutive years. With sustained leading position in the market in respect of investment banking, wealth management, asset management, financial market and other businesses over the years, it has achieved wide reputation and brand strength in domestic market. Over the years, the Company has won many awards granted by Asiamoney, Financial Times, Forbes, SSE, SZSE and other domestic and overseas institutions.

5. Profound customer resources and extensive network layout

The Company has kept developing as driven by the philosophy of being client-centric and growing together with clients. Based on serving the real economy, the Company has accumulated a large number of trustworthy strategic customers by carrying out in-depth cooperation around customers' comprehensive financial needs; it implemented the requirements of the innovation-driven development strategy, helped to grow bigger and stronger through the capital market, and served a large number of new economy and innovative enterprise customers; it practiced inclusive finance, assisted to common prosperity and allowed a wide range of investors to share the benefits from China's economic development. At present, the Company has more than 13 million retail clients and 100,000 domestic corporate and institutional clients engaging in key fields of national economy, achieving in-depth coverage of major central SOEs, important local SOEs and influential listed companies. The Company has set up more than 400 branches and 12 regional branches of investment banking in the territory, which are widely distributed in various provinces and cities, and continues to enhance its regional client service capability.

6. Competitive cross-border integrated customer service network

The Company has offices in 13 countries around the world, covering more than 60 major markets that accounted for over 95% of total market value of stock and serving more than 2,000 largest institutional investors of the world. It is the Chinese-funded securities company leading peers in the number of local branches, research coverage, sales network and liquidation and settlement infrastructure in areas along the Belt and Road Initiative and also an investment bank best fitting the Belt and Road Initiative in the world. With its unique industrial position and accumulated strength, it serves Chinese clients to go out and introduce overseas clients to domestic market, providing the best quality and highest effective services and advice to enterprises.

7. Sound market-based mechanism and excellent talent team

The Company has continuously improved the market-based mechanism, explored the use of medium and long-term incentive policies, improved the incentive and guarantee mechanism for talent, and thoroughly implemented strategy of strengthening the enterprise with talents. The Company has implemented an open talent policy, cultivated a competitive reserve of young talents, increased the international talents reserve, strengthened professional training and systematic training by business and level, and created a team of international talents with international vision, proficiency in international operations and creative thinking.

8. Excellent corporate culture and core value

Based on the corporate culture of CITIC Group and guided by the practice of the culture of the securities industry, the Company has adhered to the mission of "supporting improvement in the function of capital markets and serving the high-quality development of the economy", endeavoured to achieve the vision of "becoming a domestically leading and internationally first-class Chinese investment bank most trusted by clients around the world", and practiced the core values of "integrity, innovation, excellence, and sharing". The Company has gradually developed the characters of "seeking excellence and striving to make innovations; respecting market and facing up to problems; staying humble and working hard; being diligent and advocating conciseness", and widely solidified the consensus of employees. These excellent corporate cultures are the valuable spiritual assets that enable us to stand out in the fierce competition and maintain our advantages for many years.

3.4. Financial Statements Analysis

3.4.1. Financial statement summary

Profitability analysis

In 2022, the Group recognized total revenue and other income of RMB85,941 million, representing a year-on-year decrease of 11.70%. Net profit attributable to owners of the parent amounted to RMB21,317 million, representing a year-on-year decrease of 7.72%. Basic earnings per share amounted to RMB1.42, representing a year-on-year decrease of 15.98%. Return on weighted average equity was 8.67%, representing a year-on-year decrease of 3.40 percentage points.

Assets structure and assets quality

In 2022, the Group's total assets increased slightly and total liabilities decreased slightly.

As of 31 December 2022, the Group's total assets amounted to RMB1,308,289 million, representing a year-on-year increase of RMB29,624 million or 2.32%. Excluding customer brokerage deposits and funds payable to securities issuers, the Group's total assets amounted to RMB1,013,633 million, representing a year-on-year decrease of RMB13,156 million or 1.28%. As of 31 December 2022, the Group's total liabilities amounted to RMB1,049,917 million, representing a year-on-year decrease of RMB14,940 million or 1.40%. Excluding customer brokerage deposits and funds payable to securities issuers, the Group's total liabilities amounted to RMB755,261 million, representing a year-on-year decrease of RMB57,720 million or 7.10%. As of 31 December 2022, the Group's equity attributable to owners of the parent amounted to RMB253,118 million, representing a year-on-year increase of RMB43,947 million or 21.01%.

Asset and liability structure of the Group maintained stable. As of 31 December 2022, excluding customer brokerage deposits and funds payable to securities issuers, the Group's total assets amounted to RMB1,013,633 million, among which, investments, which mainly included investments in associates/joint ventures and investments in financial assets, accounted for 63.85% of the total assets; margin accounts and reverse repurchase agreements accounted for 13.66% of the total assets; cash and bank balances accounted for 11.09% of the total assets; and fixed assets, constructions in progress, land-use-rights and intangible assets, investment properties and right-of-use assets in aggregate accounted for 1.44% of the total assets.

As of 31 December 2022, excluding customer brokerage deposits and funds payable to securities issuers, the Group's total liabilities amounted to RMB755,261 million with a major proportion of short-term liabilities, among which, repurchase agreements were RMB214,283 million, accounting for 28.37% of the total liabilities; financial liabilities at fair value through profit or loss and derivative financial liabilities were RMB119,238 million, accounting for 15.79% of the total liabilities; short-term loans, due to banks and other financial institutions, short-term financing instruments payable and non-current liabilities due within one year were RMB103,926 million, accounting for 13.76% of the total liabilities; debt instruments issued and long-term loans were RMB75,031 million, accounting for 9.93% of the total liabilities; and other liabilities were RMB242,783 million in total, accounting for 32.15% of the total liabilities.

The gearing ratio slightly decreased. As of 31 December 2022, excluding customer brokerage deposits and funds payable to securities issuers, the gearing ratio of the Group was 74.51%, representing a year-on-year decrease of 4.67 percentage points.

Cash flow status

Excluding the impact of changes in customer brokerage deposits, the Group's net increase in cash and cash equivalents was RMB12,607 million in 2022, compared with net increase of RMB8,315 million in 2021, which was mainly due to the increase in net cash inflow from operating activities.

From a structural perspective, the net cash inflow from operating activities in 2022 was RMB55,258 million, compared with an inflow of RMB5,518 million in 2021, which was mainly due to a year-on-year decrease in the net cash outflow from investments in financial assets at fair value through profit or loss.

The net cash outflow from investing activities in 2022 was RMB792 million, compared with an outflow of RMB6,916 million in 2021, which was mainly due to the year-on-year increase in net cash inflow of financial assets at fair value through other comprehensive income.

The net cash outflow from financing activities in 2022 was RMB41,859 million, compared with an inflow of RMB9,713 million in 2021, which was mainly due to a year-on-year decrease in the cash inflow from issuing bonds by the Company during the Reporting Period.

Access to and ability of financing

Currently, the Company obtains short-term funds from commercial banks and other investors primarily by way of bond repurchases, interbank lending, issuance of beneficiary certificates, issuance of short-term corporate bonds, etc., through SSE, SZSE and national interbank market in accordance with the relevant policies and regulations of the competent authorities.

In addition, the Company may, subject to market conditions and its own demands, raise fund by way of refinancing issuance, rights issue, issuance of various bonds and other financing methods as approved by the competent authorities. The Company may issue USD-denominated MTNs and Euro commercial papers through overseas subsidiaries to obtain foreign funds to support the Company's overseas business development.

To maintain the liquidity and profitability of its assets, the Company's proprietary capital is centrally managed by its Treasury Department. There is also a comprehensive management system and corresponding work flows are put in place. The Company fine-tunes the structures of its different classes of assets in a timely manner and utilizes corresponding hedging tools to mitigate the risks.

Please refer to Note 39 "Repurchase agreements", Note 42 "Short-term loans", Note 43 "Short-term financing instruments payable", Note 46 "Debt instruments issued" and Note 47 "Long-term loans" to the consolidated financial statements in this results announcement for the information on the debt financing instruments and liquidity of the Company in 2022.

Exchange rate fluctuation risk and related hedge

For details of the Company's exchange rate fluctuation risk and related hedge, please refer to "3.5. Risk Management" and Note 58 "Currency risk" to the consolidated financial statements in this results announcement.

Contingent liabilities

Details of contingent liabilities are set out in Note 55 "Commitments and contingent liabilities" to the consolidated financial statements in this results announcement.

Charges on assets

As at 31 December 2022, CITIC Futures, a wholly-owned subsidiary of the Company, pledged certain vehicles as set out in "Property, plant and equipment" with a book value of US$141 million as collateral for long-term loans of RMB388 million. For details, please refer to Note 19 "Property, plant and equipment" and Note 47 "Long-term loans" to the consolidated financial statements in this results announcement.

3.4.2. Analysis on items of income statement

Financial highlights

In 2022, the Group accomplished a profit before income tax of RMB28,950 million, representing a year-on-year decrease of 9.23%. Major financial highlights of the Group are as follows:

In RMB million

Items	**2022**	2021
Fee and commission income	**37,945**	40,931
Interest income	**21,024**	20,575
Investment income	**17,636**	22,683
Income from bulk commodity trading and other income	**9,336**	13,135
Operating expenses	**57,664**	66,320
Share of profits and losses of associates/joint ventures	**673**	890
Profit before income tax	**28,950**	31,894
Income tax expense	**6,781**	7,889
Profit attributable to owners of the parent	**21,317**	23,100

Structure of the revenue

In 2022, the total revenue and other income of the Group amounted to RMB85,941 million, representing a year-on-year decrease of 11.70%. Structure of the revenue was relatively stable. The following table sets out the revenue structure of the Group in the past 5 years:

Items	**2022**	2021	2020	2019	2018
Fee and commission income	**44.15%**	42.06%	44.27%	37.69%	39.75%
Interest income	**24.46%**	21.14%	21.61%	23.23%	26.74%
Investment income	**20.52%**	23.31%	24.92%	27.84%	15.76%
Income from bulk commodity trading and other income	**10.87%**	13.49%	9.20%	11.24%	17.75%
Total	**100.00%**	100.00%	100.00%	100.00%	100.00%

Fee and commission income

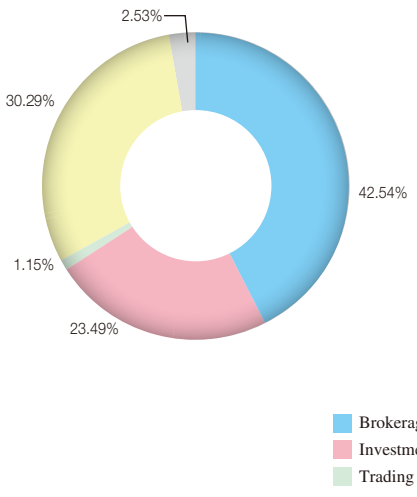
In 2022, the net fee and commission income of the Group amounted to RMB31,943 million, representing a year-on-year decrease of 7.56%, which was mainly due to the decrease in revenue from brokerage and asset management business. The breakdown of fee and commission income of the Group during 2021 and 2022 is as follows:

In RMB million

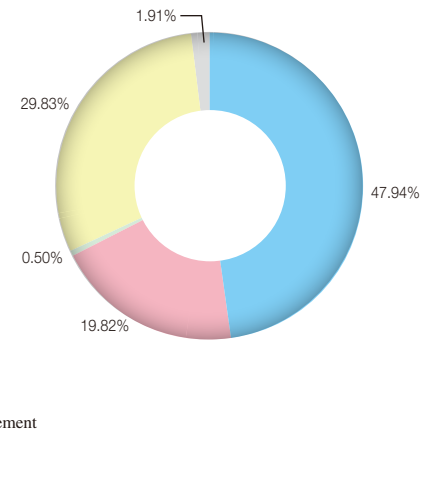
Items	**2022**	2021	Variance in amount	Variance in percentage
Fee and commission income				
Brokerage	**16,140**	19,622	-3,482	-17.75%
Investment banking	**8,915**	8,113	802	9.89%
Trading	**435**	205	230	112.20%
Asset management	**11,493**	12,211	-718	-5.88%
Others	**962**	780	182	23.33%
Fee and commission expenses	**6,002**	6,377	-375	-5.88%
Net fee and commission income	**31,943**	34,554	-2,611	-7.56%

The breakdown of fee and commission income during 2021 and 2022 is as follows:

Breakdown of fee and commission income for 2022



Breakdown of fee and commission income for 2021



The fee and commission income from brokerage decreased by RMB3,482 million, representing a year-on-year decrease of 17.75%. In 2022, the overall activity of the domestic securities market decreased, and the average daily trading volume of A Shares decreased by 13% as compared to 2021.

The fee and commission income from investment banking increased by RMB802 million, representing a year-on-year increase of 9.89%. In 2022, benefiting from a year-on-year increase of the issuance scale in A-share market, the sponsorship and underwriting scale of A-share IPO of the Company ranked first in the market, leading to a year-on-year increase in corresponding income.

The fee and commission income from trading increased by RMB230 million year-on-year, which was relatively stable.

The fee and commission income from asset management decreased by RMB718 million, representing a year-on-year decrease of 5.88%. In 2022, there existed periodic fluctuations in the capital market, leading to a year-on-year decrease in corresponding income.

Interest income

In 2022, the net interest income of the Group amounted to RMB5,806 million, representing a year-on-year increase of 8.77%. The table below sets out the major composition of the net interest income of the Group for the period indicated:

In RMB million

Items	**2022**	2021	Variance in amount	Variance in percentage
Interest income				
— Bank interest income	**8,988**	6,705	2,283	34.05%
— Interest income on margin and other financing	**10,328**	11,788	-1,460	-12.39%
— Interest income on financial assets at fair value through other comprehensive income	**1,491**	1,831	-340	-18.57%
— Others	**217**	251	-34	-13.55%
Interest expenses				
— Customer brokerage deposits	**1,648**	1,281	367	28.65%
— Due to banks and other financial institutions	**6,029**	5,882	147	2.50%
— Debt instruments issued and short-term financing instruments payable	**5,863**	7,195	-1,332	-18.51%
— Others	**1,678**	879	799	90.90%
Net interest income	**5,806**	5,338	468	8.77%

Bank interest income increased by RMB2,283 million, representing a year-on-year increase of 34.05%, mainly due to the increase in the average daily balance of the funds during the year as compared to last year.

Interest income on margin and other financing decreased by RMB1,460 million, representing a year-on-year decrease of 12.39%, mainly due to the decreased scale of financing flow-based business as compared to last year.

Interest income on financial assets at fair value through other comprehensive income decreased by RMB340 million, representing a year-on-year decrease of 18.57%, mainly due to decreased average daily scale of debt investment during the year.

Investment income

In 2022, the investment income of the Group amounted to RMB17,636 million, representing a year-on-year decrease of 22.25%. The table below sets out the major composition of the investment income of the Group for the period indicated:

In RMB million

Items	**2022**	2021	Variance in amount	Variance in percentage
Net gains from financial assets at fair value through other comprehensive income	**257**	1,014	-757	-74.65%
Net (losses)/gains from financial instruments at fair value through profit or loss	**-24,371**	16,716	N/A	N/A
Others	**41,750**	4,953	36,797	742.92%
Total	**17,636**	22,683	-5,047	-22.25%

The net gains from financial assets at fair value through other comprehensive income decreased by RMB757 million, representing a year-on-year decrease of 74.65%. In particular, the investment income from the disposal of financial assets increased by RMB213 million, representing an increase of 484.09%, and the investment income from assets held decreased by RMB970 million, which was all arising from investment in equity instruments.

The net losses from financial instruments at fair value through profit or loss amounted to RMB24,371 million. In particular, investment income arising from the holding and disposal of such assets by the Group was RMB922 million and the gains arising from changes in the fair value amounted to RMB-25,293 million.

Other investment income was RMB41,750 million, which was mainly attributable to changes in fair value of derivative financial instruments.

Operating expenses

In 2022, operating expenses of the Group (excluding fee and commission expenses and interest expenses) amounted to RMB36,444 million, representing a year-on-year decrease of RMB8,262 million or 18.48%. The table below sets out the major composition of the operating expenses of the Group during the period indicated:

In RMB million

Items	**2022**	2021	Variance in amount	Variance in percentage
Staff costs	**21,174**	20,762	412	1.98%
Depreciation of property, plant and equipment	**458**	399	59	14.79%
Tax and surcharges	**375**	423	-48	-11.35%
Cost of bulk commodity trading	**7,227**	11,785	-4,558	-38.68%
Other operating expenses and costs	**7,394**	7,833	-439	-5.60%
Credit impairmant losses	**-698**	899	N/A	N/A
Impairment losses on other assets	**514**	2,605	-2,091	-80.27%
Total	**36,444**	44,706	-8,262	-18.48%

During the year, staff costs increased by RMB412 million, representing a year-on-year increase of 1.98%, mainly due to an increase in staff remuneration.

During the year, depreciation of property, plant and equipment increased by RMB59 million year-on-year, which was basically stable compared to the same period last year.

During the year, tax and surcharges decreased by RMB48 million, representing a year-on-year decrease of 11.35%, mainly due to a decrease in urban construction tax and education surcharge.

During the year, cost of bulk commodity trading decreased by RMB4,558 million, representing a year-on-year decrease of 38.68%, mainly due to a decrease in cost of sales of bulk commodity trading of its subsidiaries.

In 2022, expected credit losses amounted to RMB-698 million, mainly due to the decrease in the impairment losses on margin accounts and reverse repurchase agreements. Impairment losses on other assets amounted to RMB514 million, decreased by RMB2,091 million as compared to 2021, which was mainly due to the decrease in the impairment losses on goodwill.

The following table sets out the composition of the impairment losses of the Group during the period indicated:

In RMB million

Items	**2022**	2021	Variance in amount	Variance in percentage
Credit impairment losses	**-698**	899	N/A	N/A
Among which: Reverse repurchase agreements	**-262**	-1,194	N/A	N/A
Margin account	**-822**	1,788	N/A	N/A
Financial assets at fair value through other comprehensive income (Debt instruments)	**476**	-27	N/A	N/A
Other current assets	**-33**	110	N/A	N/A
Others	**-57**	222	N/A	N/A
Impairment losses on other assets	**514**	2,605	-2,091	-80.27%

3.4.3. Analysis on financial position

As of 31 December 2022, the total assets of the Group were RMB1,308,289 million, representing a year-on-year increase of 2.32%. Excluding the effect of the customer brokerage deposits and funds payable to securities issuers, the total assets of the Group amounted to RMB1,013,633 million as at 31 December 2022, representing a year-on year decrease of 1.28%.

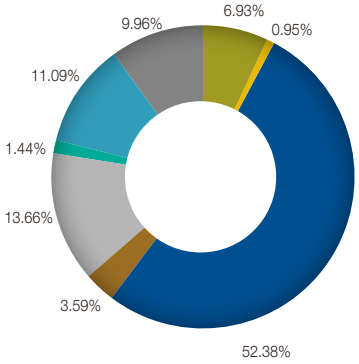
Major changes in the total assets of the Group were as follows:

In RMB million

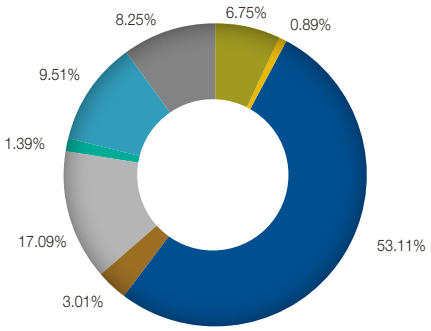
Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Financial assets at fair value through other comprehensive income	**70,278**	69,257	1,021	1.47%
Investments in associates/joint ventures	**9,649**	9,128	521	5.71%
Financial assets at fair value through profit or loss	**530,923**	545,334	-14,411	-2.64%
Derivative financial assets	**36,389**	31,001	5,388	17.38%
Margin accounts and reverse repurchase agreements	**138,459**	175,512	-37,053	-21.11%
Properties, land-use rights and intangible assets, right-of-use assets	**14,600**	14,243	357	2.51%
Cash and bank balances	**112,402**	97,611	14,791	15.15%
Others	**100,933**	84,703	16,230	19.16%
Total	**1,013,633**	1,026,789	-13,156	-1.28%

The following chart sets forth the composition of the total assets of the Group as of the dates indicated:

Analysis of the components of the Group's assets as at the end of 2022



Analysis of the components of the Group's assets as at the end of 2021



Financial assets at fair value through other comprehensive income
Investments in associates/joint ventures
Financial assets at fair value through profit or loss
Derivative financial assets
Margin accounts and reverse repurchase agreements
Properties, land-use rights and intangible assets, right-of-use assets
Cash and bank balances
Others

Investment

The investment of the Group primarily comprises financial assets at fair value through other comprehensive income, investments in associates/joint ventures, financial assets at fair value through profit or loss, derivative financial assets, etc.

As of 31 December 2022, the total investments of the Group were RMB647,239 million, representing a year-on-year decrease of RMB7,481 million or 1.14% as compared to the end of 2021. Its total investments accounted for 63.85% of the total assets, representing a year-on-year increase of 0.09 percentage point.

The following table sets out, as of the dates indicated, the investments of the Group and its percentage to the total assets by category:

In RMB million

Items	**31 December 2022**		31 December 2021	
	Amount	**Percentage to total assets**	Amount	Percentage to total assets
Financial assets at fair value through other comprehensive income	**70,278**	**6.93%**	69,257	6.75%
Investments in associates/joint ventures	**9,649**	**0.95%**	9,128	0.89%
Financial assets at fair value through profit or loss	**530,923**	**52.38%**	545,334	53.11%
Derivative financial assets	**36,389**	**3.59%**	31,001	3.01%
Total	**647,239**	**63.85%**	654,720	63.76%

Financial assets at fair value through other comprehensive income

As of 31 December 2022, the Group's financial assets at fair value through other comprehensive income were RMB70,278 million, representing an increase of RMB1,021 million or 1.47% as compared to the end of 2021. The following table sets forth the components of the Group's financial assets at fair value through other comprehensive income:

In RMB million

Items	**31 December 2022**		31 December 2021	
	Amount	**Percentage to total financial assets at fair value through other comprehensive income**	Amount	Percentage to total financial assets at fair value through other comprehensive income
Debt instruments investments	**70,115**	**99.77%**	69,092	99.76%
Investment in equity instruments	**163**	**0.23%**	165	0.24%
Total	**70,278**	**100.00%**	69,257	100.00%

Investments in associates/joint ventures

As of 31 December 2022, investments in associates and joint ventures of the Group increased by RMB521 million or 5.71% year-on-year, mainly due to an increase in investments in associates.

In RMB million

Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Investment in associates	**9,639**	9,089	550	6.05%
Investments in joint ventures	**10**	39	-29	-74.36%
Total	**9,649**	9,128	521	5.71%

Financial assets at fair value through profit or loss

As of 31 December 2022, the Group's financial assets at fair value through profit or loss decreased by RMB14,411 million or 2.64% year-on-year, accounting for 52.38% of the total assets of the Group, mainly due to the decrease in investment of asset management products. The following table sets forth the components of the Group's financial assets at fair value through profit or loss:

In RMB million

Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Debt instruments investments	**245,668**	240,634	5,034	2.09%
Investment in equity instruments	**251,472**	220,126	31,346	14.24%
Financial assets designated as at fair value through profit or loss	**11,055**	13,124	-2,069	-15.77%
Others	**22,728**	71,450	-48,722	-68.19%
Total	**530,923**	545,334	-14,411	-2.64%

Properties, land-use rights and intangible assets and right-of-use assets

As of 31 December 2022, properties, land-use rights and intangible assets and right-of-use assets of the Group were RMB14,600 million, representing a year-on-year increase of 2.51%. The following table sets forth the properties, land-use rights and intangible assets and right-of-use assets of the Group as of the dates indicated:

In RMB million

Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Property, plant and equipment	**8,282**	7,800	482	6.18%
Investment properties	**954**	957	-3	-0.31%
Land-use rights and other intangible assets	**3,421**	3,592	-171	-4.76%
Right-of-use assets	**1,943**	1,894	49	2.59%
Total	**14,600**	14,243	357	2.51%

Liabilities

As of 31 December 2022, the total liabilities of the Group amounted to RMB1,049,917 million, representing a decrease of RMB14,940 million or 1.40% as compared to last year. Excluding the effect of customer brokerage deposits and funds payable to securities issuers, total liabilities of the Group amounted to RMB755,261 million as at 31 December 2022, representing a year-on-year decrease of 7.10%. The following table sets forth the breakdown of the total liabilities of the Group as of the dates indicated:

In RMB million

Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Customer brokerage deposits	**279,402**	251,164	28,238	11.24%
Funds payable to securities issuers	**15,254**	712	14,542	2042.42%
Short-term loans, due to banks and other financing institutions, short-term financing instruments payable and non-current liabilities due within one year	**103,926**	135,904	-31,978	-23.53%
Financial liabilities at fair value through profit or loss and derivative financial liabilities	**119,238**	109,761	9,477	8.63%
Repurchase agreements	**214,283**	235,286	-21,003	-8.93%
Debt instruments issued and long-term loans	**75,031**	118,533	-43,502	-36.70%
Others	**242,783**	213,497	29,286	13.72%
Total	**1,049,917**	1,064,857	-14,940	-1.40%

As of 31 December 2022, the customer brokerage deposits of the Group amounted to RMB279,402 million, representing a year-on-year increase of 11.24%, accounting for 26.61% of the total liabilities of the Group. The following table sets forth the Group's customer brokerage deposits as categorized by geographical locations and types of customers as of the dates indicated:

In RMB million

Items	**31 December 2022**	31 December 2021	Variance in amount	Variance in percentage
Mainland China	**253,009**	226,940	26,069	11.49%
— Individual	**83,971**	90,833	-6,862	-7.55%
— Corporate	**169,038**	136,107	32,931	24.19%
Outside Mainland China	**26,393**	24,224	2,169	8.95%
Total	**279,402**	251,164	28,238	11.24%

As of 31 December 2022, short-term loans, due to banks and other financing institutions, short-term financing instruments payable and non-current liabilities due within one year amounted to RMB103,926 million, representing a decrease of 23.53% year-on-year, which was mainly attributable to a decrease in the scale of due to banks and other financing institutions.

As of 31 December 2022, financial liabilities at fair value through profit or loss and derivative financial liabilities amounted to RMB119,238 million, representing an increase of 8.63% year-on-year, which was mainly attributable to the scale of financial liabilities designated as at fair value through profit or loss and fair value changes.

As of 31 December 2022, amounts from repurchase agreements decreased by RMB21,003 million or 8.93% year-on-year, which was mainly attributable to the decrease in the scale of pledge-style repo business.

As of 31 December 2022, amounts from debt instruments issued and long-term loans of the Group decreased by RMB43,502 million or 36.70% year-on-year, which was mainly attributable to the decrease in debt instruments issued.

Equity

As of 31 December 2022, the total equity of the Group amounted to RMB258,372 million, representing a year-on-year increase of 20.84%, which was mainly attributable to the issuance of shares of the Company. The following table sets forth the components of the Group's total equity as of the dates indicated:

In RMB million

Items	**31 December 2022**	31 December 2021
Share capital	**14,821**	12,927
Other equity instruments	**13,762**	10,768
Capital reserve	**90,940**	65,629
Surplus reserve	**11,294**	9,985
General reserve	**36,884**	32,959
Investment revaluation reserve	**-198**	-89
Foreign currency translation reserve	**386**	-668
Retained profits	**85,229**	77,661
Non-controlling interests	**5,254**	4,636
Total	**258,372**	213,808

3.4.4. Fair value measurement

During the Reporting Period, the valuation principle for fair value is that the fair value of the relevant assets or liabilities of the Group is measured by prices in principal markets. In the absence of a principal market, the fair value of the relevant assets or liabilities will be measured by the prices in the most advantageous market. The fair value of an asset or a liability is measured by using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair values of quoted financial assets or financial liabilities in active markets of the Group are based on quoted market prices. If there is no active market, the Group establishes fair value by using valuation techniques. These include the use of market approach, income approach and cost approach. In the application of valuation techniques, the Group prioritizes the use of relevant observable inputs, and can only use unobservable inputs when the relevant observable inputs are unavailable or impractical to obtain.

Default Valuation Adjustments (DVA) are considered for the Group's liabilities at fair value, assuming that DVA stay the same before and after the transfer of the liabilities. DVA refer to the risk that enterprises fail to perform their obligation, including but not limited to their own credit.

3.4.5. Analysis of principal controlling and non-controlling companies

The Company has seven principal controlling subsidiaries and one principal non-controlling company, a summary of which is set out below:

Name	Shareholding of the Company	Date of Establishment	Registered Capital	Place of Business	Registered Address	Legal Representative	Contact Number
CITIC Securities (Shandong)	100%	1988.6.2	RMB2,493.80 million	5/F, East Wing, Tower 1, Longxiang Plaza, No. 28 Dong Hai West Road, Shinan District, Qingdao, Shandong Province 15/F, International Wealth Center, No. 156 Jingqi Road, Shizhong District, Jinan, Shandong Province	Unit 2001, Tower 1, No. 222 Shenzhen Road, Laoshan District, Qingdao, Shandong Province	CHEN Jiachun	0532-82736868
CSI	100%	1998.4.9	Paid-up capital of HK$6,516.05 million	26/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong	26/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong	LI Chunbo	00852-26008888
Goldston Investment	100%	2007.10.11	RMB3,000 million	17/F, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	No. 48 Liangmaqiao Road, Chaoyang District, Beijing	CHANG Jun sheng	010-60837800

Name	Shareholding of the Company	Date of Establishment	Registered Capital	Place of Business	Registered Address	Legal Representative	Contact Number
CITIC Securities Investment	100%	2012.4.1	RMB17,000 million	17/F, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	Unit 2001, Tower 1, International Finance Plaza, No. 222 Shenzhen Road, Laoshan District, Qingdao, Shandong Province	FANG Hao	010-60833811
CITIC Futures	100%	1993.3.30	RMB7,600 million	Units 1301–1305 of 13/F and 14/F, North Tower, Excellence Times Plaza II, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province	Units 1301–1305 of 13/F and 14/F, North Tower, Excellence Times Plaza II, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province	ZHANG Hao	0755-83217780
CITIC Securities South China	100%	1988.3.26	RMB5,091,137,318	Room 901 (Position: Self-edited 01) and Room 1001, No. 395 Linjiang Avenue, Tianhe District, Guangzhou, Guangdong Province	Room 901 (Position: Self-edited 01) and Room 1001, No. 395 Linjiang Avenue, Tianhe District, Guangzhou, Guangdong Province	HU Fuyun	020-88836999
China AMC	62.20%	1998.4.9	RMB238 million	Building 7, No. 1 Yuetan South Street, Xicheng District, Beijing	No. A3, Anqing Street, Shunyi District, Beijing	YANG Minghui	010-88066688
CITIC PE Fund	35%	2008.6.6	RMB1,800 million	17/F, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	District C, Incubator Building, Technology Education and Startup Park, Technology City, Mianyang	TANG Shichao	010-60837869

Particulars of the principal controlling subsidiaries and non-controlling companies of the Company are as follows:

(1) CITIC Securities (Shandong) is a wholly-owned subsidiary of the Company with a registered capital of RMB2,493.80 million. As at the end of the Reporting Period, the total assets and net assets of CITIC Securities (Shandong) amounted to RMB31,833.24 million and RMB8,104.74 million, respectively, and the operating revenue, gross profit and net profit realized in 2022 amounted to RMB1,894.88 million, RMB674.41 million and RMB504.93 million, respectively. CITIC Securities (Shandong) had 69 securities branches, 2,863 staff and 83 dispatched staff.

The principal businesses of CITIC Securities (Shandong) include: life insurance and property insurance (other than aviation accident insurance and alternative products) approved by the China Insurance Regulatory Commission; foreign-currency negotiable securities brokerage; securities brokerage (in Shandong and Henan provinces only); securities investment advisory (for securities investment advisory business in Shandong and Henan provinces only); margin financing and securities lending; distribution of securities investment fund; provision of intermediate referral services to futures companies; and agency sale of financial products (in Shandong and Henan provinces only).

(2) CSI is a wholly-owned subsidiary of the Company with paid-up capital of HK$6,516.05 million. As at the end of the Reporting Period, under HKFRS, the total assets and net assets of CSI amounted to US$30,940.23 million and US$1,510.65 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to US$1,414.35 million, US$171.62 million and US$125.23 million, respectively. CSI had 5 branches in Hong Kong, 1,937 staff and 85 brokers.

The principal businesses of CSI include: holding and investment, and its subsidiaries engage in businesses such as corporate finance and capital market, securities brokerage, futures brokerage, asset management, proprietary business and direct investment.

(3) GoldStone Investment is a wholly-owned subsidiary of the Company with a registered capital of RMB3.0 billion. As at the end of the Reporting Period, the total assets and net assets of GoldStone Investment amounted to RMB21,693.54 million and RMB10,129.66 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to RMB1,339.49 million, RMB834.25 million and RMB614.29 million, respectively. GoldStone Investment had 119 staff (including 5 dispatched staff).

The principal businesses of GoldStone Investment include: industrial investment; investment advisory and management.

(4) CITIC Securities Investment is a wholly-owned subsidiary of the Company with a registered capital of RMB17 billion. As at the end of the Reporting Period, the total assets and net assets of CITIC Securities Investment amounted to RMB27,398.04 million and RMB23,200.29 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to RMB2,447.84 million, RMB1,503.65 million and RMB1,182.98 million, respectively. CITIC Securities Investment had 34 staff.

The principal businesses of CITIC Securities Investment include: financial product investment, securities investment and equity investment.

(5) CITIC Futures is a wholly-owned subsidiary of the Company with a registered capital of RMB7.6 billion. As at the end of the Reporting Period, the total assets and net assets of CITIC Futures amounted to RMB176,054.02 million and RMB12,133.49 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to RMB10,486.14 million, RMB1,292.98 million and RMB970.10 million, respectively. CITIC Futures had 50 branches and 2,182 staff.

The principal businesses of CITIC Futures include: commodity futures brokerage, financial futures brokerage, futures investment advisory, asset management and fund sales.

(6) CITIC Securities South China is a wholly-owned subsidiary of the Company with a registered capital of RMB5,091,137,318. As at the end of the Reporting Period, the total assets and net assets of CITIC Securities South China amounted to RMB15,534.14 million and RMB6,862.42 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to RMB640.47 million, RMB259.61 million and RMB192.45 million, respectively. CITIC Securities South China had 31 securities branches and 974 staff (including 57 dispatched staff).

The principal businesses of CITIC Securities South China include: securities brokerage; securities investment advisory (securities investment advisers only); financial advisory related to securities trading and securities investment activities; securities underwriting and sponsorship; stock proprietary business; securities asset management; margin financing and securities lending; securities investment fund sales agency; and agency sale of financial products.

(7) China AMC is held as to 62.20% by the Company and has a registered capital of RMB238 million. As at the end of the Reporting Period, the total assets and net assets of China AMC amounted to RMB17,649.51 million and RMB12,389.06 million, respectively; the operating revenue, gross profit and net profit realized in 2022 amounted to RMB7,474.59 million, RMB2,860.23 million and RMB2,163.32 million, respectively. China AMC had 1,448 staff.

The principal businesses of China AMC include: fund raising; fund sales; asset management; engaging in asset management business for specific clients; and other businesses permitted by the CSRC.

(8) CITIC PE Fund is held as to 35% by the Company and has a registered capital of RMB1.8 billion. As at the end of the Reporting Period, the total assets and net assets of CITIC PE Fund amounted to RMB7,381.52 million and RMB5,161.97 million, respectively; and the net profit realized in 2022 amounted to RMB8.65 million.

The principal businesses of CITIC PE Fund include: promotion and establishment of industrial (equity) investment funds; industrial (equity) investment fund management; financial advisory, investment and investment management advisory; equity investment and external investment; and enterprise management.

3.4.6. Securities branch offices of the Company

As of the end of the Reporting Period, the Company has established a total of 45 domestic securities branch offices, particulars of which are as follows:

No.	Branch Office	Responsible Officer	Place of Business	Contact Method
1	Beijing Branch Office	TIAN Bing	Rooms 01 and 02 (inside 101), 1/F, Rooms 01, 02, 03, 05 and 06 (inside 201), 2/F, Room 01 (inside 301), 3/F, Building 1, No. 38 Yard, Dongsanhuan North Road, Chaoyang District, Beijing	010-86601366
2	Shanghai Branch Office	WANG Lihua	Units 06 and 07, 8/F (Actual Floor: 7/F), and Units 01–03, 06A and 07, 10/F (Actual Floor: 9/F), 1568 Century Avenue, Shanghai	021-61768697
3	Hubei Branch Office	SUN Hongtao	Part of the houses No. 1 to 4, 42/F and 51/F, Building 1, Guangfa Bank Building, No. 737 Construction Avenue, Jianghan District, Wuhan, Hubei Province	027-85355366
4	Jiangsu Branch Office	XIE Siyuan	10/F, and 1/F, Area B Phase II of Sunny World, No. 168 Lushan Road, Jianye District, Nanjing, Jiangsu Province	025-83261298
5	Shanghai Pilot Free Trade Zone Branch Office	TIAN Xingnong	19/F and 20/F, No. 1568 Century Avenue, Pilot Free Trade Zone, China (Shanghai)	021-20262005
6	Shenzhen Branch Office	TAN Xiujun	12/F and 20/F, CITIC Securities Tower, No. 8 Center 3rd Road, Futian Street, Futian District, Shenzhen, Guangdong Province	0755-23916596
7	Northeast Branch Office	LI Zhe	30/F, Tower A, China Resources Building, No. 286 Qingnian Avenue, Heping District, Shenyang, Liaoning Province	024-23972693
8	Zhejiang Branch Office	CHEN Gang	Units 1703, 1704, 1901, 1902, 2303 and 2304, 6/F and 22/F of Dikai Yinzuo, Sijiqing Street, Shangcheng District, Hangzhou, Zhejiang Province	0571-85783714
9	Jiangxi Branch Office	WU Wenfang	Units 2801, 2802, 2806, 2807, 2808, 2809 and 2810 (28/F) of Lianfa Plaza Office Building, No. 129 Lvyin Road, Honggutan New District, Nanchang, Jiangxi Province	0791-83970561
10	Fujian Branch Office	SUI Yanping	Units 1901, 1902, 1905A, 1907, 2005B, 2006 and 2007 of Sino Plaza, No. 137 Wusi Road, Gulou District, Fuzhou, Fujian Province	0591-87905705
11	Ningbo Branch Office	YAO Feng	7-1-1, 7-1-2, 7-1-3, 7-1-4, No. 455 Haiyan North Road, Fuming Street, Yinzhou District, Ningbo, Zhejiang Province	0574-87033718
12	Wenzhou Branch Office	PAN Ye	Room 201 (2-23), 702 and 703, Fortune Center, No. 577 Station Avenue, Lucheng District, Wenzhou, Zhejiang Province	0577-88107230
13	Sichuan Branch Office	JI Xiangkun	1/F, West Wing, La Defense Building, No. 1480 North Section of Tianfu Avenue, Chengdu Hi-Tech Industrial Development Zone, Sichuan Province	028-63278899
14	Shaanxi Branch Office	SHI Lei	Room 02-03-04, 19/F, Unit 1, Building 1, Hesheng Jingguang Center, No. 11 Tangyan Road, High-tech Zone, Xi'an, Shaanxi Province	029-88601239
15	Tianjin Branch Office	ZHANG Xinyu	Y5, 1/F, 201 2/F and 7/F, Tianjin Technology Building, No. 23 Youyi Road, Hexi District, Tianjin	022-58816668
16	Inner Mongolia Branch Office	FAN Yaqiong	Jintailiwan No. 10 Complex, Siwei Road, Saihan District, Hohhot, Inner Mongolia Autonomous Region	0471-5982233
17	Anhui Branch Office	HAN Rui	Room 2501–2504, 25/F, A1 Building, Phase I, and Southeast Corner of 1/F, Podium Building, Zhongan Chuanggu Science Park, No. 900 West Wangjiang Road, High-tech Zone, Hefei, China (Anhui) Pilot Free Trade Zone	0551-65662889
18	Shanxi Branch Office	REN Gaopeng	Shop 1, Northeast Corner of Hongsheng Times Financial Plaza, No. 1 Jifu Road, Jinyuan District, Taiyuan, Shanxi Province	0351-6191968
19	Yunnan Branch Office	ZHANG Rui	Units 2601–2603 and 2612, 26/F, Kunming Henglong Plaza Office Building, No. 23 East Dongfeng Road, Panlong District, Kunming, Yunnan Province	0871-68583323
20	Hunan Branch Office	LUO Hua	2/F and 8/F (Rooms 801, 802, 811, 812, 813), New Century Building, No. 198 Second Section of Furong Middle Road, Chengnanlu Street, Tianxin District, Changsha, Hunan Province	0731-85175379

No.	Branch Office	Responsible Officer	Place of Business	Contact Method
21	Hebei Branch Office	QIU Zhenying	Rooms 3501–3504, 35/F, Tower B, Letai Center, No. 39 Zhongshan East Road, Chang'an District, Shijiazhuang, Hebei Province	0311-66188908
22	Chongqing Branch Office	LI Xiaoying	5-1 (underground) and 12-1-2 of CITIC Bank Building, No. 5 West Avenue, Jiangbeicheng Neighborhood, Jiangbei District, Chongqing	023-67518668
23	Hainan Branch Office	ZHU Yumei	1-2/F, Block B, East Area of Sheng Da Jing Du, No. 65 Guoxing Avenue, Meilan District, Haikou, Hainan Province	0898-65361268
24	Guangxi Branch Office	LIU Yuyang	Room 1805, 18/F, Block C, China Resources Building, No. 136-5 Minzu Avenue, Qingxiu District, Nanning, Guangxi Province	0771-2539031
25	Gansu Branch Office	XU Ying	4/F, Lanzhou SOHO Tower, No. 9 Minzhu West Road, Chengguan District, Lanzhou, Gansu Province	0931-8631255
26	Ningxia Branch Office	WU Ligang	Room 301, Complex Commercial Building, No. 16 (formerly No. B4) Yuehai Xintiandi, East Side of Yinjiaqu and South Side of Zhenshui Road, Jinfeng District, Yinchuan, Ningxia	0951-5102568
27	Jilin Branch Office	LIU Mingxu	C101 on 1-2/F, C301, C302, C303 and C304A on 3/F, Tower C, Pearl Plaza, No. 8988 Renmin Avenue, Nanguan District, Changchun, Jilin Province	0431-81970899
28	Heilongjiang Branch Office	ZHAO Yong	No. 1150 Jinjiang Road, Daoli District, Harbin, Heilongjiang Province	0451-51176699
29	Jiaxing Branch Office	WU Jinglan	Room D110 on 1/F, 3/F and 4/F, Rooms D111, D113 on 3/F and 4/F, Commercial Office Building, Fortune Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province	0573-82069341
30	Jinhua Branch Office	LI Qiang	1-4/F, Haiyang Building, No. 331 Zhongshan Road, Jinhua, Zhejiang Province	0579-82337102
31	Shaoxing Branch Office	TONG Weijia	Rooms 102, 205, 206, 207 and 208, No. 177 Jiefang Avenue, Lingzhi Street, Yuecheng District, Shaoxing, Zhejiang Province	0575-88096598
32	Taizhou Branch Office	LIN Binxian	Rooms 2001 and 103, Development and Investment Mansion, No. 188 Fuzhong Road, Jiaojiang District, Taizhou, Zhejiang Province	0576-88896598
33	Xinjiang Branch Office	JIA Haohao	Room 1-01 on 1/F and Room 7017 on 7/F, Block A, Yingke Plaza, No. 217 Gaoxin Street, Hi-tech Zone (Xinshi District), Urumqi, Xinjiang	0991-5870063
34	Suzhou Branch Office	WANG Xiaomeng	8/F, No. 308 Suya Road, Suzhou Industrial Park, Jiangsu Province	0512-67615858
35	Foshan Branch Office	CHEN Hengfu	Rooms 2801, 2802, 2803, 2804, 2805 and 2814, Block 1, one of No. 02, Ground Floor, No. 57 Jihua 5th Road, Chancheng District, Foshan, Guangdong Province	0757-83283939
36	Dongguan Branch Office	CAO Hong	Rooms 1705, 1706, 1707 and 1708, 17/F, and part of the Ground Floor, Yujing Plaza, Gangbei Dongcheng Road, Dongcheng Street, Dongguan, Guangdong Province	0769-88778300
37	Shenzhen Qianhai Branch Office	XIONG Linsha	Rooms 502 and 503, Hedge Fund Center, Qianhai Shenzhen-Hong Kong Fund Town, No. 128 Guiwan Fifth Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, Guangdong Province	0755-26029556
38	Xiamen Branch Office	LI Nan	Units 04, 05 and 06, 16/F, Tower A, China Resources Building, No. 93 Hubin East Road, Siming District, Xiamen, Fujian Province	0592-6808633
39	Qinghai Branch Office	CHEN Cunzhe	Room 1141, Unit 1, Building 2, No. 27 Lenghu Road, Xining, Qinghai Province	0971-8251122
40	Dalian Branch Office	CHEN Sheng	Room 1-1-4, Building 13, No. 6, B2 Block, Xinghai Plaza, Shahekou District, Dalian, Liaoning Province	0411-84992086
41	Wuxi Branch Office	YAN Jun	Units 118-3101, Shop L1-25, 1/F, Shopping Center, No. 128 Qingyang Road, Wuxi, Jiangsu Province	0510-81800565
42	Zhuhai Branch Office	CHEN Zhensheng	Room 301A, No. 91 Jingshan Road, Xiangzhou District, Zhuhai, Guangdong Province	0756-3288918
43	Zhongshan Branch Office	GAO Yong	4/F-2 Dixing Building, No. 82 Zhongshan Fourth Road, East District, Zhongshan, Guangdong Province	0760-88261265
44	Changzhou Branch Office	YIN Zhonghua	No. 39, Waihuanfu Road, Hutang Town, Wujin District, Changzhou, Jiangsu Province	0519-86565238
45	Zhenjiang Branch Office	GAO Qun	No. 39, Zhengdong Road, Jingkou District, Zhenjiang, Jiangsu Province	0511-81983987

3.4.7. Structured entities controlled by the Company

Please refer to Note 23 to the financial report for details of structured entities controlled by the Company.

3.4.8. Explanation of change in scope of statement consolidation

During the Reporting Period, the number of structured entities which were included in the consolidation scope of the Company's financial statements was 7. The number of first-level units included in the consolidation scope of the Company's financial statements changed to 22.

3.4.9. No change in the income tax policy of the Company during the Reporting Period

From 1 January 2008, the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) and the Regulations on the Implementation of Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) became effective for the Company. The enterprise income tax computation and payment are governed by the requirements of the Announcement of the State Administration of Taxation on Printing and Distributing the Administrative Measures for Collection of Consolidated Payments of Enterprise Income Tax by the Enterprises with Trans-regional Operations (《國家税務總局關於印發<跨地區經營匯總納税企業所得税徵收管理辦法>的公告》) (Public Notice of the State Administration of Taxation [2012] No. 57). The income tax rate applicable to the Company and its major domestic subsidiaries is 25%. Hong Kong and overseas subsidiaries pay taxes according to the applicable tax rate in the territory where their tax residency is located.

3.5. Risk Management

Overview

The Company has implemented comprehensive risk management mechanism and internal control processes, through which it monitors, evaluates and manages the financial, operational, compliance, legal and Environmental, Social and Governance (ESG) risks that it is exposed to in its business activities, and implements vertical risk management of its subsidiaries through different models including business guidance, operational support and decision-making management. The Company has established a complete and effective governance structure. The Company's general meeting, the Board and Supervisory Committee perform their duties to oversee and manage the operation of the Company based on the Company Law, Securities Law, and the Articles of Association of the Company. By strengthening the relevant internal control arrangements and improving the Company's internal control environment and internal control structures, the Board has incorporated internal control and risk management as essential elements in the Company's decision-making processes.

The Company has established an overall risk management system led by the Chief Risk Officer, in the charge of the Risk Management Department and involving its departments/business lines, branches, subsidiaries and all its staff, and three lines of defense in risk management and kept optimizing such system. In 2022, the Company developed and revised several risk management systems and further improved the level of standardized management; continued to strengthen the guiding role of risk appetite in business and the Company's overall and various risk appetite indicators were at satisfactory level, without exceeding the Company's tolerance and major risk limits; focused on improving the concentration risk management system and risk early warning management mechanism, and carried out the system establishment and events tracking in relation to the individual risk management, the Company's capabilities to prevent and respond to risks has been continuously improved.

In recent years, the Company has continued to increase its research on and resource contributions into compliance and risk control and information technology, intensified efforts in recruitment of relevant professionals, kept promoting the construction and optimization of a globally integrated risk management system, continuously refined measurement methods and measurement tools, improved the self-research level of the system, strengthened the collection and integration of internal and external risk information, ensured the full coverage of domestic and overseas operations under risk management and more refined management needs.

Besides, the Company is continuously exploring the application of financial technologies such as artificial intelligence and big data in the field of risk management to promote the upgrade of digital and intelligent risk management. Relying on its data platform and artificial intelligence platform, the Company leveraged technical means such as knowledge mapping and data mining to enrich customer portraits and public opinion monitoring, enhance risk management foresight, and optimize the risk measurement performance with the help of high-performance technologies such as distributed and stream-oriented computation and middleware.

The Company attaches great importance to the formulation of management strategies and policies about Environmental, Social and Governance (ESG), and continues to promote and strength ESG governance structure and risk management. Details of ESG risk management are set out in "4.1.4 Environmental policies and performance" in this results announcement.

Structure of risk management

The Company has formed a three-level risk management system featuring collective decision by the Risk Management Committee under the Board, the professional committees under the Operation Management, and close cooperation among internal control departments and business departments/business lines, and managing the risks through review, decision, execution and supervision. At the division and business line level, the Company has established three lines of defense in risk management.

Level 1: The Board

The Risk Management Committee of the Board supervises the overall risk management of the Company with the aim of controlling risks within an acceptable scope and ensuring the Company's smooth implementation of effective risk management schemes over risks relating to the operating activities; prepares overall risk management policies for the Board' review; formulates strategic structure and resources to be allocated for the Company's risk management purposes and keeps them in line with the Company' internal risk management policies; sets boundaries for major risk indicators; performs supervision and review on the relevant risk management policies and makes recommendation to the Board.

Level 2: Operation Management

The Operation Management shall take the major responsibility for the effectiveness of risk management of the Company, which includes: to formulate risk management systems; to build up and improve the comprehensive risk management structure of the Company; to formulate the risk appetite, risk tolerance and major risk limits, regularly assess the overall risk and various key risk management positions of the Company, address issues in risk management and report to the Board; to build up a performance appraisal system for all employees covering the effectiveness of the risk management; to establish a complete IT system and data quality control mechanism; and to perform other responsibilities related to risk management.

The professional committees under the Operation Management, including the Assets and Liabilities Management Committee, the Capital Commitment Committee, the Risk Management Committee and the Product Committee, are responsible for relevant management work within the authority delegated by the Board and the Operation Management of the Company, respectively.

Level 3: Division/Business Lines

Being the Company's first line of defense in risk management, front-office business departments/business lines of the Company bear the first-line responsibility for risk management. These departments are responsible for the establishment of business management systems and risk management systems for various businesses and performing supervision, assessment and reporting on business risks and maintaining such risks within the approved limits.

Internal control departments, such as the Risk Management Department, Compliance Department, Legal Department, and the Office of the Board of the Company, are the Company's second line of defense in risk management. They exercise their respective specialized risk management functions within the scope of their responsibilities.

The Audit Department of the Company is the third line of defense in risk management and has the overall responsibility for internal audit, planning and implementing internal audit of all departments/business lines of the Company, its subsidiaries and branches, monitoring the implementation of internal control systems, preventing various moral and policy risks, and assisting the Company in the investigation of emergency events.

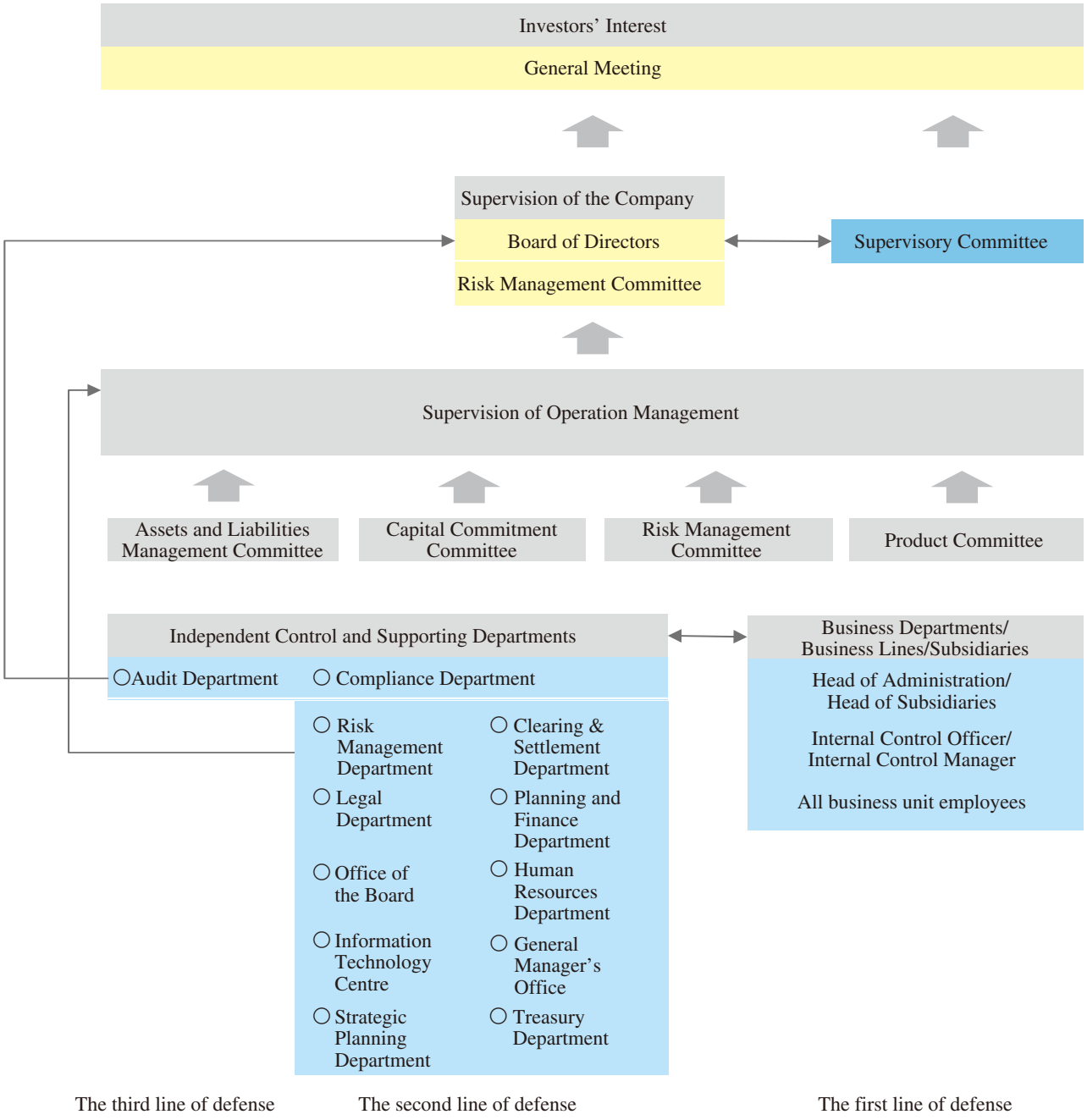


Chart: Structure of the Risk Management

Market risks

Market risks represent potential losses due to movement in market prices of financial positions held. Financial positions held are derived from the proprietary investment, market-making business and other investment activities. Movements in the financial positions held primarily originated from instructions received from the customers or the relevant strategies of proprietary investment.

Market risks primarily include equity price risk, interest rate risk, commodity price risk and exchange rate risk.

The Company has established a top-down risk limit management system, which strives to keep the overall market risk of the Company within an acceptable level by allocating the overall risk limit of the Company to different business departments/business lines, the monitoring and implementation by the internal control department, and by timely assessing and reporting of significant risk matters.

During business operations, the front-office business departments/business lines, as the direct bearer of market risks and the frontline risk management team, dynamically manage the market risks arising from its positions held. The Risk Management Department, which is independent from the business departments/business lines, assesses, monitors and manages the risks of each business in a comprehensive manner, and reports and addresses the risk situation.

The Company adopts VaR as a major indicator of its overall market risk measurement, and evaluates the possible losses in its proprietary positions arising from extreme situations through a series of stress tests in macro and micro scenarios, compares its risk resistant capacities, and evaluates whether the overall market risk profile of the Company is within an acceptable range.

The Company sets risk limits for its respective business departments/business lines to control market exposures, and conducts daily monitoring, gives timely warning, and makes prompt response.

The Company continues to modify the risk limits system, defines unified limit management measures and a hierarchical authorization mechanism, and adjusts the management measures for the system of risk limit indicators on various levels, such as the Company level, the business departments/business lines level and the business segments/strategies level in accordance with the authorization mechanism.

In respect of foreign assets and assets of subsidiaries, the Company implements centralized management. In respect of foreign currency assets, the Company conducts overall monitoring and management on exchange rate risk, and manages exchange risk exposure through a number of methods such as adjusting foreign currency position, using forward exchange contract/option hedging, currency swap contracts, etc.

The company continues to update market risk limits, enrich the indicator limit system, and promote the research and improvement of risk measurement methods. The Group closely kept track of market and business changes, promptly identified the latest market risk profile and maintained good communication with relevant regulatory authorities and the Shareholders, with a view to timely controlling the exposure to market risks.

Credit risk

Credit risk is the risk in respect of loss arising from the failure to perform obligations by a borrower, counterparty or issuer of financial positions held, or the result of whose credit qualifications deteriorate. The risk exposure of domestic and foreign investments in bonds is as follows:

Credit risk exposure of investments in bonds (by domestic rating agencies)

In RMB ten thousand

Investment Rating	31 December 2022	31 December 2021
China's Sovereign Credit Rating	**4,865,309**	5,684,318
AAA	**11,709,623**	14,306,126
AA	**1,240,453**	2,130,612
A	**11,058**	16,506
A-1	**23,286**	68,323
Others	**3,375,050**	3,332,426
Total exposure	**21,224,779**	25,538,310

Note 1: AAA~A represents rating for debts with maturity over one year, of which AAA represents the highest rating; A-1 represents the highest rating for debts with maturity within one year; AA includes products with AA+, AA and AA- actual ratings; A includes products with A+, A and A- actual ratings; others refer to products with ratings below A- (excluding A-) and those without external debt ratings.

Note 2: The data of this period increased the product range and restated the data at the end of the previous year.

Credit risk exposure of investments in bonds (by foreign rating agencies)

In RMB ten thousand

Investment Rating	31 December 2022	31 December 2021
A	**58,373**	28,431
B	**2,635,727**	727,917
C	**976,314**	1,025,667
D	**13,967**	-79
NR	**1,341,685**	1,140,960
Total exposure	**5,026,066**	2,922,896

Note: The foreign bond rating is chosen as the lowest among the ratings granted by Moody's, Standard & Poor's and Fitch Ratings (if any); NR is recorded when no rating has been granted by any of the three agencies. Amongst the ratings, A represents products with ratings of Aaa~Aa3 by Moody's, AAA~AA- by Standard & Poor's and AAA~AA- by Fitch Ratings; B represents products with ratings of A1~Baa3 by Moody's, A+~BBB- by Standard & Poor's and A+~BBB- by Fitch Ratings; C represents products with ratings of Ba1~B3 by Moody's and BB+~B- by Standard & Poor's, and BB+~B- by Fitch Ratings; D represents products with ratings of Caa1~D by Moody's, CCC+~D by Standard & Poor's, and CCC+~D by Fitch Ratings.

The Group continues to maintain strict risk management standards for its securities financing business, and manages its credit risk exposure through timely mark to market.

As at the end of the Reporting Period, the Group maintained an average margin ratio of 279% for the Group's margin financing and securities lending clients with outstanding liabilities; the Group's stock repo trading clients had no liabilities; the size of the stock-pledged repo business which uses the Group's proprietary fund amounted to RMB27,792 million, with an average margin ratio of 277%; and the size of the stock-pledged repo business operated through asset management products managed by the Group amounted to RMB11,992 million.

Liquidity risk

Liquidity risk refers to the risk that the Company fails to obtain sufficient capital with reasonable cost and in a timely manner to pay its overdue debts, perform other payment obligations or satisfy capital requirements for normal business operations. The responsibilities for centralized management of fund allocation lie within the Company's Treasury Department. In respect of the domestic stock exchanges and interbank market, the Company has a relatively high credit rating, and has secured stable channels for short-term financing, such as borrowing and repurchases. The Company has replenished its long-term working capital through corporate bonds, subordinated bonds and beneficial certificates, so as to enable the Company to maintain its overall liquidity at a relatively secured level.

The Risk Management Department independently monitors and assesses the fund and debt positions of the Company over a certain period of future time span on a daily basis. It measures the solvency of the Company via the measurement of indicators including the funding gap ratio under stress scenarios. It sets warning threshold values for liquidity risk indicators, and warns the risk to the Risk Management Committee, the management and relevant departments of the Company regarding the indicator tension, and organizes each department to take measures to restore the indicators to a secured level. The Company has established a liquidity reserve pool system, which is managed independently by the Treasury Department from the Business Department, with sufficient high-liquidity assets to meet its emergency liquidity needs.

In 2022, the environment for market liquidity was relatively loose, and the Company maintained its close monitoring and daily management on liquidity risks, to ensure that its liquidity was kept in a good condition. At the same time, the Company strengthened the forward-looking management of liquidity regulatory indicators to ensure that the liquidity regulatory indicators constantly meet regulatory standards.

Operational risk

Operational risk is the risk of losses to the Company arising from flawed internal processes, breakdown of information system, fault or misconduct of staff, external factors and other reasons.

During the Reporting Period, all the established management tools of the Company were on continuous effective operation. The Company identified, assessed, and mitigated risks through the assessment and review process on new products and new businesses; improved its internal control procedures and prevented risks through streamlined business processes and system function optimization; made early monitoring, warning and analysis of the daily operational risk trends in time through key risk indicator monitoring; investigated and reported on risk events and self-examined risk cases against peer institutions to identify and mitigate risks in a timely manner; relied on internal control self-assessment to comprehensively identify risk points and regularly evaluated the completeness of internal control process design and implementation effectiveness. The Company improved employees' awareness and ability of operational risk prevention through organizing various forms of training.

4. REPORT OF THE BOARD

4.1. Review of Business

4.1.1. Business review

The Group is principally engaged in investment banking, wealth management, asset management, financial markets and other related financial services (please refer to "3. Management Discussion and Analysis" of this results announcement for the Group's principal businesses, business models and key performance drivers during the Reporting Period).

Details of the development stages, cyclical characteristics of the industry in which the Group operates and the industry positions of the Group are as below:

China's capital market has become one of the most important capital markets in the world, which has provided a rare opportunity for the development of the securities industry. The size of the A-share market has ranked second in the world, with the number of listed companies exceeding 5,000. In 2022, the total amount of funds raised through IPOs in the A-share market accounted for nearly half of the world's total amount. The Shanghai Stock Exchange and Shenzhen Stock Exchange ranked first and second in the global market in terms of the amount of funds raised through IPOs. Although the key A-share indexes showed a significant decline in 2022, the total scale of public funds under management amounted to RMB26.8 trillion, representing a year-on-year increase of 5.3%, and both the number of funds and fund share increased by 14% year on year. China's capital market has played a more prominent pivotal role in promoting industrial innovation and transformation and improving people's wealth allocation, which has promoted the high-quality development of the real economy. The securities industry will actively integrate into the overall national development, adhere to financial services for the real economy, smooth the virtuous cycle of science and technology, capital and real economy, and make a greater contribution to the Chinese-style modernization. In 2022, the Company made steady progress in various operational and management works and maintained its industry-leading position in key financial indicators and business indicators.

The key financial indicators of the Company are set out in "2.1. Key Financial Data" of this results announcement.

4.1.2. Principal risks and uncertainties

Principal risks to which the Company is exposed include market risk, credit risk, liquidity risk and operational risk. For the objectives and policies of risk management of the Company, please refer to "3.5. Risk Management" of this results announcement. For major risks and uncertainties to which the Company was exposed in 2022, please refer to "3.1.5. Possible risks exposure" of this results announcement.

4.1.3. Relevant laws and regulations with significant impact

Adhering to the philosophy of operating in compliance with laws and regulations for a long time, the Company complies with the national laws, administrative regulations and various rules and normative documents promulgated by regulatory authorities. In 2022, in accordance with regulatory provisions and business management requirements of the Company, the Company formulated and amended a series of internal management rules to enhance its internal control and management level and improve compliance management systems; formulated and improved business management rules and processes to timely implement all the requirements of regulatory authorities and self-regulatory organizations in all of its business lines; continuously strengthened the publicity and training of laws and compliance culture to enhance the awareness of active prevention against compliance risks in the course of business operations for all the business lines. The Company achieved overall compliance in its operation and management activities. The compliance and risk management mechanism of the Company ran well and no material systematic compliance risks were detected.

4.1.4. Environmental policies and performance

The Company earnestly learned the new development concept, and actively responded to the national environmental protection and sustainable development strategy. The Company has established and been continuously improving the environmental management framework, and integrated the concept of environmental responsibility into every aspect of daily operation and management, so as to ensure the implementation of environmental responsibility. The environmental management strategy of the Company was made by the Board and implemented by the management, with all departments and subsidiaries cooperating with each other to jointly carry out and promote the environmental protection measures. The Company conscientiously performed the corporate environmental responsibility, actively promoted the concept of green operation, and advocated low carbon and environmentally-friendly operation and working style. The Company was committed to the practice of new development concepts in the financial sector.

The Company attached great importance to the leading role of financial institutions in promoting sustainable economic growth and national economic transformation, integrated ESG concepts into various businesses, and boosted the promotion and practice of responsible investment and green finance to jointly realize the economic, social and environmental benefits. The specific work is carried out as follows:

1. Green operation

(1) Energy conservation and carbon control

Adhering to the concept of environmental friendliness, the Company is committed to conducting carbon control through energy-saving and emission-reduction environmental protection measures and the use of clean energy, in a bid to reduce the impact of its own operations on the environment, and respond to the national goal of "carbon neutrality". In 2022, the Company took a number of daily energy-saving and carbon-control measures across multiple office locations to reduce energy waste and improve energy utilization efficiency, including rationally adjusting the lighting time in public areas of the building through the light control system, inspecting and turning off invalid lighting in office area and computer room, strengthening night patrol and inspection, constantly using LED energy-saving lamps to replace traditional lamps, setting the air-conditioning temperature in public areas on an energy-saving basis, and reducing on-site meetings and carbon emissions caused by business travel.

In 2022, to implement energy-saving and emission-reduction environmental protection measures, the Company's Beijing headquarters office building replaced more than 9,000 traditional fluorescent lamps with more energy-efficient LED lamps. It is expected to save about 250,000 kWh of electricity per year. By purchasing green power, the Company aims to achieve the annual short-term carbon reduction target of 30% of clean energy usage in the Beijing headquarters building from 2022 to 2024, and will continue to promote its short, medium- and long-term carbon reduction targets as planned.

In 2022, the Shenzhen office building identified and analysed the energy consumption data of the office building in a timely manner and put forward improvement plans through comparison of big data on energy consumption, time-phased energy consumption management, and patrol inspections by person and area. As of the end of the reporting period, despite a nearly 20% increase in the number of employees at the Shenzhen headquarters compared to the end of 2021, the consumption of energy sources such as water and electricity in the office building decreased by 3.74% in the same period, indicating significant achievements in energy conservation and emission reduction efforts.

The Beijing data center of the Company adopted a construction standard of Tier 4, reaching the first-class level in China and leading level in the industry. It won several top awards for data center design and construction in China. The data center takes a variety of energy-saving measures in each computer room to achieve the goal of reducing energy consumption and greenhouse gas emissions. In 2022, the Company implemented the energy consumption management system, put forward the goal of energy consumption management, the method for calculation of energy consumption PUE, and the daily management and record analysis of energy consumption management, made regular analysis on energy consumption, proposed energy-saving improvement measures, and updated equipment in the computer room. These energy-saving initiatives will continue to reduce the annual energy consumption required for the operation of the computer room in the future. For example, by replacing some equipment, about 530,000 kWh of electricity can be saved per year.

(2) Water conservation

The Company actively responded to the national call for water conservation, and developed and implemented water saving and recycling plans according to the actual operation situation. The Company monitored the overall water usage in the office buildings and took regular inspection to see if there were leaks of water in pipelines and facilities and conducted repair in a timely manner in case of any leaks. The Company recycled the water used in the kitchen and avoided wasting water resources by optimizing water management. The Company also remodeled the water purification system of the headquarters building in Beijing to recycle wastewater, thereby enhancing the efficiency of water resources use.

(3) Waste management

The Company continues to strengthen the management of various solid wastes generated during operations, strictly abides by relevant national laws and regulations in storage, transportation, disposal and other links, prevents and controls environmental pollution risks, and continuously improves the efficiency of comprehensive waste utilization. The Company's waste mainly consists of office and general household waste. The Company carefully selects disposal companies for various kinds of waste

to ensure that the disposal of waste is in compliance with laws and will not cause secondary impacts on the environment. In 2022, the Company continued to carry out special publicity and implementation activities for garbage classification and recycling in various ways and took measures such as equipping trash cans and sorting garbage bags, posting classification signs, setting up bulletin boards themed on "garbage classification", and organizing garbage classification training to raise employees' awareness of environmental protection and promote waste recycling.

(4) Paperless office

The Company takes various paper reduction measures to realize paperless operations, paperless meetings, paperless training, and paperless life. It carries out electronic operations, offers online meetings and training, and tries to avoid disposable products to reduce paper consumption and carbon emissions.

(5) Green procurement

The Company attaches importance to the implementation of green procurement. When purchasing products and services, the Company gives priority to equipment and materials that are reliable, energy efficient and environmentally friendly, and requires suppliers to have ISO 14001 environmental management system certification, which is mainly reflected in:

In terms of selection of materials, the Company only chooses qualified materials that meet the national environmental protection standards, and strictly manages the on-site inspection and acceptance testing procedures.

In terms of selection of furniture, the Company only chooses qualified products that meet the national environmental protection standards, and prioritizes products with low-carbon emission labels in selection of main materials such as plates.

In terms of office supplies, the Company favors products with environmental protection certification, for example, FSC certification.

2. Green finance

The Company is committed to practicing new development concepts in the financial field, attaches great importance to the guiding role of financial institutions in promoting sustainable economic growth and national economic transformation, integrates ESG concepts into various businesses, pushes forward the popularization and practice of responsible investment and green finance, and promotes the realization of economic benefits, social benefits, and environmental benefits.

(1) ESG risk management

The Company gradually incorporates ESG factors into the Company's comprehensive risk management system. Based on the comprehensive risk management framework and through assessment, measurement, monitoring, response, and reporting, etc., the Company continuously strengthens the beforehand prevention, and in-process and post-event control and management of ESG-related risks throughout the Company and in various business lines to further improve the effectiveness of the Company's non-financial risk control and promote the Company's long-term sustainable development. During the Reporting Period, the Company has established and released the Environmental and Social Risk Management Framework of CITIC Securities to guide the Company to fully consider ESG factors when carrying out investment and financing businesses and to incorporate ESG factors in such links as due diligence, risk approval, and follow-up management, and continue to improve such factors. For details of ESG key risks related to the management of business activities, please refer to the 2022 Social Responsibility Report of CITIC Securities Company Limited published by the Company separately on the same date of this results announcement.

(2) ESG due diligence

The Company has incorporated ESG factors into the risk management process of each business and conducted ESG-related due diligence for investment banking, equity investments, and other business activities. The Company actively supports related companies that demonstrate strict adherence to ESG responsibilities, while also rejecting companies with significant ESG risks. During daily project review and public opinion risk monitoring, the Company places a greater emphasis on credit risk assessments for enterprises involved in energy-intensive industries, and prioritizes its support for industries that are encouraged by national policies. Moreover, ESG due diligence trainings are offered to relevant business personnel and risk management personnel to improve their awareness of ESG risks and ability to manage and mitigate those risks.

(3) Responsible investment

The Company is consistently enhancing its responsible investment concept by formulating responsible investment strategies tailored to different asset classes and implementing rigorous screening of investment targets. In the investment process, the Company remains steadfast in its commitment to fully integrate ESG factors into the initial screening, investment research, and risk warning and management, in respect of investment targets. This ensures a meaningful impact on the final investment decision. The Company issued the "Responsible Investment Statement of CITIC Securities Company Limited", which covers such content as the organizational structure and management of the Company's responsible investment, the integration of ESG factors into the investment process, responsible investment strategies and application, as well as research and communication, and the systematic promotion and implementation of responsible investment concepts at the corporate level, with a view to contributing to the national sustainable development strategy with practical actions.

(4) ESG product innovation

The Company is committed to developing strategic products that align with ESG themes, in order to provide customers with a range of investment services. Launched on 3 November 2022, the first ESG/sustainable investment-themed product — CITIC Securities Xingyun No. 81 ESG Collective Asset Management Plan had expanded to approximately RMB46 million by the end of 2022 and the proportion of products invested in ESG-themed securities was not less than 80% of net worth. The Company cooperates with certain commercial banks on green financial products, including ESG index-linked structured deposits and green financial-themed bank wealth management products. The Company utilizes ESG standards to thoroughly screen potential investment targets featuring strong credit quality, excellent management capabilities and outstanding ESG performance. In 2022, a total of 18 green products were sold with a combined value of RMB3.116 billion. The Company has introduced China Bond-CITIC Securities ESG Selected Credit Bond Index and a corresponding income certificate product. Additionally, it has also launched the 888th Antai Return Series Income Certificate (安泰回報系列888期收益憑證), the first carbon-neutral index-linked income certificate product in the market. The Company is actively exploring the application of ESG indexes across a wider range of product fields, with the aim of attracting more social funds to invest in green and low-carbon projects and help establish a sound green and low-carbon circular development economic system. In collaboration with a number of professional index companies, the fixed income department of the Company has issued more than 20 indexes covering pure debt and large asset allocation categories, and about 800 corresponding income certificate products, securing sustainable stable income for investors.

(5) ESG and Responsible Investment Research

The Company conducts in-depth research in the field of responsible investment, establishing both the Company's ESG scoring system and ESG theme research system. It releases research and analysis reports to improve the participation and overall level of responsible investment. The Company focuses on the "localization" method and investment application of the ESG evaluation system. Starting with the CSI 800 as the initial benchmark, it has developed a new system for scoring the Company's ESG practices with an international perspective and in accordance with China's development stage. The coverage has been expanded to encompass all A shares. In 2022, the Company conducted a comprehensive overhaul of its ESG research system, resulting in significant advancements in both depth and breadth of its research. A total of 43 ESG-related research reports were published, focusing on how to implement ESG investment concepts in the domestic capital market. This endeavor led to the creation of several research series, including the "ESG Rating System Series", "ESG Investment Strategy Series", "ESG Industry Specialization and Enterprise Service Series", "ESG Comments and Regular Tracking Series". These research series delve into localized ESG investment strategies, providing investors with an effective reference to help them avoid ESG risks and achieve long-term sustainable investment returns. CITIC Securities International has set up a sustainable Asia research team that regularly releases special reports on key development issues in Asia. The team provides investors with in-depth research on sustainable development, and has completed the development of the ESG research website and database Sustain Asia, which provides clients with vital information to comprehensively understand the shifting trends of sustainability in Asia.

(6) Support sustainable financing

To execute the country's major decision-making and deployment of "carbon peak and carbon neutrality", the Company continues to carry out in-depth research and observation on green and low-carbon environmental protection related industries. Under the guidance of the "double carbon" policy, the Company is extensively investigating and mapping out the industry's worth, while actively promoting and participating in sustainable financial innovation. It employs capital allocation to steer the transformation of industrial and energy structures towards green and low-carbon alternatives.

In 2022, the Company acted as an underwriter for a total of 129 green bonds (including carbon-neutral bonds and blue bonds), with a combined underwriting value of RMB65.1 billion. This resulted in the fund raising of RMB273.7 billion, securing the first place for the Company in the industry. The Company issued 45 overseas ESG bonds, with a fund raising of US$17.37 billion and a combined underwriting value of US$1.14 billion, ranking the second in Chinese peer companies. Other notable underwriting projects of the Company included the first "carbon-neutral" green financial bond among commercial banks, the first exchangeable corporate bond for green technology innovation, the largest carbon-neutral CMBS, the first green technology innovation bond, the first renewable corporate bond for digital economy technology innovation, and sustainability-linked corporate bond. The Company actively promoted domestic and overseas equity financing for green industries, as evidenced by its sole sponsorship of several successful listings. For instance, the Company solely sponsored the listing of CSET, the environmental protection industry platform of the Chinese Academy of Sciences, on ChiNext, as well as the listing of Conglin Technology, which became the first stock in the hazardous waste treatment industry to list on the STAR Market. The Company also played a key role in the successful issuance of GDRs of Mingyang Smart Energy on the London Stock Exchange and GDRs of GEM on the SIX Swiss Exchange.

In 2022, the Company was actively involved in underwriting ESG interest rate products and successfully underwrote 11 green policy bank financial bonds, with a total issuance amount of RMB71.7 billion and underwriting amount of RMB5.98 billion. The Company was ranked as one of the top performers in underwriting several bonds, with the related bonds extensively invested in "low-carbon transportation system construction", "clean energy equipment manufacturing", "ecological protection and restoration of the Yangtze River basin", "green upgrading of infrastructure", "construction of national reserve forest and high-standard farmland", and other key areas covered by the national "double-carbon" strategy.

(7) Supporting the construction of carbon trading market

The Company has actively joined in the carbon market construction by setting up a dedicated team for carbon emission permit investment and trading. The Company has successively completed the first carbon emission permit trading in the industry and implemented the first carbon emission allowance repurchase transaction and the first over-the-counter swap transaction of carbon emission permit across the country. The Company operated regular transactions in the regional carbon markets authorized by the state, helping realize and improve the price discovery function of carbon markets, and continued to actively participate in the construction of carbon asset spot and futures markets throughout the country.

Through continuous investment trading and market making services as well as derivative instrument creation services, the Company has conducted extensive cooperation with enterprises in the fields of steel, petrochemical, building materials, chemical, forestry and new energy, and helped varied government departments to promote the pilot work of climate investment and financing and improve their carbon sink capacity, maintaining an industry-leading scale of carbon sink cooperation reserves. The Company paid attention to the development of financial innovation models and business solutions relating to the carbon market. The Company has pioneered the carbon emission reduction investment and trading, carbon emission allowance trusteeship for value appreciation and other products and services to help enterprises reduce their performance costs and revitalize carbon assets, which has been widely recognized by the market. The Company actively participated in the industry exchange and promoted the industrial cooperation and standard establishment for the carbon market, and took part in the design of various core systems. The Company's innovation capability and system recommendations have been recognized by multiple relevant competent departments, and it won the "2021 Excellent Member Award of Shanghai Environment and Energy Exchange". The Company was also invited to join the carbon emissions permit trading standard text working team and the carbon derivatives working team of the National Association of Financial Market Institutional Investors and took an active part in the construction of the carbon derivatives market.

Measures taken for reducing carbon emissions during the Reporting Period and the results

The carbon emissions of the Company mainly comes from the consumption of electricity, gasoline, diesel and other related energy in its daily operation. During the Reporting Period, the Company continued to carry out energy-saving work by means of green office, low-carbon data center operation, and low-carbon travel, and promoted the use of renewable energy and renewable resources, so as to reduce carbon emissions in its operation.

For other information relating to environmental policies and performance, please refer to the 2022 Social Responsibility Report of CITIC Securities Company Limited published by the Company separately on the same date of this results announcement.

4.1.5. Social responsibility

External donations and public welfare projects	Quantity/content
Total input (RMB0'000)	5,597
Of which: funds (RMB0'000)	5,597
Funds converted from materials (RMB0'000)	—
Number of people benefited (people)	79,000

Shouldering the mission of implementing national strategies, serving the real economy, and creating greater value for the society, the Company actively fulfilled its corporate social responsibilities from the aspects of sound operation, sustainable finance, employee development, environmental friendliness, and giving back to society. Throughout 2022, the Company remained dedicated to implementing the new development concept, promoting sustainable financial growth, taking proactive measures to address climate change, supporting employee development, steadily advancing business development, prioritizing the well-being of people, and generating value for customers, Shareholders, employees, society and other stakeholders.

The Company has established and been continuously improving its social responsibility management structure by integrating the concept of social responsibility into every aspect of daily operation and management. It has continuously promoted the integration of the concept of social responsibility with business development to ensure the implementation of social responsibility initiatives. The Company's social responsibility management strategy was made by the Board, and coordinated and implemented by the management, with all departments and subsidiaries cooperating with each other to jointly carry out and promote social responsibility initiatives.

In 2022, the Company attained an MSCI ESG rating of BBB, a CDP Climate Change Questionnaire rating of B, and an upgraded Moody's ESG rating of CIS-2 neutral.

MSCI ESG **rating was upgraded to BBB**

CDP Climate Change Questionnaire **rating of B**, ranking top among the peer companies in China

For details of the related work, please refer to the 2022 Social Responsibility Report of CITIC Securities Company Limited published on the same date of this results announcement.

4.1.6. Significant subsequent events

Since the end of the Reporting Period to the date of publication of this Results Announcement, save as those disclosed in "5.8. Other Significant Events and Subsequent Events" and Note 61 "Events After the Reporting Period" to the Financial Statements as set out of this results announcement, there was no other subsequent event which had a material impact on the Group.

4.1.7. Future development/forward-looking

Please refer to "3.1.2. Development strategy of the Company" and "3.1.3. Business plan" of this results announcement on prospects of the Company's future development.

4.2. Profit Distribution and Proposed Dividend

4.2.1. Profit distribution policy

The Articles of Association of the Company specifies the decision-making procedures and mechanisms for profit distribution plans, especially the cash dividend plans, and clarifies that priority is given to cash dividend in profit distribution.

The profit shall be distributed in the form of cash, stock shares, or a combination of both. Priority will be given to cash dividend payment when the conditions for cash dividend are fulfilled. The percentages of distribution shall be drafted by the Board according to the situation of the Company and the requirements of the CSRC, and shall be approved by the general meeting; the Company shall, in principle, make one profit distribution each year when the conditions for dividend payment are fulfilled, but the Company may distribute dividends in an interim period according to its profitability and capital requirements; where the Board fails to prepare a plan for the annual cash profit distribution when the Company has earned a profit, the Company shall, according to the requirements of the relevant regulatory authorities, disclose the reasons for the failure in its regular report; and where any shareholder misappropriates any fund of the Company in violation of laws or regulations, the Company shall, before distributing the profit, deduct the amount so misappropriated by such shareholder from the cash amount to be distributed to such shareholder.

The Company shall, in formulating its profit distribution plan, consider both internal and external factors, and do its best to ensure that the annual profit distribution scale is not less than 20% of the net profit attributable to shareholders of the parent Company for that year.

When the profit and accumulated undistributed profit for the year is positive, the cash flows are sufficient to fund the Company's normal operation and long-term development and the implementation of the cash dividend plan will not affect the Company's on-going operation, the Company may make profit distribution in the form of cash. The Company shall, taking into consideration factors such as industry characteristics, the Company's development stage, business operation model, profitability level and whether there are significant capital expenditure arrangements, develop differentiated cash dividend policies to be applicable in the following different situations: (1) where the Company is at a sophisticated stage of development and has no significant capital expenditure arrangements, the cash dividend payout ratio in the profit distribution shall reach a minimum of 80%; (2) where the Company is at a sophisticated stage of development and has any significant capital expenditure arrangement, the cash dividend payout ratio in the profit distribution shall reach a minimum of 40%; (3) where the Company is at a growth stage of development and has any significant capital expenditure arrangement, the cash dividend payout ratio in the profit distribution shall reach a minimum of 20%; and (4) where the Company's development stage is difficult to be defined but the Company has any significant capital expenditure arrangement, the preceding provisions may still be followed.

4.2.2. Profit distribution plans in 2022:

The Company's profit available for distribution for the year 2022 amounts to RMB56,258,827,052.57.

In consideration of composite factors such as the future development of the Company and the interests of the Shareholders, the Company proposes the profit distribution plan of 2022 as follows:

1. The Company proposes to adopt cash dividend payment method for its 2022 profit distribution (i.e. 100% cash dividend) and distribute a dividend of RMB4.90 (tax inclusive) for every 10 Shares to the A Shareholders and H Shareholders whose names appear on the register of members of the Company on the record date for the distribution of the 2022 cash dividend. Based on the total number of issued Shares of the Company at the end of 2022, i.e. 14,820,546,829 Shares, the cash dividend proposed to be distributed totals RMB7,262,067,946.21 (tax inclusive), representing 34.88% of the net profit attributable to Shareholders of ordinary Shares of the Company as shown in the 2022 consolidated financial statements. In the event of change in total number of issued Shares of the Company after the date of the abovementioned Board meeting but before the record date for payment of the cash dividend, the total distribution amount shall remain unchanged while the distribution amount per Share will be adjusted accordingly. The outstanding balance of the retained profit available for distribution for 2022 will be carried forward to the next year.

2. Cash dividend is denominated and declared in RMB and payable in RMB to the A Shareholders and in HKD to the H Shareholders. The actual amounts to be paid in HKD will be calculated based on the average benchmark exchange rate for RMB to HKD as announced by the People's Bank of China for the five business days before the date of the 2022 Annual General Meeting of the Company.

After the 2022 profit distribution plan being approved by the 2022 Annual General Meeting of the Company, payment of the 2022 cash dividend will be made before 31 August 2023. The Company will publish separate announcement on the record date and the book closure period for the payment of the dividends in relation to H Shares, as well as the record date and the date for the payment of the dividends in relation to A Shares.

4.3. Tax Deduction and Exemption

A Shareholders

Pursuant to Notice on Issues Concerning the Implementation of Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2012] No. 85) and Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2015] No. 101) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC, for dividends obtained from listed companies by individual investors, if the holding period between the date of obtaining the Company's Shares by the individual investor and the record date is more than one year, individual income tax shall be exempted; if the holding period between the date of obtaining the Company's Shares by the individual investor and the record date is less than one year (inclusive), listed companies temporarily are not required, in respect of their individual income tax, to pay withholding tax, subject to corresponding adjustment to be made in accordance with the aforementioned Notices at the time when the individual investors transferred their respective Shares.

For Shareholders who are resident enterprises, the income tax on their cash dividends shall be payable by themselves.

For Qualified Foreign Institutional Investors (QFII), listed companies are required to withhold and pay enterprise income tax at a rate of 10% pursuant to the requirements of the Notice Concerning the Relevant Questions on the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII of the State Administration of Taxation (Guo Shui Han [2009] No. 47). Shareholders who are QFII and who wish to enjoy the treatment of tax treaties (arrangements) shall apply to the competent taxation authority for tax rebates according to the relevant rules and regulations after they receive the dividends.

Pursuant to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation, and the CSRC on Taxation Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), for dividends derived by investors (including enterprise and individual investors) in the Hong Kong market from investing in A shares listed on SSE, and prior to Hong Kong Securities Clearing Company Limited is able to furnish the identity, holding period and other detailed data of investors in the Hong Kong market to CSDC, the differentiated tax policy based on the holding period of shares will temporarily not be implemented. Listed companies shall withhold income tax at a tax rate of 10% and make withholding and payment filings with their competent tax authorities. For those investors in Hong Kong who are tax residents of other countries and the income tax rate applicable to dividends is lower than 10% under the tax treaties between China and their residence countries, enterprises or individuals may by themselves or ask the withholding and payment agent to act on their behalf to apply to the competent tax authorities of the listed companies for the application of preferential treatment under the tax treaties. With the approval of the competent tax authorities, the difference between the tax paid and the payable tax calculated at the rate as prescribed under the corresponding tax treaty shall be refunded.

H Shareholders

Pursuant to the requirements of 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 dividends received by overseas resident individual shareholders from the shares issued by domestic non foreign-invested enterprises in Hong Kong are subject to the payment of individual income tax according to the items of "interests, dividend and bonus income", which shall be withheld and paid by the withholding and payment agents according to the relevant laws. The overseas resident individual shareholders who hold the shares 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 and Hong Kong (Macau). The relevant dividend tax rate under the relevant tax agreements and tax arrangements is generally 10%, and for the purpose of simplifying tax collection and administration, domestic non foreign-invested enterprises issuing shares in Hong Kong may, when distributing dividend, generally withhold and pay individual income tax at the rate of 10%, and are not obligated to file an application.

Pursuant to the requirements of the Notice on the Issues Concerning Withholding and Paying the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) of the State Administration of Taxation, a PRC resident enterprise, when distributing dividends for the year 2008 and the years thereafter to H Shareholders which are overseas non-resident enterprises, shall be subject to enterprise income tax withheld and paid at a uniform rate of 10%.

Pursuant to the requirements of the Notice of Ministry of Finance, the State Administration of Taxation, and the CSRC on Taxation Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) and Notice on Taxation Policy Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127), for dividends derived by Mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, H-share companies shall withhold individual income tax at a tax rate of 20% for the investors. For dividends derived by Mainland securities investment funds from investing in shares listed on Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends derived therefrom. For dividends derived by Mainland enterprise investors from investing in shares listed on Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the company of such H shares will not withhold the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. For dividends derived by Mainland resident enterprises where the relevant H shares have been continuously held for more than 12 months, the enterprise income tax thereon will be exempt according to the laws and regulations.

Shareholders of the Company are taxed and/or enjoy tax relief in accordance with the aforementioned regulations.

4.4. Use of Proceeds

Public issuance of shares by way of the rights issue

In order to further consolidate the Company's capital strength, optimize the capital structure, expand business scale, and improve the Company's ability to resist risks, as resolved by the Company's 2020 Annual General Meeting, the 2021 First A Shareholders Class Meeting and the 2021 First H Shareholders Class Meeting, and as approved by the CSRC, the Company completed the A Share rights issue and the H Share rights issue (the "Rights Issue") in March 2022. The Rights Issue involves the allotment of a total of 1,552,021,645 A Shares to qualified A Shareholders on the basis of 1.5 A rights shares for every 10 A Shares held at the A Share record date at the price of RMB14.43 per A rights shares, and the allotment of a total of 341,749,155 H Shares to qualified H Shareholders on the basis of 1.5 H rights shares for every 10 H Shares held at the H Share record date at the price of HK$17.67 per H rights shares. The aggregate nominal value of the rights shares issued under the Rights Issue is RMB1,893,770,800. The net price per A rights share is approximately RMB14.38, while the net price per H rights share is approximately HK$17.48. As at the price determination date of the Rights Issue, being 13 January 2022, the closing price of the Company's A Shares is RMB24.84 per A Share, while the closing price of the Company's H Shares is HK$20.80 per H Share. The A rights shares and the H rights shares issued under the Rights Issue have been listed on the SSE from 15 February 2022 and on the Hong Kong Stock Exchange from 4 March 2022, respectively.

The gross proceeds from the A Share rights issue of the Company amounted to RMB22,395,672,337.35 and the actual net proceeds after deduction of expenses relating to the issuance amounted to RMB22,318,195,731.58; the gross proceeds from the H Share rights issue amounted to approximately HK$6.04 billion (equivalent to approximately RMB4.93 billion) and the net proceeds from the H Share rights issue after deduction of expenses relating to the issuance amounted to approximately RMB4.88 billion. The proceeds from the Rights Issue after deduction of relevant expenses relating to the issuance amounted to approximately RMB27.2 billion and will be used for the following purposes: (i) up to approximately RMB18.2 billion will be used for the development of flow-based business, which is expected to be fully utilised by 31 December 2023; (ii) up to RMB5 billion will be used for the increase in investments to the subsidiaries of the Company, which is expected to be fully utilized by 31 March 2023 based on the demands for funds of the existing subsidiaries of the Group and the establishment of new subsidiaries in each year; (iii) up to RMB3 billion will be used for the strengthening of the construction of the information system, which is expected to be fully utilised by 31 December 2023; and (iv) up to RMB1 billion will be used for the replenishment of other working capital, which was fully utilised.

According to the Capital Verification Report issued by PwC Zhong Tian (PwC Zhong Tian Yan Zi (2022) No. 0111 and PwC Zhong Tian Yan Zi (2022) No. 0415), the net proceeds from the rights issue of the Company to existing A Shareholders amounted to approximately RMB22.318 billion, and the net proceeds from H Shareholders amounted to approximately HK$5.976 billion, equivalent to approximately RMB4.839 billion. As of 31 December 2022, the use of proceeds: approximately RMB18.149 billion equivalent was used for the development of flow-based business; RMB4 billion equivalent was used for the increase in investments to the subsidiaries; approximately RMB2.513 billion equivalent was used for the strengthening of the construction of the information system; RMB1 billion equivalent was used for the replenishment of other working capital; the unutilised amount was RMB1.495 billion, which were used in line with commitments in the prospectus and the Company's announcements.

Investment of proceeds	Committed investment amount of proceeds	Utilised amount of proceeds	Unutilised amount of proceeds	Expected time of fully utilization
Development of flow-based business	RMB18.157 billion	RMB18.149 billion	RMB0.008 billion	By 31 December 2023
Increase in investments to the subsidiaries of the Company	RMB5 billion	RMB4 billion	RMB1 billion	By 31 March 2023
Strengthening of the construction of the information system	RMB3 billion	RMB2.513 billion	RMB0.487 billion	By 31 December 2023
Replenishment of other working capital	RMB1 billion	RMB1 billion	—	—
Total	**RMB27.157 billion**	**RMB25.662 billion**	**RMB1.495 billion**	

Pursuant to the provisions of the Regulatory Guidelines for Listed Companies No. 2 — Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies (2022 Revision) and the Plan of Public Issuance of Securities by way of the Rights Issue as approved at the 2020 Annual General Meeting, the 2021 First A Shareholders Class Meeting and the 2021 First H Shareholders Class Meeting of the Company respectively, where the Company pre-invests its internal funds in the investment projects to be funded by the proceeds, it may, within six months after the proceeds become available for use, replace the internal funds with the proceeds. As of 27 January 2022, the Company's actual investment amount of internal funds pre-invested in the investment projects to be funded by the proceeds was RMB3,517,013,935.11, of which RMB1,517,013,935.11 was invested to strengthen the construction of the information system and RMB2,000,000,000 was invested to increase the investment to its subsidiaries. On 28 March 2022, the 37th Meeting of the Seventh Session of the Board and the 14th Meeting of the Seventh Session of the Supervisory Committee of the Company considered and approved the Proposal on the Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue of the Company, respectively, and agreed that the Company should use the proceeds from the A Share Rights Issue in the amount of RMB3,517,013,935.11 to replace the internal funds pre-invested in the investment projects to be funded by the proceeds.

For details, please refer to the announcements dated 14 January 2022, 27 January 2022, 9 February 2022, 2 March 2022 and 28 March 2022, respectively, and the rights issue prospectus dated 9 February 2022, published by the Company on the HKEXnews website of HKEX.

Bond issuance

During the Reporting Period, the Company publicly issued three tranches of corporate bonds with an aggregate issuance amount of RMB6 billion, and publicly issued a tranche of perpetual subordinated bonds with an issuance amount of RMB3 billion to replenish working capital of the Company or repay corporate bonds; the Company issued 2862 tranches of beneficiary certificates with an aggregate issuance amount of RMB81.739 billion to replenish working capital of the Company.

In accordance with the relevant requirements of the Administrative Measures for the Issuance and Transactions of Corporate Bonds, the Company established special accounts for the proceeds from issuance of each tranche of corporate bonds, subordinated bonds and perpetual subordinated bonds for the collection, storage and transfer of proceeds, and the collection and management of the payment of interest and redemption of principal.

As at the end of the Reporting Period, proceeds of each tranche of bonds were used up and were used in line with the purpose, usage plan and other agreements in the offering circulars.

Please refer to "6.4. Issuance and Listing of Securities" of this results announcement for details about the shares and debentures issued by the Company during the Reporting Period.

4.5. Purchase, Sale or Redemption of the Company's Securities

During the Reporting Period, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

4.6. The Directors, Supervisors and Senior Management

Please refer to "7.1.1. Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period" of this results announcement for the list of the Company's Directors during the Reporting Period and from the end of the Reporting Period to the date of publication of this results announcement.

Please refer to "7.3. Changes of Directors, Supervisors and Senior Management" of this results announcement for the details of the resignation of the Directors during the Reporting Period.

Biographical details of the Directors, Supervisors and Senior Management are set out in "7.1.2. Major working experience of the incumbent Directors, Supervisors and Senior Management" of this results announcement.

4.7. Directors' and Supervisors' Service Contracts

The Directors' Service Contracts and the Supervisors' Service Contracts were entered into by the Company with each of the Directors of the Board and each of the Supervisors of the Supervisory Committee. The Directors' Service Contracts and the Supervisors' Service Contracts set out provisions regarding the Directors' and the Supervisors' appointments, terms of office, duties, remuneration and expenses, non-competition, confidentiality obligations, termination of appointments, breach of contract and arbitration, etc. The term of office of the Directors and the Supervisors commenced from the date of election at a general meeting of the Company until the expiry date of the term of office of the Board and the Supervisory Committee. Where the regulatory authority of the place where the Company's shares are listed has other provisions on the term of office of the independent non-executive Directors, such provisions shall prevail.

In addition, none of the Directors or Supervisors entered into a service agreement with the Company or its subsidiaries which could not be terminated within one year without paying compensation (other than statutory compensation).

4.8. Permitted Indemnity Provisions

In 2022 and when the Report of the Board of this results announcement is approved, no permitted indemnity provision (whether made by the Company or otherwise) was made or in force for the benefit of the Directors or former Directors of the Company or any directors or former directors of the associated companies of the Company (if made by the Company).

The Company has purchased insurance for the Directors against legal liabilities arising from performance of their duties. The governing law of relevant insurance policies was PRC law. The Company reviews the coverage of the director's liability insurance each year. In 2022, there were no claims for compensation against the Directors or Senior Management.

4.9. Management Contracts

During the Reporting Period, no management or administrative contracts were entered into or subsisting in respect of the whole or a substantial part of any business of the Company.

4.10. Remuneration Policies

The details of remuneration policies and share incentive scheme in respect of the Directors, Supervisors and Senior Management are set out in "7.5.3. Remuneration of Directors, Supervisors and Senior Management for the year" and "7.5.4. Share incentives regarding Directors, Supervisors and Senior Management" of this results announcement.

Details of the Company's employee remuneration policies and employee compensations are set out in "7.6.2. Remuneration policy" and Note 10 to the Consolidated Financial Statements of this results announcement.

4.11. Directors' and Supervisors' Interests in Material Contracts

The Company or its subsidiaries did not enter into any transaction, arrangement or contract of significance in which the Directors or Supervisors had a material interest during the Reporting Period, whether directly or indirectly.

4.12. Directors' Interests in Businesses Competing with the Company

None of the Directors has interests in any business which competes with businesses of the Company.

4.13. Directors', Supervisors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

As at 31 December 2022, the following persons had interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)), which were required, pursuant to Section 352 of the Securities and Futures Ordinance, to be entered into the register referred to therein, or required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Hong Kong Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange as follows.

Name	Position	Nature of Interest	Class of Shares	Number of Shares Held (shares)	Percentage of Total Number of Issued Shares of the Company (%)
ZHANG Youjun	Chairman and Executive Director	Beneficial owner	A Shares	430	0.000003

Pursuant to the Securities and Futures Ordinance, the chief executive who was required to disclose his interests to the Hong Kong Stock Exchange was the General Manager and did not include other Senior Management personnel. For details of the shareholdings of other Senior Management, please refer to "7.1.1. Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period" of this results announcement. In addition, as of 31 December 2022, no other Directors, Supervisors or Senior Management or their respective spouses or children under 18 years of age had been granted equity securities or warrants of the Company.

4.14. Pre-emptive Rights

The Company was incorporated in accordance with the PRC laws with no arrangement regarding pre-emptive rights.

4.15. Reserves and Reserves for Distributable Profits

Please refer to the "Consolidated Statement of Changes in Equity" and Note 51 to the Consolidated Financial Statements of this results announcement for details of changes in the reserves and the reserves for distributable profits of the Company.

4.16. Fixed Assets

Please refer to Note 19 to the Consolidated Financial Statements of this results announcement for details of the Group's fixed assets as at 31 December 2022.

4.17. Major Clients and Suppliers

The Company serves institutional and individual clients in various sectors. The Company's clients range from multinational corporations and SMEs to high-net-worth clients and retail customers. The clients are primarily located in China. The Company expects to serve more overseas clients as the Company taps into overseas market in the future. In 2022, the revenue from rendering services attributable to the Group's five largest clients accounted for less than 30% of the total revenue of the Group.

Save as disclosed above, none of the Directors, Supervisors, their respective close associates and Shareholders holding more than 5% of the issued share capital of the Company has any interests in any of the five largest clients of the Company in 2022. The Company has no major supplier due to the nature of its business.

4.18. Relationship with Employees, Clients and Suppliers

Employees' remuneration of the Company consists of base annual salary, performance-based annual salary, special rewards and insurance benefits. The Company continues to promote and implement staff training programs with comprehensive planning, implementation by levels and clear purposes. For details about the remuneration and training plans for employees of the Company, please refer to "7.6.1. Number and composition of staff", "7.6.2. Remuneration policy" and "7.6.4. Training program" of this results announcement. The Company, CITIC Securities (Shandong) and CITIC Securities South China had 4 securities brokers, of which 1 was broker of the Company. For information on relationship between the Company and its securities brokers, please refer to "7.6.5. Information on brokers" of this results announcement. For information on relationship between the Company and its major clients and suppliers, please refer to "4.17. Major Clients and Suppliers" of this results announcement.

4.19. Sufficient Public Float

At the time of listing of the H Shares, the Hong Kong Stock Exchange granted a waiver to the Company, accepting the minimum public float of the Company for the H Shares to be the higher of: (i) 10% of the total issued share capital; or (ii) the percentage of H Shares held by the public immediately after the completion of the global offering (including the H Shares issued pursuant to the exercise of the over-allotment option and the transfer and conversion of the relevant State-owned shares into H Shares pursuant to the PRC regulations on reduction of State-owned shares). Upon the completion of the global offering and based on the minimum public float granted by the Hong Kong Stock Exchange, the minimum public float of the Company for the H Shares is 10.70%.

As at the date of this results announcement, based on the information available to the public and the knowledge of the Directors, the public float of the Company is in compliance with Rule 8.08 of the Hong Kong Listing Rules and the requirements for minimum public float as set out in the waiver granted by the Hong Kong Stock Exchange at the time of listing.

4.20. Donations

During the Reporting Period, the Group's charitable and other donations amounted to approximately RMB69.5122 million in total.

Other sections, chapters or notes of this results announcement as mentioned in this section (Report of the Board) shall constitute part of the Report of the Board.

By Order of the Board
ZHANG Youjun
Chairman

Beijing, 30 March 2023

5. SIGNIFICANT EVENTS

5.1. Performance of Undertakings

Undertakings of the de facto controller, Shareholders, related parties, acquirer of the Company and the Company made or subsisting during the Reporting Period

5.1.1. Undertakings of Shareholders and related/connected parties and performance thereof

(1) Undertaking in respect of the share reform

During the Company's implementation of the share reform in 2005, CITIC Group, the largest Shareholder of the Company, has undertaken "not to transfer its shares within 12 months from the date of listing of the shares of the Company or upon expiry of the non-transfer undertaking, whenever it transfers through the stock exchange any Shares of the Company amounting to 1% of total issued Shares of the Company, it shall announce within two working days of such transfer; in addition, any such transfers shall not exceed 5% of the total issued Shares of the Company within the 12-month period and not exceed 10% within the 24-month period."

Since CITIC Group has transferred all the Shares held by it to CITIC Corporation Limited, the above undertaking is taken up by CITIC Corporation Limited. The above long-term undertaking is still valid, which has been performed satisfactorily at present and will continue to be duly performed.

(2) Undertaking in respect of IPO

During the initial public offering of A Shares of the Company in December 2002, CITIC Group, the largest Shareholder of the Company, undertook that "there did not exist and it will not establish any new companies engaging in securities business. In respect of those businesses which are the same or similar as the securities company engaged by banking and trust investment businesses, CITIC Group has undertaken that our Company can make adequate disclosure of such business and that it will not misuse its Shareholder position to act in the detriment of interests of the Company and other Shareholders."

The above long-term undertaking is still valid and is succeeded by CITIC Corporation Limited. It has been performed satisfactorily at present and will continue to be duly performed.

(3) Refinancing related undertakings

During the period of the A+H Share Rights Issue of the Company in 2022, the largest Shareholder of the Company, undertook that: 1. CITIC Corporation Limited will subscribe in cash for all the offered Rights Shares to be determined in accordance with the Company's plan of the Rights Issue and to be allotted to it in proportion to the number of Shares held by it at the close of market on the record date of the Rights Issue, at the price and ratio to be determined through consultation with the sponsor(s) (or underwriter(s)). 2. The source of funds to be used by CITIC Corporation Limited to subscribe for the Rights Shares is in compliance with laws and regulations, and the funds are self-owned or self-raised by CITIC Corporation Limited. The subscription by CITIC Corporation Limited for the Rights Shares to be allotted under the Rights Issue will not constitute entrusted investment or shareholding entrustment. 3. CITIC Corporation Limited undertakes that if the plan of the Rights Issue is adjusted in accordance with the rules and requirements of the CSRC, it will subscribe for all the offered Rights Shares to be allotted in cash at the ratio as finally approved by the CSRC. 4. CITIC Corporation Limited will fulfill the above undertaking after the Rights Issue is considered and approved at the general meeting of the Company and approved by the CSRC.

(4) Undertakings in the Report on Changes in Equity

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Other	CITIC Financial Holdings	1. Maintaining the business independence of the Company CITIC Financial Holdings will not unlawfully interfere with the normal operating activities of the Company. CITIC Financial Holdings will minimize the related party transactions between CITIC Financial Holdings and other enterprises controlled by CITIC Financial Holdings and the Company; in case of an inevitable related party transaction, an agreement shall be signed in accordance with the law and necessary procedures shall be performed in accordance with relevant laws and regulations. 2. Maintaining the asset independence of the Company CITIC Financial Holdings will not misappropriate the assets, funds and other resources of the Company or its controlled enterprises through CITIC Financial Holdings itself or its controlled affiliates in violation of regulations. 3. Maintaining the personnel independence of the Company CITIC Financial Holdings will continue to maintain the independence of the Company's senior management and financial staff. CITIC Financial Holdings will ensure and maintain the integrity of the Company's labor, personnel and salaries and social security management system. 4. Maintaining the financial independence of the Company CITIC Financial Holdings will warrant the independence of the financial accounting department of the Company and its establishment of an independent accounting system and financial management system, and will set up an independent financial department to be responsible for the specific operations of relevant businesses. The Company maintains segregated bank accounts, and does not share the bank accounts with CITIC Financial Holdings and other enterprises controlled by CITIC Financial Holdings. The financial staff of the Company do not hold part-time positions in CITIC Financial Holdings and other enterprises controlled by CITIC Financial Holdings. The Company pays taxes independently in accordance with the law. The Company will make independent financial decisions, and CITIC Financial Holdings will not interfere with the capital use of the Company in violation of laws and regulations.	The undertakings were made in June 2022 and shall remain in force for a long term commencing from the date of CITIC Financial Holdings' acquisition of the equity interest of the Company.

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
		5. Maintaining the institutional independence of the Company CITIC Financial Holdings will ensure that the Company will operate independently from the institutions of CITIC Financial Holdings and other enterprises controlled by CITIC Financial Holdings. CITIC Financial Holdings warrants that the Company can maintain a sound corporate governance structure as a joint stock company. The general meeting, the Board, the Supervisory Committee and functional departments of the Company all exercise their functions and powers independently in accordance with laws, regulations and the Articles of Association, and there is no institutional confusion with the functional departments of other enterprises controlled by CITIC Financial Holdings. CITIC Financial Holdings shall be liable for compensation for any loss caused to the listed company as a result of its failure to perform the above-mentioned undertakings.	
Resolving horizontal competition	CITIC Financial Holdings	1. CITIC Financial Holdings and the enterprises controlled by CITIC Financial Holdings will not, in any manner, directly or indirectly engage in any business or operating activity that is in substantial competition with the principal business engaged in by the listed company and its subsidiaries. 2. CITIC Financial Holdings will not use its position as the largest Shareholder of the listed company to seek illegitimate interests or to jeopardize the interests of the listed company and its minority Shareholders. The above-mentioned undertakings shall remain in force during the period in which CITIC Financial Holdings is the largest Shareholder of the listed company. CITIC Financial Holdings shall be liable for compensation for any loss caused to the listed company as a result of its failure to perform the above-mentioned undertakings.	The undertakings were made in June 2022 and shall remain in force for a long term commencing from the date of CITIC Financial Holdings' acquisition of the equity interest of the Company.

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Resolving related party transactions	CITIC Financial Holdings	1. CITIC Financial Holdings and its controlled enterprises will continue to regulate related party transactions with the Company and its subsidiaries in accordance with relevant laws and regulations and the Administrative Measures on Related Party Transactions of the Company. In the event of necessary and inevitable related party transactions, CITIC Financial Holdings and its controlled enterprises will enter into agreements with the Company and its subsidiaries in accordance with the principles of fairness, impartiality and openness and the law, and perform legal procedures to ensure the fairness of the prices of related party transactions. 2. CITIC Financial Holdings warrants that it will exercise relevant Shareholders' rights and assume corresponding obligations in accordance with relevant laws and regulations and the Articles of Association of the Company and other requirements in relation to internal control system. It will not use its position as a Shareholder to seek illegitimate interests, or illegally transfer funds and profits of the Company and its subsidiaries through related party transactions, or maliciously jeopardize the legitimate rights and interests of other Shareholders of the Company by means of related party transactions. CITIC Financial Holdings shall be liable for compensation for any loss caused to the listed company as a result of its failure to perform the above-mentioned undertakings.	The undertakings were made in June 2022 and shall remain in force for a long term commencing from the date of CITIC Financial Holdings' acquisition of the equity interest of the Company.

(5) Undertaking in relation to asset restructuring

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Others	CITIC Corporation Limited	1. Maintaining the business independence of the Company CITIC Corporation Limited will not unlawfully interfere with the normal operating activities of the Company. CITIC Corporation Limited will minimize the related party transactions between CITIC Corporation Limited and other enterprises controlled by CITIC Corporation Limited and the Company; in case of an inevitable related party transaction, an agreement shall be signed in accordance with the law and necessary procedures shall be performed in accordance with relevant laws and regulations.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
		2. Maintaining the asset independence of the Company CITIC Corporation Limited will not misappropriate the assets, funds and other resources of the Company or its controlled enterprises through CITIC Corporation Limited itself and its controlled affiliates in violation of regulations. 3. Maintaining the personnel independence of the Company CITIC Corporation Limited warrants that the President, the Chief Financial Officer, the Board Secretary and other members of the Senior Management of the Company will not hold other positions other than directors and supervisors in or receive remuneration from CITIC Corporation Limited and/or other enterprises controlled by CITIC Corporation Limited. CITIC Corporation Limited will ensure and maintain the integrity of the Company' labor, personnel and salaries and social security management system. 4. Maintaining the financial independence of the Company CITIC Corporation Limited will warrant the independence of the financial accounting department of the Company and its establishment of an independent accounting system and financial management system, and will set up an independent financial department to be responsible for the specific operations of relevant businesses. The Company maintains segregated bank accounts, and does not share the bank accounts with CITIC Corporation Limited and other enterprises controlled by CITIC Corporation Limited. The financial staffs of the Company do not hold part-time positions in CITIC Corporation Limited and other enterprises controlled by CITIC Corporation Limited. The Company pays taxes independently in accordance with the laws. The Company will make independent financial decisions, and CITIC Corporation Limited will not interfere with the capital use of the Company in violation of laws and regulations.	

Type of undertaking	Undertaking party		Contents of undertaking	Term of validity of the undertaking
		5.	Maintaining the institutional independence of the Company CITIC Corporation Limited will ensure that the Company will operate independently from the institutions of CITIC Corporation Limited and other enterprises controlled by CITIC Corporation Limited. CITIC Corporation Limited warrants that the Company can maintain a sound corporate governance structure as a joint stock company. The general meeting, the Board, the Supervisory Committee and functional departments of the Company all exercise their functions and powers independently in accordance with laws, regulations and the Articles of Association, and there is no institutional confusion with the functional departments of other enterprises controlled by CITIC Corporation Limited.	
Other	Yuexiu Capital and Guangzhou Yuexiu Capital	1.	Maintaining the business independence of the Company Yuexiu Capital and Guangzhou Yuexiu Capital will not unlawfully interfere with the normal operating activities of the Company. Yuexiu Capital and Guangzhou Yuexiu Capital will minimize related party transactions between Yuexiu Capital, Guangzhou Yuexiu Capital and other enterprises controlled by them and the Company; in case of an inevitable related party transaction, an agreement shall be signed in accordance with law and necessary procedures shall be performed in accordance with relevant laws and regulations.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.
		2.	Maintaining the asset independence of the Company Yuexiu Capital and Guangzhou Yuexiu Capital will not misappropriate the assets, funds or other resources of the Company or its controlled enterprises through Yuexiu Capital and Guangzhou Yuexiu Capital themselves or their controlled affiliates in violation of laws or regulations; nor will the Company or its controlled enterprises be required to provide guarantees for Yuexiu Capital, Guangzhou Yuexiu Capital and other enterprises controlled by them.	

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
		3. Maintaining the personnel independence of the Company Yuexiu Capital and Guangzhou Yuexiu Capital warrant that the President, the Vice President, the Chief Financial Officer, the Board Secretary and other members of the Senior Management of the Company will not hold positions other than directors and supervisors in or receive remuneration from Yuexiu Capital, Guangzhou Yuexiu Capital and/or other affiliates controlled by them. Yuexiu Capital and Guangzhou Yuexiu Capital will ensure and maintain the integrity of the Company's labor, personnel and salaries and social security management system. 4. Maintaining the financial independence of the Company Yuexiu Capital and Guangzhou Yuexiu Capital warrant that they will not interfere with the independence of the financial accounting department of the Company and its establishment of an independent accounting system and financial management system, and will set up an independent financial department to be responsible for the specific operations of relevant businesses. The Company maintains segregated bank accounts, and does not share the bank accounts with Yuexiu Capital, Guangzhou Yuexiu Capital and other affiliates controlled by them. The financial staff of the Company do not hold part-time positions in Yuexiu Capital, Guangzhou Yuexiu Capital and other enterprises controlled by them. The Company pays taxes independently in accordance with law. The Company will make independent financial decisions, and Yuexiu Capital and Guangzhou Yuexiu Capital will not interfere with the capital use of the Company in violation of laws and regulations. 5. Maintaining the institutional independence of the Company Yuexiu Capital and Guangzhou Yuexiu Capital will ensure that the Company will operate independently from the institutions of Yuexiu Capital, Guangzhou Yuexiu Capital and other enterprises controlled by them. Yuexiu Capital and Guangzhou Yuexiu Capital will supervise and support the Company to maintain a sound corporate governance structure as a joint stock company. The general meeting, the Board, the Supervisory Committee and functional departments of the Company all exercise their functions and powers independently in accordance with laws, regulations and the Articles of Association, and there is no subordinate relationship with the functional departments of other affiliates controlled by Yuexiu Capital and Guangzhou Yuexiu Capital.	

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Resolving related party transactions	CITIC Corporation Limited	1. CITIC Corporation Limited and its controlled enterprises will continue to regulate related party transactions with the Company and its subsidiaries in accordance with relevant laws and regulations and the Administrative Measures on Related Party Transactions of the Company. In the event of necessary and inevitable related party transactions, CITIC Corporation Limited and its controlled enterprises will enter into agreements with the Company and its subsidiaries in accordance with the principles of fairness, impartiality and openness and the law, and perform legal procedures to ensure the fairness of the prices of related party transactions. 2. CITIC Corporation Limited warrants that it will exercise relevant Shareholders' rights and assume corresponding obligations in accordance with relevant laws and regulations and the Articles of Association of the Company and other requirements in relation to internal control system. It will not use its position as a Shareholder to seek illegitimate interests, or illegally transfer funds and profits of the Company and its subsidiaries through related party transactions, or maliciously jeopardize the legitimate rights and interests of other Shareholders of the Company by means of related party transactions.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.
Resolving related party transactions	Yuexiu Capital and Guangzhou Yuexiu Capital	1. Upon the completion of this transaction, Yuexiu Capital and Guangzhou Yuexiu Capital and their controlled enterprises will minimize the related party transactions with the Company and its subsidiaries as much as possible. In the event of necessary and inevitable related party transactions, Yuexiu Capital, Guangzhou Yuexiu Capital and their controlled enterprises will enter into agreements with the Company and its subsidiaries in accordance with the principles of fairness, impartiality and openness and the law, and perform legal procedures to ensure the fairness of the prices of related party transactions. 2. Yuexiu Capital and Guangzhou Yuexiu Capital warrant that they will exercise relevant Shareholders' rights and assume corresponding obligations in accordance with relevant laws and regulations and the Articles of Association of the Company and other requirements in relation to internal control system. They will not use their positions as Shareholders to seek illegitimate interests, or illegally transfer funds and profits of the Company and its subsidiaries through related party transactions, or maliciously jeopardize the legitimate rights and interests of other Shareholders of the Company by means of related party transactions.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Shares subject to trading moratorium	Yuexiu Capital and Guangzhou Yuexiu Capital	1. The consideration Shares subscribed by Yuexiu Capital and Guangzhou Yuexiu Capital in this transaction shall not be transferred within 48 months from the issuance completion date (Note: "issuance completion date of the consideration Shares" refers to the date on which the consideration Shares were registered under the name of Yuexiu Capital/Guangzhou Yuexiu Capital, same as below), unless a longer lock-up period is required by CSRC or other regulatory authorities. 2. Upon completion of this transaction, the above-mentioned agreement shall also apply to the additional Shares of the Company to be issued to Yuexiu Capital and Guangzhou Yuexiu Capital in the event of distribution of dividends, bonus issue, rights issue and conversion of capital reserve into share capital of the Company, etc.	Undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019 to the expiration of restriction period.
Others	Yuexiu Capital and Guangzhou Yuexiu Capital	In order to protect the legitimate rights and interests of the Company and Guangzhou Securities, Yuexiu Capital and Guangzhou Yuexiu Capital irrevocably warrant that they will not misappropriate the funds of the Company, Guangzhou Securities or enterprises controlled by the Company or Guangzhou Securities, or require them to provide guarantees for Yuexiu Capital, Guangzhou Yuexiu Capital or their controlled enterprises, otherwise, the Company shall be timely compensated for any losses incurred thereby.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.
Resolving horizontal competition	The Company	Upon the completion of this transaction, Guangzhou Securities Company Limited will become a wholly-owned subsidiary directly or indirectly held by the Company, and its existing business may have conflicts of interest and compete with the business of the Company and its controlled subsidiaries. The Company undertakes to integrate its assets and businesses within 5 years upon completion of this transaction, so as to resolve the possible conflicts of interest and competition between the parent company and its subsidiaries in compliance with relevant laws, regulations and regulatory requirements.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.

Type of undertaking	Undertaking party	Contents of undertaking	Term of validity of the undertaking
Others	CITIC Corporation Limited	1. Not to interfere with the operation and management of the Company beyond its authority, or encroach on the interests of the Company. 2. If the violation of the above-mentioned undertakings causes losses to the Company, the warrantor shall be liable for compensation in accordance with the law.	Long-term undertaking commencing from the Company's acquisition of assets by issuance of Shares in 2019.

There are no unperformed public undertakings by other Shareholders or related/connected parties of the Company.

5.2. Appointment or Termination of Service of Accounting Firms

In RMB Yuan

	Current Appointment
Name of the domestic accounting firm	PwC Zhong Tian
Remuneration for the domestic accounting firm	2,020,000
Duration of audit service of the domestic accounting firm	8 Years
Name of the certified public accountants of the domestic accounting firm	HAN Dan, LU Yibin
Duration of continuous audit service by the certified public accountants of the domestic accounting firm	8 Years
Name of the overseas accounting firm	PwC Hong Kong
Remuneration for the overseas accounting firm	370,000
Duration of audit service of the overseas accounting firm	8 Years

Note: The above is the audit fee in respect of the financial statements of the Company for 2022, which does not include the audit fees in respect of the consolidated subsidiaries of the Company.

	Name	Remuneration
Accounting firm for internal control audit	PwC Zhong Tian	430,000
Sponsor	Tianfeng Securities Co., Ltd.	40,000,000
Sponsor	China Post Securities Co., Ltd.	2,000,000

Explanation on Appointment or Termination of Service of Accounting Firms

As approved at the 2021 Annual General Meeting of the Company, PwC Zhong Tian and PwC Hong Kong were reappointed as the external auditors of the Company for 2022 to be responsible for the provision of the relevant audit and review services in accordance with the China Accounting Standards and the International Financial Reporting Standards, respectively; and PwC Zhong Tian was appointed as the auditor for internal control of the Company for 2022. The total amount of the fees in relation to the above audit and review services shall not exceed RMB4 million. If additional fees are incurred due to changes in scope or contents of the audit or review services, the Board has been authorized by the 2022 Annual General Meeting to determine the relevant fees according to the actual scope and contents of the audit or review services.

5.3. Material Litigation and Arbitration

During the Reporting Period, the Group had not been involved in any material litigation or arbitration with an involved amount of over RMB10 million and accounting for over 10% of the absolute value of the net assets as shown in the latest audited accounts of the Company, which is required to be disclosed pursuant to the SSE Listing Rules. The litigation or arbitration matters of the Group which have been disclosed and have made progress as of the date of publication of this results announcement, are as follows (The Company has made sufficient provision for impairment in respect of the potential losses involved in the cases in accordance with the relevant regulations):

Dispute between the Company and Kaiyuan Securities, Xiamen Rural Commercial Asset Management and Xiamen Rural Commercial Financial Holdings on Bond-pledged Repo Transaction

Because Kaiyuan Securities Co., Ltd. (開源證券股份有限公司) (hereinafter referred to as the "Kaiyuan Securities") failed to repay the principal and interest under the bond-pledged repo transaction as scheduled, totalling RMB30,012,328.77 (tentatively calculated as of 31 October 2018), the Company filed a lawsuit with the People's Court of Chaoyang District of Beijing Municipality (hereinafter referred to as the "Chaoyang Court") against Kaiyuan Securities, Xiamen Rural Commercial (Shanghai) Asset Management Co., Ltd. (廈農商(上海)資產管理有限公司) (hereinafter referred to as "Xiamen Rural Commercial Asset Management"), and Xiamen Rural Commercial Financial Holdings Group Co., Ltd. (廈門農商金融控股集團有限公司) (hereinafter referred to as "Xiamen Rural Commercial Financial Holdings") on 7 November 2018. The Chaoyang Court formally accepted this case on 2 January 2019. The Chaoyang Court heard the case on 11 November 2019. Before the hearing, the Company had withdrawn its claims against Xiamen Rural Commercial Asset Management and Xiamen Rural Commercial Financial Holdings. On 30 March 2020, the Chaoyang Court issued the first instance verdict basically in favour of the Company's claims against Kaiyuan Securities. The Company applied to the Chaoyang Court for compulsory enforcement after the verdict became effective. The court accepted the application on 14 May 2020 (please refer to the Company's 2020 Interim Report for relevant case information). At present, this case has reached a settlement on enforcement.

Dispute between the Company and Aipu Real Estate on Guarantee Contract

Due to the breach of contract on stock-pledged repo transactions by Loncin Holdings Co., Ltd. (hereinafter referred to as "Loncin Holdings") and given that Chongqing Aipu Real Estate (Group) Co., Ltd. (hereinafter referred to as "Aipu Real Estate") rejected to perform guarantee responsibility, on 27 December 2018, the Company applied for issuance of a certificate of enforcement to the notary office and applied for compulsory enforcement to the court, requesting Aipu Real Estate to assume joint and several guarantee liability for the outstanding principal of RMB1,507.3 million due from Loncin Holdings. The Beijing Higher Court accepted the case on 2 January 2019 and appointed the Third Intermediate People's Court of Beijing Municipality (北京市第三中級人民法院) (hereinafter referred to as "Beijing Third Intermediate Court") to perform the enforcement on 24 January 2019. The Chongqing No. 5 Intermediate People's Court issued a civil ruling on 30 January 2022, accepting the bankruptcy reorganization of 13 companies, including Loncin Group Co., Ltd. (隆鑫集團有限公司) and Loncin Holdings. As required, the Company had filed its claims before 8 April 2022 (refer to the Company's 2022 Interim Report for relevant case information), and these claims were confirmed by the court ruling on 12 October 2022.

Dispute on Contract between the Company and Rightway Real Estate, Hunan Rightway, Dalian Haihui and FU Yanbin

Due to the risk of default of bonds issued by Rightway Real Estate Development Co., Ltd. (正源房地產開發有限公司) (hereinafter referred to as "Rightway Real Estate") and held by the Company, the Company filed a lawsuit with the Beijing Third Intermediate Court, requesting the issuer to pay the principal, interest, liquidated damages and the expenses incurred for realizing the creditor's rights, and requesting the guarantors, being Hunan Rightway Shangfengshangshui Real Estate Development Co., Ltd. (湖南正源尚峰尚水房地產開發有限公司) ("Hunan Rightway"), Dalian Haihui Real Estate Development Co., Ltd. (大連海匯房地產開發有限公司) ("Dalian Haihui") and FU Yanbin, to assume the guarantee liabilities. On 2 April 2020, the Court formally accepted the case. On 12 April 2021 and 16 November 2021, the first and second instance verdicts were issued, respectively, both in favour of the Company's claims, and the Company subsequently applied to the Court for compulsory enforcement. On 26 September 2022, the Company was notified by the Liaoning High People's Court (hereinafter referred to as "Liaoning High Court") that Hunan Rightway had filed an application to Liaoning High Court for retrial against the verdict of the second instance (refer to the Company's 2022 Third Quarterly Results for relevant case information). On 23 December 2022, the Liaoning High Court ruled to reject Hunan Rightway's application for retrial.

Dispute between the Company and Macrolink Holding, Macrolink Mining, FU Jun on Stock-pledged Repo Transaction

Due to the breach of contract by Macrolink Holding Co., Ltd. (hereinafter referred to as "Macrolink Holding") in conducting stock-pledged repo transaction with the Company, on 23 March 2020, the Company applied to the Beijing Third Intermediate Court for compulsory enforcement, requesting Macrolink Holding to repay the outstanding principal of

RMB787 million, as well as the corresponding interest, liquidated damages, expenses incurred for realizing the creditor's rights and other fees. On 1 April 2020, the Court accepted the case. During the compulsory enforcement process, the First Intermediate People's Court of Beijing Municipality (北京市第一中級人民法院) (hereinafter referred to as "Beijing First Intermediate Court") declared on 9 August 2022 Macrolink Holding and Macrolink Mining Co., Ltd. bankruptcy and subject to reorganization (please refer to the Company's 2022 Third Quarterly Results for relevant case information). The Company has followed legal procedures to assert its creditor's rights and the bankruptcy and reorganization process is currently ongoing.

Dispute between the Company and Macrolink Holding on Bond Transaction

As Macrolink Holding failed to repay the medium term notes as agreed upon, the Company filed a lawsuit with the Beijing Third Intermediate Court, requesting Macrolink Holding to repay the bond principal of RMB200 million and the interest up to the date of full repayment, etc. On 2 April 2020, the court formally accepted the case, and heard the case on 21 July 2020 and 13 August 2020. On 30 December 2020, the Beijing Third Intermediate Court issued the first instance verdict in favour of the principal claims of the Company. Both the Company and Macrolink Holding lodged appeal. The second trial of the case was held on 10 May 2021. On 7 July 2021, the Company received from the Beijing Higher Court the second instance verdict in favour of the appeal of the Company and dismissing the appeal of Macrolink Holding. The Company has applied to the Beijing Third Intermediate Court for compulsory enforcement. The case was accepted on 20 July 2021 (please refer to the Company's 2021 Interim Report for relevant case information). In the course of compulsory enforcement, Macrolink Holding was ruled by the Beijing First Intermediate Court to accept bankruptcy and reorganization on 9 August 2022. The Company has declared its creditor's rights in accordance with the law, and the procedure of bankruptcy and reorganization is currently still in progress.

Dispute between GoldStone Investment and Yunnan Tianyu, Yunnan Sigao and Beijing Huayu on Equity Contract

Due to the breaches of the Capital Increase Contract and the Equity Transfer Contract by Yunnan Shenzhou Tianyu Real Estate Co., Ltd. (hereinafter referred to as "Yunnan Tianyu"), Yunnan Sigao Investment Co., Ltd. (hereinafter referred to as "Yunnan Sigao") and Beijing Huayu Zhixin Investment Co., Ltd. (hereinafter referred to as "Beijing Huayu"), GoldStone Investment filed an arbitration with the Beijing Arbitration Commission (hereinafter referred to as "BAC"), requesting Yunnan Tianyu to pay the consideration for equity transfer, liquidated damages and expenses incurred for realizing the creditor's rights, being a total of RMB376,220,063.45, and Yunnan Sigao to undertake its joint and several liabilities, and claiming that GoldStone Investment should have priority in getting compensated from the equity pledged by Yunnan Tianyu and Beijing Huayu's rights over the trust under the relevant trust contracts. On 28 September 2020, the BAC accepted the case. The case was heard on 5 February 2021. On 18 August 2021, the BAC made an arbitration award in favour of GoldStone Investment. GoldStone Investment filed a lawsuit to the Chaoyang Court for the dispute over confirmation of real right of security, requiring Beijing Huayu to assume the guarantee liability for equity pledge. The Court heard the case on 9 December 2021. The Chaoyang Court made the first instance verdict on 8 June 2022 in favour of GoldStone Investment (please refer to the Company's 2022 Third Quarterly Results for relevant case information). GoldStone Investment filed a special procedure for the realization of the real right of security to the Kunming Panlong District People's Court (hereinafter referred to as "Panlong Court"), requesting the priority in getting compensated from the equity pledged by Yunnan Tianyu and Yunnan Sigao and the realization of the real right of security. The Panlong Court then made a ruling in favour of GoldStone Investment. The case is currently being enforced.

Dispute between CITIC Securities South China and Xiwang Group on Bond Transaction

Due to the breach of contract on bond transaction by Xiwang Group Company Limited (hereinafter referred to as "Xiwang Group"), Guangzhou Securities (as previously named) submitted an arbitration application to the Shanghai International Economic and Trade Arbitration Commission on 8 November 2019, and the case was accepted on 22 November 2019. The hearing for the case is scheduled to be held on 6 May 2020. On 21 February 2020, the Zouping People's Court of Shandong Province (hereinafter referred to as the "Zouping Court") ruled to accept the Xiwang Group settlement case. On 16 April 2020, CITIC Securities South China received the ruling from Zouping Court, which approved the settlement agreement with Xiwang Group and terminated the settlement procedure with Xiwang Group. On 20 May 2020, CITIC Securities South China received the confirmation letter of creditor's rights from the administrator, in which the proprietary creditor's rights were confirmed and the arbitration fee, lawyer's fee and security guarantee fee in relation to the creditor's rights of asset management products were not confirmed. CITIC Securities South China has raised an objection to the administrator (please refer to the Company's 2020 Interim Report for relevant case information). Later, CITIC Securities South China transferred the creditor's rights of the asset management products. On 26 December 2022, the administrator organized a meeting of creditors involved in the Xiwang Group settlement case, and voted to pass the proposal to revise the settlement agreement.

Dispute between CITIC Securities South China and CITIC Guoan on Bond Transaction

Due to the breach of contract on bond transaction by CITIC Guoan Group Co., Ltd. (hereinafter referred to as "CITIC Guoan"), Guangzhou Securities (as previously named) filed a lawsuit against CITIC Guoan with the Beijing Third Intermediate Court in May 2019. The subject matter of the lawsuit was the principal of RMB480 million as well as the corresponding interest, liquidated damages, expenses incurred for realizing the creditor's rights and other fees. The case was formally accepted on 14 May 2019, and heard on 24 September 2019 and 11 December 2019. On 16 December 2020, CITIC Securities South China received the verdict issued by Beijing Third Intermediate Court, supporting all the claims made by CITIC Securities South China (please refer to the Company's 2021 First Quarterly Results for relevant case information), and it has applied to the Beijing Third Intermediate Court for enforcement. After the Beijing First Intermediate Court ruled to accept CITIC Guoan's reorganization, CITIC Securities South China has claimed its creditor's rights according to law.

5.4. Punishment and Rectifications of the Listed Company and its Directors, Supervisors, Senior Management and the Largest Shareholder

5.4.1. During the Reporting Period, the punishment and regulatory measures taken by the regulatory authorities against the Company and its branches/subsidiaries are as follows:

On 25 February and 22 April 2022, CLSA Securities Korea Ltd., an overseas subsidiary of the Company, was fined 485,280,000 won (approximately RMB2.549 million) by the Korean Financial Services Commission and 83,500,000 won (approximately RMB434,200) by the Korea Stock Exchange, respectively, for violating short selling rules. The Company actively urges overseas subsidiaries to carry out rectification and further strengthens its management on overseas subsidiaries to strictly prevent such incidents. The overseas subsidiaries have completed rectification on system used in such trading desk and forbad the naked short selling order in November 2020, and organized the relevant business lines to carry out self-inspection on short selling and rectified the problems discovered.

On 1 March 2022, the Jiangxi Securities Regulatory Bureau issued the Decision on the Measures for Ordering the Jiangxi Branch of CITIC Securities Company Limited to Increase the Number of Internal Compliance Inspections ([2022] No. 3) to the Jiangxi Branch, pointing out that the Jiangxi Branch had problems in compliance operations and imperfect internal control, which violated Article 6 of the Measures for the Compliance Management of Securities Companies and Investment Fund Management Companies. The Company has urged the Jiangxi Branch to implement rectification in a timely and effective manner to ensure that the branch operates in a compliance manner.

On 6 April 2022, the Shenzhen Securities Regulatory Bureau issued the Decision on the Measures of Issuing a Warning Letter to CITIC Securities Company Limited ([2022] No. 49) to the Company, pointing out that the "Shanghai Xin-Bozhou Urban Investment Special Debt Investment Collective Fund Trust Plan" held by the three pension products of Xinfu Hualing, Xinfu Old Age and Xinhe Yangyi managed by the Company has not been repaid in time. Risk assets were not accounted for prudently, impairment provision was not made in a timely manner, and the valuation failed to effectively reflect their risks. On 8 November 2021, the Company carried out rectification measures for the products involved in the decision on the above administrative regulatory measures, and the principal and interest of the "Shanghai Xin-Bozhou Urban Investment Special Debt Investment Collective Fund Trust Plan" held by the products have been fully paid off and no losses were incurred. Meanwhile, the Company has improved the systems and processes such as the risk asset evaluation report process, the valuation adjustment standard, and the valuation operation mechanism.

On 14 April 2022, the Jiangsu Securities Regulatory Bureau issued a Decision on Ordering of Jiangsu Branch Office of CITIC Securities to Take Rectification Measures (《關於對中信証券江蘇分公司採取責令改正措施的決定》) ([2022] No. 34) against Jiangsu Branch Office. The Jiangsu Securities Regulatory Bureau highlighted the failures of two securities outlets of the Company in Nanjing: Hongwu North Road Securities Outlet, for not taking effective measures to prevent securities practitioners from accepting clients' mandates privately, and Pukou Avenue Securities Outlet, for not exercising due diligence and prudence in the process of selling financial products to clients, and failing to be fully informed of the basic condition and actual risk tolerance of investors. The Company has instructed Jiangsu Branch Office to implement necessary rectification measures and submit reports in accordance with regulatory requirements. Additionally, the Company has been advised to provide warning education to employees and conduct self-examination more frequently.

On 2 June 2022, the China Securities Regulatory Commission (CSRC) issued a Decision on Ordering of CITIC Securities Company Limited to Take Rectification Measures (《關於對中信証券股份有限公司採取責令改正措施的決定》) ([2022] No. 29) to the Company. CSRC found that in 2015, the Company established CITIC Securities Overseas Investment Co., Ltd. without seeking approval from the CSRC in accordance with Article 129 of the then Securities Law. Additionally, the Company failed to complete the scheduled adjustment of the shareholding structure of its overseas subsidiaries, and its overseas subsidiaries and round-trip subsidiaries engaged in non-compliant

business activities. After summarizing the issues raised by the regulatory letter thoroughly and reflecting on them deeply, the Company has optimized its rectification plans and programs for the relevant overseas subsidiaries and reported to the regulatory authority as required.

On 24 September 2022, the Shenzhen Securities Regulatory Bureau issued a Decision on Ordering of CITIC Securities Company Limited to Take Rectification Measures (《關於對中信証券股份有限公司採取責令改正措施的決定》) ([2022] No. 150) to the Company. The bureau found that the Company had failed to complete the scheduled clean-up of individual subsidiaries or investment projects, and omitted a company with a 35% direct shareholding in the subsidiary standardization and rectification plan during the organizational structure standardization and rectification process. In response, the Company submitted a report to the Shenzhen Securities Regulatory Bureau in October 2022 detailing the organizational structure standardization and rectification of the subsidiaries or projects involved. The Company will subsequently ensure the implementation of the rectification measures as required.

5.4.2 During the Reporting Period, the Company was not subject to investigation for suspected criminal liability. None of the Company's largest Shareholder, Directors, Supervisors or Senior Management was subject to enforcement actions for suspected criminal liability; None of the Company, the Company's largest Shareholder, Directors, Supervisors or Senior Management was subject to criminal punishments, investigations or administrative punishments by the CRSC for suspected incompliance of laws and regulations, or significant administrative punishments by other competent authorities; None of the Company's largest Shareholder, Directors, Supervisors or Senior Management was retained by disciplinary inspection authorities for suspected incompliance of laws and regulations or duty-related crime, which may affect the performance of duties; None of the Company's Directors, Supervisors or Senior Management was subject to enforcement actions by other competent authorities for suspected incompliance of laws and regulations, which may affect the performance of duties.

5.5. Credibility of the Company and its Largest Shareholder during the Reporting Period

During the Reporting Period, neither the Company nor the largest Shareholder had unperformed obligations determined by court legal instruments or unpaid debts with large sums at maturity.

5.6. Material Related Party Transactions/Non-exempt Connected Transactions

5.6.1. Related party transactions in relation to day-to-day operation/non-exempt continuing connected transactions

1. Progress of matters which had been disclosed in interim announcements

The Group conducted the related party/connected transactions in strict compliance with the Listing Rules of the listed places and the Information Disclosure Management System and the Administrative Measures on Related Party Transactions of the Company. The Group's related party/connected transactions were conducted in accordance with the principles of fairness, openness and impartiality, and the related party/connected transaction agreements were entered into in accordance with the principles of equality, voluntariness, equivalence and consideration and at market prices.

i. Day-to-day related party transactions under the SSE Listing Rules/continuing connected transactions under the Hong Kong Listing Rules

I Background

The day-to-day related party/continuing connected transactions of the Group are mainly conducted with CITIC Group, its subsidiaries and associates. As of the end of the Reporting Period, as CITIC Group indirectly holds 18.45% equity interest in the Company, CITIC Group, its subsidiaries and associates are related party/connected persons of the Company according to the SSE Listing Rules and the Hong Kong Listing Rules. CITIC Group engages in a wide range of businesses and has plenty of subsidiaries. The Group, as a participant in the financial market, would inevitably transact with China CITIC Bank, CITIC Trust, CITIC Prudential, each a subsidiary of CITIC Group and other companies that have strong market influences, and jointly provide comprehensive financial services to clients domestic and overseas. On the one hand, this is favorable for the expansion of the Group's scope of services and enhancement of its service level; on the other hand, it also brings business opportunities to the Group. Therefore, conducting relevant businesses between the Group and its related party/connected persons will be favorable to promote the business growth, and increase investment returns. Relevant related party/connected transactions are in line with the Group's actual situation and thus favorable to the long-term development of the business.

Based on the analysis of the types and basic contents of existing and possible ongoing related party/connected transactions between the Group and CITIC Group and its subsidiaries and associates, the Group delineated the nature of such transactions and classified into three major categories, namely securities and financial products transactions and services, miscellaneous services and property leasing. Since the Company's H Shares were listed in 2011, upon the approval of the general meeting of shareholders and the board of directors, the Company and CITIC Group renewed the securities and financial products transactions and services framework agreement, the miscellaneous services framework agreement and the property leasing framework agreement on a regular basis, to reach an agreement on the contents of the day-to-day related party/continuing connected transactions thereunder and set respective annual caps for the transaction amount.

During the Reporting Period, all above day-to-day related party/continuing connected transactions were conducted pursuant to the relevant framework agreements entered into between the Company and CITIC Group and in strict compliance with the pricing principles of relevant transactions. The transaction amount and the transaction content did not exceed the scope of such agreements. Details were as follows:

① **Securities and Financial Products Transactions and Services Framework Agreement**

Pursuant to the agreement, the Group and CITIC Group and its subsidiaries and associates conduct various securities and financial products transactions and provide mutual securities and financial services during the ordinary course of business. Both the Company and CITIC Group agreed that: 1. the subscription of securities and financial products shall be conducted at subscription prices and terms of such products; for transactions of securities and financial products through exchanges, such transactions shall be conducted at the prevailing market prices or market rates applicable to such type of securities and financial products; for transactions over the counter and other transactions of securities and financial products, such transactions shall be conducted at the prevailing market prices or market rates applicable to such type of securities and financial products and shall be conducted by mutual agreement; in the absence of prevailing market price or market rate applicable to such type of securities and financial products, the price or rate of such transaction shall be determined by the mutual agreement pursuant to the principle of fair market trade. Interest rates of interbank loans and repurchase agreements shall be conducted at the prevailing market interest rates and prices applicable to independent counterparties of such type of transactions or determined by mutual agreement. The prices of the beneficiary certificates issued by the Company shall be determined based on the prevailing market interest rate applicable to independent counterparties of such type of beneficiary certificates. 2. securities and financial services — interest rates on deposits: shall not be lower than the interest rates on deposits published by the People's Bank of China for the commercial banks for the corresponding period and the terms of the Company's deposit with the subsidiaries of CITIC Group shall not be inferior to those provided by an independent third party. Commissions or service fees charged by CITIC Group: shall be determined by mutual agreement with reference to the prevailing market rates and in accordance with the requirements of the applicable and relevant laws and regulations, provided that they do not exceed the standard commission or service fee charged by CITIC Group for the same type of service provided to an independent third party. Brokerage fees, commissions or service fees charged by the Company: shall be determined by mutual agreement with reference to the prevailing market rates and in accordance with the requirements of the applicable and relevant laws and regulations, provided that they do not exceed the standard commission or service fee charged by the Company for the same type of service provided to an independent third party. The agreement is for a term of three years, commencing from 1 January 2020 and ending on 31 December 2022, subject to renewal.

The Hong Kong Stock Exchange has granted a waiver to the Company from setting up the maximum daily balance of the deposits (including the Group's proprietary funds and customers' funds) placed with the banking subsidiaries of CITIC Group in the PRC and Hong Kong during 2020 to 2022.

For the year of 2022, the amount of day-to-day related party/continuing connected transactions in relation to securities and financial products transactions and services framework agreement, between the Group and the CITIC Group and its subsidiaries and associates, was as follows:

In RMB ten thousand

	Annual cap for 2022	Transaction amount for 2022	Percentage of the total amount of similar transactions (%)	Impact on profit of the Company
Securities and financial products transactions				
Net cash inflow derived from securities and financial products transactions (net of the amount of inter-financial institutions borrowings, repurchase agreements and beneficiary certificates)	9,000,000	5,306,826	—	—
Net cash outflow incurred for securities and financial products transactions (net of the amount of inter-financial institutions lending and reverse repurchase agreements)	19,000,000	4,296,530	—	—
Amount of inter-financial institutions borrowings and beneficiary certificates issued by the Group	Not applicable*Note*	26,483,056	—	—

	Maximum daily balance for 2022	Highest balance in a single day in 2022	Percentage of the total amount of similar transactions (%)	Impact on profit of the Company
Borrowings/loans involved in financing transactions				
Maximum daily balance (including interests) of repurchase agreements	2,000,000	400,265	—	—
Maximum daily balance (including interests) of loans to inter-financial institutions and reverse repurchase agreements	800,000	200,051	—	—

	Annual cap for 2022	Transaction amount for 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
Securities and financial services				
Income derived from securities and financial services	280,000	102,401	1.57	102,401
Expenses incurred for securities and financial services	106,000	15,271	0.42	-15,271

Note: The inter-financial institutions borrowings by the Group from CITIC Group and its associates and the subscriptions by CITIC Group and its associates for the beneficiary certificates issued by the Group are based on its interests and provided on normal commercial terms; and the Group is not required to provide any guarantee for such inter-financial institutions borrowings and the beneficiary certificates; at the same time, such inter-financial institutions borrowings and the beneficiary certificates are exempt continuing connected transactions under Rule 14A.90 of the Hong Kong Listing Rules. As such, no cap has been set by the Company on the inter-financial institutions borrowings by the Group from CITIC Group and its associates and the subscriptions by CITIC Group and its associates for the beneficiary certificates issued by the Group.

② **Miscellaneous Services Framework Agreement**

Pursuant to the agreement, the Company and CITIC Group both agreed to determine the price of relevant services by fair and mutual agreement under conditions no less favorable than such services received from or provided to independent third parties in compliance with the relevant laws and regulations and under normal commercial terms. For construction project services, if the service providers are determined for the relevant services through open tender process, the Company will select the general contractor for construction pursuant to

the Construction Law of the People's Republic of China, the Bidding Law of the People's Republic of China, the Contract Law of the People's Republic of China, and other applicable laws, regulations and relevant provisions, after taking into consideration various factors including the bidding price, the performance of general contracting, and whether the general contractor has the top grade qualification in general contracting of housing engineering and construction. The agreement is for a term of three years, commencing from 1 January 2020 and ending on 31 December 2022, subject to renewal.

For the year of 2022, the amount of the day-to-day related party/continuing connected transactions under the miscellaneous services framework agreement between the Group and CITIC Group and its subsidiaries and associates, was as follows:

In RMB ten thousand

Miscellaneous services	Annual cap for 2022	Transaction amount for 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
Income derived from miscellaneous services	6,300	512	—	—
Expenses incurred for miscellaneous services	165,000	13,767	—	—

③ **Property Leasing Framework Agreement**

Pursuant to the agreement, the Company and CITIC Group both agreed that the rentals shall be determined by both parties through negotiation with reference to the prevailing market rentals. The agreement is for a term commencing on 23 September 2021 and ending on 31 December 2022, subject to renewal.

In 2022, the amount of transactions in relation to day-to-day related party/continuing connected transactions under the property leasing framework agreement between the Group and CITIC Group and its subsidiaries and associates were as follows:

In RMB ten thousand

Property leasing	Cap of transaction amount for the year 2022	Transaction amount for the year 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
Rental income from lease of properties	4,200	3,851	0.06	3,851
Rental expenses paid for lease of properties/Increase in total value of right-of-use assets	20,000	6,154	—	—

The auditor engaged by the Company have reviewed the above-mentioned related party transactions in relation to day-to-day operation/continuing connected transactions and issued a letter to the Board stating that: nothing has come to its attention that may cause it to believe that such disclosed related party transactions in relation to day-to-day operation/continuing connected transactions have not been approved by the Board; if the transactions involve the provision of goods or services by the Group, nothing has come to its attention that may cause it to believe that these transactions were not, in all material respects, in accordance with the pricing policy of the Group; nothing has come to its attention that may cause it to believe that these transactions were not entered into, in all material respects, in accordance with the relevant agreements governing these transactions; and with respect to the total amounts for each of such continuing connected transactions specified in the appendix of the day-to-day related party/continuing connected transactions letter, nothing has come to its attention that may cause it to believe that such disclosed day-to-day related party/continuing connected transactions have exceeded the annual transaction caps set by the Company.

④ **Renewal of day-to-day related party/continuing connected transactions**

With the approval of the 45th Meeting of the Seventh Session of the Board of Directors and the Second Extraordinary General Meeting in 2022, the Company and CITIC Group renewed the securities and financial products transactions and services framework agreement, the miscellaneous services framework agreement and the property leasing framework agreement again on 30 December 2022 to outline the details of the day-to-day related party/continuing connected transactions from 2023 to 2025 under the three framework agreements and set annual caps for the transaction amounts. The three framework agreements will remain valid for three years, i.e. from 1 January 2023 to 31 December 2025.

The Hong Kong Stock Exchange has granted the Company a waiver from setting the maximum daily balance for the funds (including the Group's proprietary funds and its client funds) placed with the banking subsidiaries of CITIC Group in the PRC and Hong Kong from 2023 to 2025.

For details of the above three framework agreements and the waiver granted by the Hong Kong Stock Exchange to the Company, please refer to the announcement on day-to-day related party/continuing connected transactions of CITIC Securities Company Limited issued by the Company on the Shanghai Stock Exchange on 1 October 2022, the renewal of continuing connected transactions announcement dated 30 September 2022 and the circular dated 8 December 2022 published by the Company on the HKEXnews website of HKEX.

ii. Other related party transactions under the SSE Listing Rules in relation to day-to-day operation

According to the SSE Listing Rules, in addition to CITIC Group and its subsidiaries and associates, related parties of the Company also include the companies in which the Directors, Supervisors or members of the Senior Management hold positions as directors or the senior management, but they are not defined as connected persons under the Hong Kong Listing Rules. Related party transactions between the Company and such parties are conducted in compliance with the relevant requirements under the SSE Listing Rules, and will not constitute connected transactions under the Hong Kong Listing Rules. During the Reporting Period, the Company conducted related party transactions in strict compliance with the resolutions of the 2021 Annual General Meeting and the first meeting of the Related Party Transactions Control Committee of the Board of Directors for 2023.

In RMB ten thousand

Related party	Type of related party transactions	Estimated transaction amount for 2022	Transaction amount for 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
E-Capital Transfer	Expense	1,500	154.27	Less than 0.01	-154.27
Yuexiu Industrial Investment Fund	Income	500	47.17	Less than 0.01	47.17
CITIC POLY Fund	Income	40	40.00	Less than 0.01	40.00

iii. Related party/connected transactions between the Group and companies holding more than 10% equity interest in significant subsidiaries of the Company

During the Reporting Period, the following related party/connected transactions were carried out pursuant to the Resolution on Estimation of Related Party/Continuing Connected Transactions Contemplated in the Ordinary Course of Business of the Company in 2022, which was considered and approved at the 2021 Annual General Meeting of the Company.

In RMB ten thousand

Related/connected party	Type of related party/connected transactions	Estimated transaction amount for 2022	Transaction amount for 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
POWER CORPORATION OF CANADA	Income	3,000	357.27	0.01	357.27
MACKENZIE FINANCIAL CORPORATION	Income	3,000	337.51	0.01	337.51
	Expense	1,500	237.36	0.01	-237.36
Tianjin Haipeng	Income	10	10.00	Less than 0.01	10.00

iv. Related party transactions between the Group and companies holding over 5% equity interest in the Company

Yuexiu Financial Holdings and its wholly-owned subsidiary, Financial Holdings Limited, jointly hold over 5% equity interest in the Company, thus are the related parties of the Company under SSE Listing Rules but not connected persons under Hong Kong Listing Rules. The related party transactions between the Company and them shall be conducted in accordance with the relevant provisions of the SSE Listing Rules and are not the connected transactions under the Hong Kong Listing Rules. During the Reporting Period, the following related party transactions were carried out pursuant to the Resolution on Estimation of Related Party/ Continuing Connected Transactions Contemplated in the Ordinary Course of Business of the Company in 2022, which was considered and approved at the 2021 Annual General Meeting of the Company.

In RMB ten thousand

Related party	Type of Related party transactions	Estimated transaction amount for 2022	Transaction amount for 2022	Percentage of operating revenue/ expenses (%)	Impact on profit of the Company
Yuexiu Financial Holdings	Income	1,000	254.72	Less than 0.01	254.72
Guangzhou Yuexiu Capital	Income	1,000	150.34	Less than 0.01	150.34

v. Other related party/connected transactions

Bareboat Charter Contract entered into between CITIC Global Trade and Shanghai CITIC Shipping Corporation Limited

Pursuant to the Bareboat Charter Contract entered into between CITIC Global Trade, a subsidiary of CITIC Futures, and Shanghai CITIC Shipping Corporation Limited (currently renamed as CITIC Shipping (Ningbo) Corporation Limited (中信輪船(寧波)有限公司)), the rental income received by the Company in 2022 amounted to RMB12,743.4 thousand. For details of the approval of this related party/ connected transaction, please refer to the 2014 Annual Report of the Company.

5.6.2. Material related party/connected transactions in relation to joint external investment

Overview of matters	Query Index
On 28 June 2022, the 42nd Meeting of the Seventh Session of the Board of Directors of the Company considered and approved the Resolution on Waiving the Right of First Refusal regarding the 10% Equity Interest in China Asset Management Co., Ltd. and agreed to waive the right of first refusal regarding the 10% equity interest in China Asset Management Co., Ltd. held by Tianjin Haipeng, provided that the transfer price is not less than US$490 million, which is valid for one year from the date of approval by the Board of Directors of the Company.	For details, please refer to the relevant announcement disclosed by the Company on the website of the Shanghai Stock Exchange (http://www.sse.com.cn) on 29 June 2022 and the prior approvals and independent opinions issued by the independent non-executive Directors.

Overview of matters	Query Index
On 30 September 2022, the 45th Meeting of the Seventh Session of the Board of Directors of the Company considered and approved the Resolution on Foreign Investment through Subsidiaries, and agreed that CITIC Securities Investment would invest in Suzhou Xinchen Equity Investment Partnership (Limited Partnership) (蘇州信宸股權投資合夥企業(有限合夥)) in cash, with an investment amount of RMB141 million. Upon approval by the Board of Directors on the same day, CITIC Securities Investment completed the signing of the fund partnership contract with its related/connected investor CITIC Prudential and other unrelated/connected investors.	For details, please refer to the announcement disclosed by the Company on the HKEXnews website of HKEX (https://www.hkexnews.hk) on 30 September 2022 and the prior approvals and independent opinions issued by the independent non-executive Directors on the website of the Shanghai Stock Exchange (http://www.sse.com.cn) on 1 October 2022. For details of the investment authorization, please refer to the Company's report for the third quarter of 2022.

5.6.3. Related party credits and debts

In RMB Yuan

		Provision of funds to the related party			Provision of funds by the related party to listed companies		
Related party	Related party relationship	Balance at the beginning of the Reporting Period	Amount incurred	Balance at the end of the Reporting Period	Balance at the beginning of the Reporting Period	Amount incurred	Balance at the end of the Reporting Period
Subsidiaries of CITIC Group	Subsidiaries of Shareholder	184,241,982.25	-6,660,835.47	177,581,146.78	24,238,772.01	2,038,029.87	26,276,801.88
Guangzhou Yuexiu Capital	Shareholder with non-controlling interest	—	—	—	3,543,889.32	—	3,543,889.32
Total		184,241,982.25	-6,660,835.47	177,581,146.78	27,782,661.33	2,038,029.87	29,820,691.20
Causes of the related party credits and debts		Mainly include payables to the above related parties in connection with fund sales agency services, receivables from/payables to the above related parties in respect of deposits, margins and the project payment of CITIC Financial Center					
Impact of the related party credits and debts on the Company		No adverse impact					

5.6.4. Other related party/connected transactions

GoldStone Investment, and CITIC Investment Holdings, CITIC Venture, CITIC Dicastal, CITIC Prudential, CITIC United Asia, CITIC Investment Management, CITIC Construction and other non-related/connected entities established a fund through cash contribution, of which GoldStone Investment contributed RMB0.2 billion. Among them, CITIC Investment Holdings, CITIC Venture, CITIC Dicastal, CITIC Prudential and CITIC Construction are subsidiaries of CITIC Corporation Limited, the largest Shareholder of the Company, and CITIC United Asia and CITIC Investment Management are subsidiaries of CITIC Limited, the controlling shareholder of CITIC Corporation Limited. Pursuant to the SSE Listing Rules and Hong Kong Listing Rules, such investors are related/connected parties of the Company, and this transaction constitutes a related party/connected transaction. The transaction amount did not reach 0.5% of the Company's audited net assets in the latest period, and did not exceed 0.1% of the maximum size test percentage ratio of the relevant transaction under the Hong Kong Listing Rules. This related party/connected transaction has been approved by all independent non-executive Directors of the Company on 18 March 2022.

CITIC Securities Investment, as a limited partner, invests in the fund through cash contribution of not exceeding RMB100.1 million with Yuexiu Industrial Investment Fund and other non-related persons. Since Mr. WANG Shuhui, a non-executive director of the Company, serves as the chairman of Yuexiu Industrial Investment Fund, and Yuexiu Industrial Investment Fund is the related party of the Company (does not constitute a connected person under the Hong Kong Listing Rules) according to the SSE Listing Rules, this transaction constitutes a related party transaction. The amount of this transaction did not reach 0.5% of the Company's audited net assets in the latest period. This related party transaction has been approved by all independent non-executive Directors of the Company on 20 April 2022.

5.6.5. Opinions of independent Directors

The aforesaid related party/connected transactions were conducted at market prices based on pricing principles that are reasonable and fair. Such transactions are not prejudicial to the interests of the non-related/connected Shareholders and do not have any adverse effect on the independence of the Company.

The independent non-executive Directors have confirmed to the Board that they have reviewed the above-mentioned non-exempt related party transactions in relation to day-to-day operation/continuing connected transactions and considered that the transactions were:

- conducted in the ordinary course of business of the Group;
- on normal commercial terms, or if there is no comparable transaction to determine whether the terms of the transaction are on normal commercial terms, on terms no less favorable to the Group than those available from or to (as the case may be) independent third parties;
- conducted according to the terms set out in relevant agreement, which were fair and reasonable and in the interests of the Shareholders as a whole.

Save as disclosed above, there is no related party transaction or continuing related party transaction set out in Note 56 to the Consolidated Financial Statements that falls into the category of connected transactions or continuing connected transactions that need to be disclosed under the Hong Kong Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules with respect to the connected transactions and continuing connected transactions of the Company.

5.7. Guarantees

During the Reporting Period, the total amount of guarantees provided by the Company and its subsidiaries to subsidiaries was RMB63,480 million. As at the end of the Reporting Period, the balance of guarantees provided by the Company and its subsidiaries to subsidiaries was RMB80,280 million, representing 31.73% of the equity attributable to owners of the parent company as at the end of the Reporting Period.

5.7.1 Guarantees provided by the Company

According to the resolution approved at the Shareholders' general meeting, and upon deliberation by the duly authorized working group, the Company provided an unconditional and irrevocable guarantee on a joint and several basis for repayment obligations under each batch of notes to be issued pursuant to an overseas medium-term notes program set up by CITIC Securities Finance MTN, an indirect wholly-owned subsidiary of the Company. The guarantee amount was US$3 billion and the scope of the guarantee includes the principal, interest and other contingent account payables of overseas notes. As at the end of the Reporting Period, the aggregate balance of existing notes under the above-mentioned medium-term notes program was US$1,555 million, specifically: in 2019, CITIC Securities Finance MTN made a drawdown under the medium-term notes program to issue five-year notes with an issue size of US$200 million; in 2020, CITIC Securities Finance MTN made a drawdown under the medium-term notes program with an issue size of US$1 billion, including three-year notes of US$500 million and five-year notes of US$500 million; in 2022, CITIC Securities Finance MTN made a drawdown under the medium-term notes program with an issue size of US$355 million.

According to the resolution approved at the Shareholders' general meeting and upon deliberation by the Company's management, the Company provided an unconditional and irrevocable guarantee for the Euro-commercial papers project set up by CITIC Securities Finance MTN with a guarantee period from 4 May 2018 to 4 May 2023 and an amount of US$3 billion. The scope of the guarantee includes the principal, interest and other contingent account payables of overseas notes. During the Reporting Period, CITIC Securities Finance MTN issued 13 tranches of Euro-commercial papers in aggregate with a total issue size of US$640 million. As at the end of the Reporting Period, the balance of existing notes was US$490 million.

5.7.2 Guarantees provided by subsidiaries

During the Reporting Period, among all the subsidiaries of the Company, CSI had provided guarantees for the benefits of the relevant subsidiaries by CSI and its subsidiaries in connection with their business operations, which mainly included loan guarantees and guarantees for medium-term notes. The amount of the above-mentioned guarantee was approximately RMB66,019 million as at 31 December 2022.

In addition, CSI and its subsidiaries have issued guarantees for various International Swaps and Derivatives Association agreements (ISDA), Global Master Repurchase agreements (GMRA), Global Master Securities Lending agreements (GMSLA) and Broker-Dealer agreements, some of which are unlimited guarantees. The above-mentioned unlimited guarantees have been issued in accordance with normal practices in the international banking industry and capital market, which allow the banks and other financial institutions trading with CSI, CLSA B.V. and their subsidiaries to assume large market trading volume and fluctuating demands, therefore ensuring CSI, CLSA B.V. and their subsidiaries are not unnecessarily constrained in the normal course of business. Since both CSI and CLSA B.V. are companies with limited liabilities, the absolute maximum exposure of these guarantees in aggregate would alternatively be limited to the respective net asset value of CSI and CLSA B.V.

5.8. Other Significant Events and Subsequent Events

5.8.1. Changes to securities business outlets

The Company

During the Reporting Period, the Company newly established 3 securities outlets, completed the change of names of 4 branches and the same-city relocation of 32 branches.

Details of the new establishments are as follows:

No.	Name of Outlets	Address
1	Yixing Xincheng Road Securities Outlet	No. 2 Xincheng Road, Yixing City New Street, Wuxi City, Jiangsu Province
2	Suqian Fazhan Avenue Securities Outlet	Room 103, 1/F, Sushang Building, No. 675 Hongze Lake Road, Sucheng District, Suqian City, Jiangsu Province
3	Yulin Securities Outlet	1/F & 14/F, Yulin Financial Center, Shahe Road, High-tech Industrial Park, Yulin City, Shaanxi Province

Details of change of branch names are as follows:

No.	Original Name of branches	Current Name of Branches
1	Zhuhai Jingshan Road Securities Outlet	Zhuhai Branch Office
2	Zhongshan Zhongshan Fourth Road Securities Outlet	Zhongshan Branch
3	Changzhou Huanfu Road Securities Outlet	Office Changzhou
4	Zhenjiang Zhengdong Road Securities Outlet	Branch Office Zhenjiang Branch Office

Details of the relocation are as follows:

No.	Original Name of Branches	Current Name of Branches	Address After Relocation
1	Hangzhou Fengqi East Road Securities Outlet	Hangzhou Qingchun East Road Securities Outlet	Room 902, 9/F, Xizi Lianhe Building, No. 1-1 (Temporary), Qingchun East Road, Shangcheng District, Hangzhou City, Zhejiang Province
2	Liaoyang Xinhua Road Securities Outlet	Liaoyang Minzhu Road Securities Outlet	1–2/F, No. 11, Phase 1, Minzhu Road, Baita District, Liaoyang, Liaoning Province

No.	Original Name of Branches	Current Name of Branches	Address After Relocation
3	Fuzhou Changle North Road Securities Outlet	Fuzhou Zhenwu Road Securities Outlet	Unit 06, 15/F, Fusheng Qianlong Plaza, No. 70, Zhenwu Road, Ninghua Street, Taijiang District, Fuzhou, Fujian Province
4	Quanzhou Baozhou Road Securities Outlet	Quanzhou Wenling North Road Securities Outlet	Room A1801, Building 1, Fulin Xintiandi Commerce District, No. 354-1, Wenling North Road, Promoting Community, Lizhong Street, Licheng District, Quanzhou, Fujian Province
5	Jinjiang Changxing Road Securities Outlet	Jinjiang Century Avenue Securities Outlet	Units 11, 12, 13 and 15, 12/F, Building D, Baolong Center, No. 520 Century Avenue, Qingyang Street, Jinjiang City, Quanzhou, Fujian Province
6	Beijing Sanyuanqiao Securities Outlet	Beijing Sanyuanqiao Securities Outlet	Room 102-01, Unit 01, 1/F, and Room 603A (inside 601), Unit 01, 6/F, Building 1, No. B2 Dongsanhuan North Road, Chaoyang District, Beijing
7	Luqiao Fushi Road Securities Outlet	Luqiao Yinzuo North Street Securities Outlet	Rooms 407 and 408 (commercial offices), Building 8, Starlight Park, No. 977 Yinzuo North Street, Lubei Street, Luqiao District, Taizhou, Zhejiang Province
8	Beijing Branch Office	Beijing Branch Office	Rooms 01 and 02 (inside 101), 1/F, Rooms 01, 02, 03, 05 and 06 (inside 201), 2/F, Room 01 (inside 301), 3/F, Building 1, No. 38 Yard Dongsanhuan North Road, Chaoyang District, Beijing
9	Wuhan Zhongnan Road Securities Outlet	Wuchang Securities Outlet	Units R3 and R5, 38/F (Nominal Floor: 38/F, Actual Floor: 33/F), T1 Office Building, Changchenghui, No. 9 Zhongbei Road, Fruit Lake Street, Wuchang District, Wuhan, Hubei Province
10	Wenzhou Tangjiaqiao Securities Outlet	Wenzhou Fudong Road Securities Outlet	Rooms 120, 215 and 216, Buildings 1 and 2, Feizhenyuan, No. 268 Fudong Road, Nanhui Street, Lucheng District, Wenzhou, Zhejiang Province
11	Shaoxing Xingyue Road Securities Outlet	Shaoxing Qunxian Road Securities Outlet	No. 1474 Qunxian Road, Keqiao Street, Keqiao District, Shaoxing, Zhejiang Province
12	Ningbo Branch Office	Ningbo Branch Office	7-1-1, 7-1-2, 7-1-3 and 7-1-4, No. 455 Haiyan North Road, Fuming Street, Yinzhou District, Ningbo, Zhejiang Province
13	Changsha Furong Middle Road Securities Outlet	Changsha Furong Middle Road Securities Outlet	No. 101, 1/F, No. 459 Furong Middle Road, Kaifu District, Changsha, Hunan Province
14	Pujiang Hengchang Fortune Plaza Securities Outlet	Pujiang Zhongshan North Road Securities Outlet	No. 189 Zhongshan North Road, Pujiang County, Zhejiang Province
15	Beijing Zhongguancun East Road Outlet	Beijing Shangdi Securities Outlet	No. 2, Room 07, 1/F and No. 2, Room 05, 2/F, Podium Building, Building 1, No. 10 Xiaoying West Road, Haidian District, Beijing
16	Beijing Dongzhimen Securities Outlet	Beijing Jianguomen Securities Outlet	Room 401, 4/F, No. 5 Jianguomen North Avenue, Dongcheng District, Beijing
17	Hangzhou Fengqi Road Second Securities Outlet	Hangzhou Hongtai Road Securities Outlet	Room 109 and Rooms 308–310, Building 5, No. 128 Hongtai Road, Pengbu Street, Shangcheng District, Hangzhou, Zhejiang Province
18	Datong Yuhe West Road Securities Outlet	Datong Yingbin Street Securities Outlet	Ground Floor, Tower A, Guojin Center, Yingbin Street, Pingcheng District, Datong, Shanxi Province

No.	Original Name of Branches	Current Name of Branches	Address After Relocation
19	Shenzhen Bao'an Securities Outlet	Shenzhen Bao'an Securities Outlet	No. 1704 and 1705, 17/F, Tower A, Hainabaichuan Headquarters Building, No. 6 Baoxing Road, Haibin Community, Xin'an Street, Bao'an District, Shenzhen, Guangdong Province
20	Shenzhen Binhai Avenue Securities Outlet	Shenzhen Binhai Avenue Securities Outlet	No. 1501, 1502 and 1503, Yihua Financial Technology Building, No. 3939 Baishi Road, Binhai Community, Yuehai Street, Nanshan District, Shenzhen
21	Shenzhen Houhai Securities Outlet	Shenzhen Houhai Securities Outlet	T7-1102, South District, Plaza 1, Shenzhen Bay, No. 3008 Zhongxin Road, Weilan Coast Community, Yuehai Street, Nanshan District, Shenzhen
22	Foshan Shunde Ronggui Securities Outlet	Foshan Shunde Daliang Securities Outlet	Shops 04 and 5, Ground Floor, Poly Plaza, No. 3 Guanlv Road, Dehe Community, Daliang Street, Shunde District, Foshan, Guangdong Province
23	Hangzhou Wenyi West Road Securities Outlet	Hangzhou Chongren Road Securities Outlet	Room 103, 1/F, Block A and Room 104, 4/F, Block A, Sanshen Business Center, No. 273 Chongren Road, Jiangcun Street, Xihu District, Hangzhou, Zhejiang Province
24	Lin'an Qianwang Street Securities Outlet	Lin'an Wanma Road Securities Outlet	Room 104 and Room 203, Building H1, Impressive Shaoxi City, Jinbei Street, Lin'an District, Hangzhou, Zhejiang Province
25	Shangrao Xinyang Road Securities Outlet	Shangrao Guangxin Avenue Securities Outlet	1-10, 2-8, 2-9, Building 6, No. 36 Guangxin Avenue, Xinzhou District, Shangrao, Jiangxi Province
26	Tianjin Huanghe Road Securities Outlet	Tianjin Nankai Securities Outlet	Part of 02, 03, Part of 04, 06 and Part of 07, 15/F and 30/F, Zone B, 1/F Lobby, Building 1, Yuefu Plaza, Intersection of Nanmenwai Street and Fuzhuang Street, Nankai District, Tianjin
27	Hengyang Jiefang Road Securities Outlet	Hengyang Zhurong Road Securities Outlet	Room 101-1-2 and Room 101-2, Mulinmeijun Commercial Building, No. 6 Zhurong Road, Zhengxiang District, Hengyang, Hunan Province
28	Wuxi Branch Office	Wuxi Branch Office	Units 2906-2910, 29/F, Block 2, Wuxi Hang Lung Plaza Office Building, No. 139 Renmin Middle Road, Liangxi District, Wuxi, Jiangsu Province
29	Wuhu Xinshidai Commercial Street Securities Outlet	Wuhu Beijing Road Securities Outlet	Shop 103 and Rooms B501-B513, Building B, Podium of Mingzhu Real Estate Plaza, No. 2 Beijing Middle Road, Jinghu District, Wuhu, Anhui Province
30	Daqing Aiguo Road Securities Outlet	Daqing Wei 11th Road Securities Outlet	Commercial Service Building, No. A06-06, Xuewei Xincheng Community, No. 100 Jingsan Street, Saertu District, Daqing, Heilongjiang Province
31	Changshu Haiyu North Road Securities Outlet	Changshu Haiyu North Road Securities Outlet	No. 266-4 Changjiang Road, Changshu, Jiangsu Province
32	Shantou Haibin Road Securities Outlet	Shantou Dongxia Road Century Coast Securities Outlet	Duplex Room 101, Mezzanine 101, Mezzanine 201, Building 6, Century Coast Graceland, No. 1 Dongxia Road, Jinping District, Shantou, Guangdong Province

As at the end of the Reporting Period, the Company had 45 branch offices and 223 securities outlets.

CITIC Securities (Shandong)

During the Reporting Period, CITIC Securities (Shandong) dissolved its Weifang Jinma Road Securities Outlet, and completed the same-city relocation of 3 branches.

Details of the relocation are as follows:

No.	Original Name of Branches	Current Name of Branches	Address after Relocation
1	Weifang Yuanfei Road Securities Outlet	Weijiankang East Street Securities Outlet	West of 105 and 202, Building 1, No. 13600, Jiankang East Street, Kuiwen District, Weifang, Shandong Province
2	Dongying North 1st Road Securities Outlet	Dongying North 1st Road Securities Outlet	Rooms 101, 102, 103, 104, Building E, No. 730, North 1st Road, Dongying District, Dongying City, Shandong Province
3	Jinan Branch Office	Jinan Branch Office	House 2201, 22nd floor, Southeast Corner Area, 1st floor, Julong Wealth Center, No.1 Hongjialou South Road, Licheng District, Jinan City, Shandong Province

As at the end of the Reporting Period, CITIC Securities (Shandong) had 6 branch offices and 63 securities outlets.

CITIC Futures

During the Reporting Period, CITIC Futures established one new branch office and completed the same-city relocation of 14 branch offices.

Details of the new establishment are as follows:

No.	Name of the Branch Office	Address
1	Foshan Branch Office	Rooms 2810–2812, Tower B, Vanke Financial Center, No. 57 Jihua 5th Road, Chancheng District, Foshan City, Guangdong Province

Details of the relocation are as follows:

No.	Original Name of Branch Offices	Current Name of Branch Offices	Address after Relocation
1	Zhongnan Branch Office	Zhongnan Branch Office	Houses No. 2 to 5, 18/F, Guangfa Bank Building, No. 737 Construction Avenue, Jianghan District, Wuhan, Hubei Province
2	Northeast Branch Office	Northeast Branch Office	Rooms 0802 and 0803, No. 11 Wenyi Road, Heping District, Shenyang, Liaoning Province
3	Guizhou Branch Office	Guizhou Branch Office	Room 1 (Attachment No. 3), 24/F, Building 9, Guiyang International Finance Center TI Business District Project, Lincheng Road, Guanshan Lake District, Guiyang, Guizhou Province
4	South China Branch Office	South China Branch Office	Rooms 901–905A, Taiping Finance Tower, No. 6001 Yitian Road, Fuxin Community, Lianhua Street, Futian District, Shenzhen, Guangdong Province
5	Beijing Chaoyang Branch Office	Beijing Chaoyang Branch Office	Room 201, Unit 01, 2/F, Building 1, No. B2 Dongsanhuan North Road, Chaoyang District, Beijing
6	Xiamen Branch Office	Xiamen Branch Office	Unit DEF, 21/F, International Bank Building, No. 8 Lujiang Road, Siming District, Xiamen, Fujian Province
7	Henan Branch Office	Henan Branch Office	No. 1601, 1605 and 1610, Future Building, No. 69, Future Road, Jinshui District, Zhengzhou, Henan Province

No.	Original Name of Branch Offices	Current Name of Branch Offices	Address after Relocation
8	Yunnan Branch Office	Yunnan Branch Office	Units 4206 and 4207, 42/F, Kunming Hang Lung Plaza Office Building, No. 23 East Dongfeng Road, Panlong District, Kunming, Yunnan Province
9	Shanghai CITIC Plaza Branch Office	Shanghai Hubin Road Branch Office	Room 1208A and Rooms 1209–1210, No. 150 Hubin Road, Huangpu District, Shanghai
10	Guangdong Branch Office	Guangdong Branch Office	Rooms 3601A, 3601B and 3602, No.761 Dongfeng East Road, Yuexiu District, Guangzhou City, Guangdong Province
11	Jinan Branch Office	Jinan Branch Office	Room 1103 and Room 1104, Floor 11, Building A, Gold Times Square, No. 9999 Jingshi Road, Lixia District, Jinan, Shandong Province
12	Shanghai Branch Office	Shanghai Branch Office	Unit 1301-1, Unit 1301-2, Unit 1802, No. 799 Yanggao South Road, China (Shanghai) Pilot Free Trade Zone
13	Tianjin Branch Office	Tianjin Branch Office	2202, Block No. 3, Guojin Plaza, Intersection of North Dagu Road and Chengde Road, Xiaobailou Street, Heping District, Tianjin
14	Wuxi Branch Office	Wuxi Branch Office	Units 1604–1605, 16/F, Block 2, Wuxi Hang Lung Plaza Office Building, No. 139 Renmin Middle Road, Liangxi District, Wuxi, Jiangsu Province

As at the end of the Reporting Period, CITIC Futures had 46 branch offices and 4 futures outlets.

CITIC Securities South China

During the Reporting Period, CITIC Securities South China newly established one branch office and completed the same-city relocation of 5 securities outlets.

Details of the new establishments are as follows:

No.	Name of the Branch Office	Address
1	Guangdong Branch Office	Room 1001 (Part: Selfedited 02), No. 395 Linjiang Avenue, Tianhe District, Guangzhou, Guangdong Province

Details of the relocation are as follows:

No.	Original Name of Outlets	Current Name of Outlets	Address after Relocation
1	Zhaoqing Guta North Road Securities Outlet	Zhaoqing Xin'an 3rd Road Securities Outlet	House No. 1, 3/F, Commercial Building 11, Phase 8, Agile Plaza, No. 3 Xin'an 3rd Road, Duanzhou District, Zhaoqing, Guangdong Province
2	Jiangmen Gangzhou Avenue Securities Outlet	Jiangmen Qichao Avenue Securities Outlet	Shops 150, 151, 152, 159, 160, 161,162, No. 56, Qichao Avenue, Huicheng, Xinhui District, Jiangmen, Guangdong Province
3	Guangzhou Zengcheng Xiajie Avenue Securities Outlet	Guangzhou Zengcheng Yunxi Street Securities Outlet	Selfedited 01, Room 2204, 2205 and 2206, 1/F, No. 4 Yunxi Street, Lihu Street, Lihu Street, Zengcheng District, Guangzhou, Guangdong

No.	Original Name of Outlets	Current Name of Outlets	Address after Relocation
4	Guangzhou Zengcheng Xintang Securities Outlet	Guangzhou Zengcheng Finance Avenue Securities Outlet	Room 501, Building 2, No. 8 Financial Avenue, Zengcheng District, Guangzhou, Guangdong Province
5	Liuzhou Chenhua Road Securities Outlet	Liuzhou Chenhua Road Securities Outlet	Unit 6-1 (604–605), Unit 1, Jiayi Fortune Building, No. 10 Chenhua Road, Liuzhou, Guangxi

As at the end of the Reporting Period, CITIC Securities South China had 2 branch offices and 29 securities outlets.

CSI

During the Reporting Period, CSI established one new branch, details of which are as follows:

No.	Name of Branch	Address
1	ICC CITICS Plus Center	Units 6806B-6807, 68/F, International Commerce Centre, 1 Austin Road West, Tsim Sha Tsui, Hong Kong

As at the end of the Reporting Period, CSI had 5 branches.

Kington Securities

During the Reporting Period, there were no changes in the branches of Kington Securities. As at the end of the Reporting Period, Kington Securities had 2 securities outlets.

5.8.2. Subsequent progress of matters previously announced

The progress of standardizing the publicly-offered collective investment schemes of the Company

In accordance with the Resolution on Standardizing the Publicly-offered Collective Investment Schemes of the Company as considered and approved by the 35th Meeting of the Sixth Session of the Board, the matters relating to rectification and standardization of the publicly-offered collective investment schemes of the Company have been completed, and all the 19 publicly-offered collective investment schemes of the Company have been managed normally following the model of public funds.

Capital increase in CITIC Futures

On 28 March 2022, the 37th Meeting of the Seventh Session of the Board of the Company considered and approved the Resolution on Capital Increase in CITIC Futures Co., Ltd., and it was agreed to make a capital increase of RMB2.0 billion in cash to CITIC Futures. CITIC Futures received the said amount of RMB2.0 billion in cash on 13 April 2022, and completed the registration and filing procedures for change in the registered capital on 23 May 2022, with its registered capital changed from RMB5.6 billion to RMB7.6 billion.

Transfer of 34.55% equity interest in Xinjiang Equity Exchange

On 28 October 2021, the 29th Meeting of the Seventh Session of the Board considered and approved the Resolution on the Transfer of 34.55% Equity Interest in Xinjiang Equity Exchange Center Co., Ltd. held by the Company, agreeing to transfer 34.55% equity interest in Xinjiang Equity Exchange held by the Company by way of listing (hereinafter referred to as the "Target Equity"). Upon completion of the transfer, the Company held 20% equity interest in Xinjiang Equity Exchange. The Target Equity has been delisted in China Beijing Equity Exchange on 7 February 2022, and the transferee is Xinjiang Financial Investment Co., Ltd. (新疆金融投資有限公司). The Company has entered into an equity transaction agreement with the transferee and has received the consideration of RMB39,951.5 thousand, and the industrial and commercial registration of changes was completed on 18 May 2022.

Re-authorization for adjustment to the registered capital of CITIC Securities Investment

On 13 May 2022, the 40th Meeting of the Seventh Session of the Board considered and approved the Resolution on Re-authorization of the Adjustment to the Registered Capital of CITIC Securities Investment, authorizing the management of the Company to complete at its sole discretion the formalities in relation to the capital increase and reduction on the premise that various risk control indicators of the Company are in compliance with the regulatory requirements. The above capital increase and reduction may be carried out multiple times as required by the business. CITIC Securities Investment received a capital increase amount of RMB3 billion on 24 May 2022, with paid-up capital of RMB17 billion, and the filing of the industrial and commercial registration of changes was completed on 22 December 2022.

Acquisition of 0.1% equity interest in CITIC Securities South China

On 29 August 2022, the 44th Meeting of the Seventh Session of the Board considered and approved the Proposal on the Acquisition of 0.1% Equity Interest in CITIC Securities South China, agreeing that the Company would purchase 0.1% equity interest in CITIC Securities South China from CITIC Securities Investment at a transaction consideration of 0.1% equity value (RMB6,663,992.06) corresponding to the audited net asset value of CITIC Securities South China on 31 December 2021. The Company and CITIC Securities Investment completed the signing of the equity transfer agreement on 13 October 2022. Upon completion of the acquisition, the organizational form of CITIC Securities South China will be changed from a joint stock limited company to a limited liability company.

External investment through subsidiaries

On 8 July 2022, the 43rd Meeting of the Seventh Session of the Board considered and approved the Proposal on Additional Subscription of Fund Shares by a Subsidiary, agreeing that GoldStone Investment could make an additional capital contribution of RMB1.1 billion to GoldStone New Materials Fund for Manufacturing Transformation and Upgrading (Limited Partnership) (hereinafter referred to as New Materials Fund) with its self-owned funds, with its total capital contribution increasing to RMB2.1 billion. As of the end of the Reporting Period, GoldStone Investment has made an additional paid-in capital contribution of RMB239 million to the New Materials Fund, completing a total paid-in capital contribution of RMB1,239 million.

6. CHANGES IN SHARE CAPITAL AND INFORMATION ON SUBSTANTIAL SHAREHOLDERS

6.1 Change in Shares

Unit: Shares

	Prior to changes		Increase/decrease (+, -)		After changes	
	Number	Percentage (%)	New shares issued	Subtotal	Number	Percentage (%)
I. Shares subject to trading moratorium	833,786,629	6.45	—	—	833,786,629	5.63
1. State-owned Shares	809,867,629	6.27	—	—	809,867,629	5.46
2. Other domestic Shares	23,919,000	0.19	—	—	23,919,000	0.16
II. Tradable Shares not subject to trading moratorium	12,092,989,400	93.55	1,893,770,800	1,893,770,800	13,986,760,200	94.37
1. RMB ordinary Shares	9,814,661,700	75.93	1,552,021,645	1,552,021,645	11,366,683,345	76.70
2. Overseas listed foreign Shares	2,278,327,700	17.62	341,749,155	341,749,155	2,620,076,855	17.68
III. Total Shares	12,926,776,029	100.00	1,893,770,800	1,893,770,800	14,820,546,829	100.00

1,552,021,645 new shares under A Share Rights Issue were listed on the SSE on 15 February 2022. 341,749,155 new shares under H Share Rights Issue were listed on the Hong Kong Stock Exchange on 4 March 2022.

6.2 Change in Shares Subject to Trading Moratorium

Unit: Shares

Name of Shareholder	Number of Shares subject to trading moratorium at the beginning of the year	Number of Shares released from trading moratorium during the year	Increase in Shares subject to trading moratorium during the year	Number of Shares subject to trading moratorium at the end of the year	Reason for trading moratorium	Date of Shares to be released from trading moratorium
Yuexiu Capital	265,352,996	—	39,802,949	305,155,945	Shareholder undertook to comply with the trading moratorium for 48 months	11 March 2024
Guangzhou Yuexiu Capital	544,514,633	—	81,677,195	626,191,828	Shareholder undertook to comply with the trading moratorium for 48 months	11 March 2024
Total	809,867,629	—	121,480,144	931,347,773	/	/

6.3 Effects of Changes in Shares on Financial Indicators such as Earnings Per Share for the Most Recent Year and Most Recent Period

In February and March 2022, the Company completed schemes of A Share Rights Issue and H Share Rights Issue, respectively, resulting an increase in the total share capital from 12,926,776,029 shares to 14,820,546,829 shares. Taking into account the bonus issue included in the rights issue, the weighted average on the total share capital had been carried out for the calculation of earnings per share for the Reporting Period, in accordance with the changes of shares. Retrospective adjustment was made to the earnings per share for the most recent year and most recent period (being the year 2021 and the third quarter of 2022) before the changes of shares, and the adjusted earnings per share was RMB1.69/share and RMB1.10/share, respectively.

6.4 Issuance and Listing of Securities

Unit: Shares *Currency: RMB*

Type of Shares and derivative securities	Date of Issue	Issue price (or interest rate)	Issue size	Date of listing	Amount approved for listing and trading	Maturity date
Ordinary shares						
A Shares	2022.1.27	RMB14.43/share	1,552,021,645	2022.2.15	1,552,021,645	—
H Shares	2022.3.4	HK$17.67/share	341,749,155	2022.3.4	341,749,155	—
Bonds (including enterprise bonds, corporate bonds and debt financing instrument of non-financial enterprises)						
Perpetual subordinated bonds	2022.1.18	3.58%	RMB3.0 billion	2022.1.26	RMB3.0 billion	—
Corporate bonds	2022.2.14	3.20%	RMB0.5 billion	2022.2.21	RMB0.5 billion	2027.1.29
Corporate bonds	2022.2.14	3.69%	RMB1.0 billion	2022.2.21	RMB1.0 billion	2032.2.6
Corporate bonds	2022.3.9	3.03%	RMB1.0 billion	2022.3.16	RMB1.0 billion	2025.3.11
Corporate bonds	2022.3.9	3.40%	RMB0.5 billion	2022.3.16	RMB0.5 billion	2027.3.11
Corporate bonds	2022.8.22	2.50%	RMB3.0 billion	2022.8.29	RMB3.0 billion	2025.8.24

6.5 Information on Shareholders

Total number of Shareholders of the Company as at 31 December 2022: 569,342 Shareholders, including 569,183 A Shareholders and 159 registered H Shareholders.

Total number of Shareholders of the Company as at the end of the month immediately preceding the date of publication of this results announcement (i.e. 28 February 2022): 578,710 Shareholders, including 578,550 A Shareholders and 160 registered H Shareholders.

6.5.1 Shareholdings of the top 10 Shareholders as at 31 December 2022

Unit: Shares

Full name of Shareholder	Change during the Reporting Period	Number of Shares held at the end of the period	Percentage (%)	Number of Shares held subject to trading moratorium	Shares pledged, marked or frozen		Nature of the Shareholder
					Status	Number	
HKSCC Nominees Limited[Note1]	341,523,654	2,618,886,796	17.67	—	Unknown	—	Foreign legal person
CITIC Corporation Limited[Note2]	299,954,362	2,299,650,108	15.52	—	Nil	—	State-owned legal person
Guangzhou Yuexiu Capital Holdings Co., Ltd.[Note3]	81,677,195	626,191,828	4.23	626,191,828	Nil	—	State-owned legal person
Hong Kong Securities Clearing Company Limited[Note4]	-39,034,199	546,047,846	3.68	—	Nil	—	Foreign legal person
Guangzhou Yuexiu Capital Holdings Group Co., Ltd.[Note3]	39,802,949	305,155,945	2.06	305,155,945	Nil	—	State-owned legal person
Central Huijin Asset Management Corporation Limited	26,758,300	205,146,964	1.38	—	Nil	—	State-owned legal person
China Construction Bank Corporation — Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	34,652,995	200,799,033	1.35	—	Nil	—	Unknown
Da Cheng Fund — Agricultural Bank — Da Cheng China Securities and Financial Assets Management Program	23,058,933	176,785,150	1.19	—	Nil	—	Unknown
China AMC Fund — Agricultural Bank — China AMC China Securities and Financial Assets Management Program	21,670,830	166,143,027	1.12	—	Nil	—	Unknown
Zhong Ou Fund — Agricultural Bank — Zhong Ou China Securities and Financial Assets Management Program	21,026,835	161,205,735	1.09	—	Nil	—	Unknown

6.5.2 Shareholdings of the top 10 holders of tradable Shares not subject to trading moratorium as of 31 December 2022

Name of Shareholders	Number of tradable Shares held not subject to trading moratorium	Class and number of Shares	
		Class	Number
HKSCC Nominees Limited	2,618,886,796	Overseas-listed foreign shares	2,618,886,796
CITIC Corporation Limited	2,299,650,108	RMB ordinary Shares	2,299,650,108
Hong Kong Securities Clearing Company Limited	546,047,846	RMB ordinary Shares	546,047,846
Central Huijin Asset Management Corporation Limited	205,146,964	RMB ordinary Shares	205,146,964
China Construction Bank Corporation — Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	200,799,033	RMB ordinary Shares	200,799,033
Da Cheng Fund — Agricultural Bank — Da Cheng China Securities and Financial Assets Management Program	176,785,150	RMB ordinary Shares	176,785,150
China AMC Fund — Agricultural Bank — China AMC China Securities and Financial Assets Management Program	166,143,027	RMB ordinary Shares	166,143,027
Zhong Ou Fund — Agricultural Bank — Zhong Ou China Securities and Financial Assets Management Program	161,205,735	RMB ordinary Shares	161,205,735
GF Fund — Agricultural Bank — GF China Securities and Financial Assets Management Program	161,057,499	RMB ordinary Shares	161,057,499
China Southern Fund — Agricultural Bank — China Southern China Securities and Financial Assets Management Program	160,527,420	RMB ordinary Shares	160,527,420
Details of related party or concert party relationship among the above Shareholders	Guangzhou Yuexiu Capital Holdings Co., Ltd. is a wholly-owned subsidiary of Guangzhou Yuexiu Financial Holdings Group Co., Ltd., and the two companies are parties acting in concert. The Company is unaware of whether there is any related party or concert party relationship among the other Shareholders listed above.		

Note 1: HKSCC Nominees Limited is the nominal holder of the Shares held by non-registered H Shareholders of the Company.

Note 2: As at 31 December 2022, CITIC Limited, a party acting in concert with CITIC Corporation Limited, held 434,311,604 H Shares of the Company; and CITIC Corporation Limited, together with its party acting in concert, held a total of 2,733,961,712 Shares of the Company, accounting for 18.45% of the total issued Shares of the Company.

Note 3: As at 31 December 2022, Yuexiu Capital directly held 305,155,945 A Shares of the Company, Guangzhou Yuexiu Capital directly held 626,191,828 A Shares of the Company, indirectly held 148,401,100 H Shares of the Company as a non-registered Shareholder of the Southbound Trading Connect, and indirectly held 125,966,093 H Shares of the Company through its wholly-owned subsidiary of Yuexiu Financial International, totaling 1,205,714,966 Shares of the Company, accounting for 8.1354% of the total issued Shares of the Company.

Note 4: The Shares held by Hong Kong Securities Clearing Company Limited refer to Shares held by non-registered Shareholders of the Shanghai-Hong Kong Stock Connect.

Note 5: Nature of A Shareholders represents the nature of account held by A Shareholders registered with the Shanghai branch of CSDC.

Note 6: As the Shares of the Company could be used as underlying securities for margin financing and securities lending, the shareholdings of the Shareholders are the aggregate of all the Shares and interests held in ordinary securities accounts and credit securities accounts.

6.5.3 Shareholdings of the holders of Shares subject to trading moratorium as of 31 December 2022

Unit: Shares

No.	Name of Shareholders subject to trading moratorium	Number of Shares held subject to trading moratorium	Listing and trading of Shares subject to trading moratorium		
			Date eligible for listing and trading	Number of Shares newly eligible for listing and trading	Terms of trading moratorium
1	Guangzhou Yuexiu Capital Holdings Co., Ltd.	626,191,828	2024.3.11	—	Shareholder undertook to comply with the trading moratorium for 48 months
2	Guangzhou Yuexiu Financial Holdings Group Co., Ltd.	305,155,945	2024.3.11	—	Shareholder undertook to comply with the trading moratorium for 48 months
3	Incentive shares held under custody and others	23,919,000	To be determined after the implementation of the incentive share scheme	—	To be determined after the implementation of the incentive share scheme
Details of related party or concert party relationship among the above Shareholders		Guangzhou Yuexiu Capital Holdings Co., Ltd. is a wholly-owned subsidiary of Guangzhou Yuexiu Capital Holdings Group Co., Ltd., and the two companies are parties acting in concert. The Company is unaware of whether there is any related party or concert party relationship among the other Shareholders listed above.			

Yuexiu Capital and Guangzhou Yuexiu Capital acquired a total of 833,786,629 A Shares of the Company in the Company's transaction of acquisition of Guangzhou Securities by the issuance of Shares. According to the undertaking, such shares shall not be transferred within 48 months from the completion date of such issuance for transaction; the above-mentioned agreement shall also apply to the additional shares held by Yuexiu Capital and Guangzhou Yuexiu Capital in the event of the Company's share rights issue. Therefore, the additional 39,802,949 shares and 81,677,195 shares held by Yuexiu Capital and Guangzhou Yuexiu Capital respectively as a result of their participation in the Company's A Share Rights Issue shall be subject to the same lock-up period as the original shares.

6.5.4 Information on substantial Shareholders of the Company

The largest Shareholder of the Company is CITIC Corporation Limited. As of 31 December 2022, CITIC Corporation Limited and its party acting in concert in aggregate held 18.45% Shares in the Company. In addition, there was no other Shareholder of the Company who held more than 10% Shares. Details of CITIC Corporation Limited are as follows:

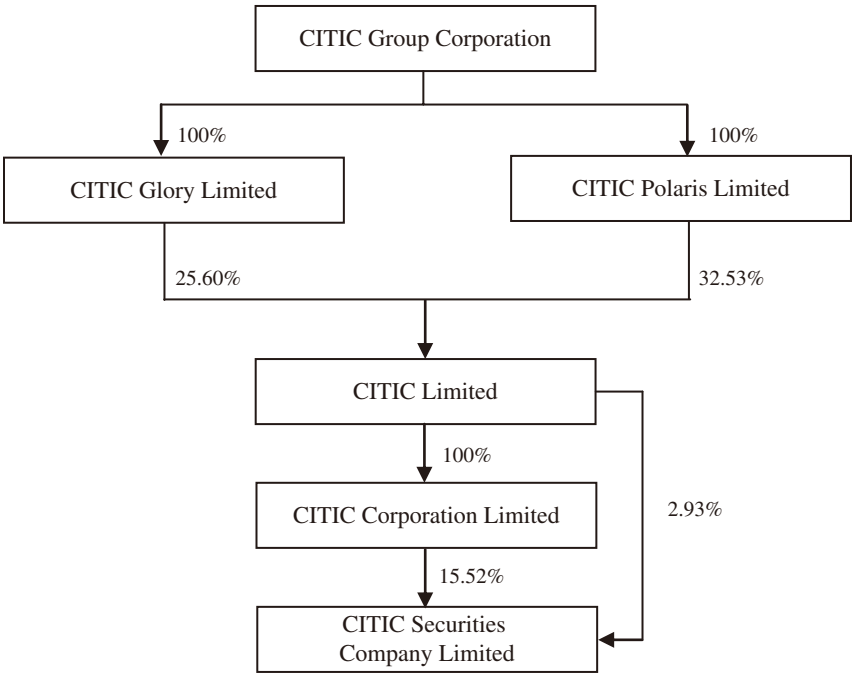
CITIC Corporation Limited was established on 27 December 2011, of which the existing legal representative is Mr. ZHU Hexin and the president is Mr. XI Guohua. Its registered capital is RMB139 billion and the unified social credibility code is 911100007178317092. It is principally engaged in: 1. investment and management in financial sectors, including investment and management of domestic and foreign banks, securities, insurance, trust, asset management, futures, leasing, funds, credit card and other financial enterprises and related industries; 2. investment and management in non-financial sectors, including (1) energy, transport and other infrastructure; (2) exploration of mining, timber and other resources and raw material industry; (3) machinery manufacturing; (4) real estate development; (5) information industry: information system infrastructure, basic telecommunication and value-added telecommunication business; (6) commerce and trade services and other industries: environmental protection; pharmaceuticals, bio-engineering as well as new materials; aviation, transportation, warehousing, hotel, tourism; international trade and domestic trade, import and export business, commerce; education, publishing, media,

culture and sports; consultancy service; 3. granting shareholder loans to its offshore and domestic subsidiaries; capital operation; asset management; domestic and overseas engineering design, constructions, contracting and sub-contracting, export of labor service, and other approved businesses.

CITIC Limited, the controlling shareholder of CITIC Corporation Limited, was established in 1985, of which the existing Chairman is Mr. ZHU Hexin and the president is Mr. XI Guohua, and it has a share capital of HK$381.7 billion. CITIC Limited is one of China's largest conglomerates, and it is also a constituent stock company of the Hong Kong Hang Seng Index. Businesses of its subsidiaries covered in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanization both in China and overseas.

CITIC Group, the de facto controller of CITIC Corporation Limited, was established in 1979, the existing legal representative is Mr. ZHU Hexin and the president is Mr. XI Guohua. Its registered capital is RMB205,311,476,359.03 and the unified social credibility code is 9110000010168558XU. Its principal businesses are as follows: investment and management of domestic and foreign banks, securities, insurance, trust, asset management, futures, leasing, funds, credit card financial enterprises and related industries, energy, transport infrastructure, mining, exploration of timber resources and raw material industry, machinery manufacturing, real estate development, information system infrastructure, basic telecommunication and value-added telecommunication business, environmental protection, medicine, bio-engineering as well as new materials, aviation, transportation, warehousing, hotel, tourism, international trade and domestic trade, commerce, education, publishing, media, culture and sports, overseas and domestic engineering design, construction, contracting and sub-contracting, industry investment; asset management; capital operation; project tendering, surveying, design, construction, supervision, contracting and subcontracting, consultant service industry; external deployment of staff required to implement overseas projects suitable for its capabilities, scale and results performance; import and export business; information service business (internet information services only, excluding information search and query services, information community services, instant information interaction services and information protection and processing services).

As at the end of the Reporting Period, the shareholding structure of the Company was as follows:



As at the end of the Reporting Period, information of other major listed companies controlled or invested, directly or indirectly by CITIC Limited or CITIC Corporation Limited was as follows:

No.	Name of Listed Company	Stock code	Shareholding percentage	Name of shareholder
1	China CITIC Bank Corporation Limited	601998.SH 00998.HK	65.97%	CITIC Corporation Limited (65.37%) Fortune Class Investments Limited (0.02%) Metal Link Limited (0.58%)
2	CITIC Heavy Industries Co., Ltd.	601608.SH	67.27%	CITIC Corporation Limited (60.49%) CITIC Investment Holdings Limited (4.52%) CITIC Automobiles Limited (2.26%)
3	CITIC Offshore Helicopter Co., Ltd.	000099.SZ	38.63%	CITIC Offshore Helicopter Limited Liabilities Company (30.18%) CITIC Investment Holdings Limited (8.45%)
4	CITIC Press Group Co., Ltd.	300788.SZ	73.50%	CITIC Corporation Limited (62.70%) CITIC Investment Holdings Limited (10.80%)
5	CITIC Resources Holdings Limited	01205.HK	59.50%	Keentech Group Ltd. (49.57%) CITIC Australia Pty Limited (9.55%) Fortune Class Investments Limited (0.38%)
6	CITIC Telecom International Holdings Limited	01883.HK	57.73%	Richtone Enterprises Inc. (3.66%) Ease Action Investments Corp. (33.66%) Silver Log Holdings Ltd. (16.57%) Perfect New Holdings Limited (3.84%)
7	CITIC Pacific Special Steel Group Co., Ltd.	000708.SZ	83.85%	CITIC Pacific China Holdings Limited (4.26%) Hubei Xinye Steel Limited (4.53%) CITIC Pacific Special Steel Investment Limited (75.05%)
8	Yuan Long Ping High-Tech Agriculture Co., Ltd.	000998.SZ	18.96%	CITICS Industrial Investment Group Corp. (0.82%) CITIC Agriculture., LTD. (16.54%) Shenzhen Xinnong Investment Center LP (1.60%)
9	China Overseas Land & Investment Limited	00688.HK	10.01%	Complete Noble Investments Limited (10.01%)
10	Frontier Services Group Limited	00500.HK	25.91%	Easy Flow Investments Limited (25.91%)
11	Ivanhoe Mines Ltd.	IVN.TSX IVPAF.OTCQX	25.92%	CITIC Metal Africa Investments Limited
12	Alumina Limited	AWC.ASX AWC.OTC	18.92%	CITIC Resources Australia Pty Limited (9.61%) CITIC Australia Pty Limited (1.37%) Bestbuy Overseas Co Ltd. (7.94%)
13	China Huarong Asset Management Co., Ltd.	2799.HK	23.46%	CITIC Group Corporation

Note 1: The slight difference between the total indirect shareholding percentage of CITIC Limited and CITIC Corporation Limited in CITIC Pacific Special Steel Group Co., Ltd. and the sum of the shareholding percentage of respective immediate shareholders was due to rounding.

Note 2: The shareholding percentages listed in the above table were those of the direct shareholders.

In addition to those set out in the above table, as at the end of the Reporting Period, other major listed companies controlled or invested by CITIC Group were as follows:

Name of listed companies invested	Stock code	Shareholding percentage	Unit: Shares
CITIC Limited	00267.HK	58.13%	CITIC Polaris Limited (32.53%) CITIC Glory Limited (25.60%)

Other Shareholders holding more than 5% of the Shares:

As at the end of the Reporting Period, Yuexiu Capital and its wholly-owned subsidiaries, Guangzhou Yuexiu Capital and Yuexiu Financial International, in aggregate hold 8.1354% of the Shares of the Company.

6.5.5 Interest and short positions of substantial Shareholders

Pursuant to Section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), substantial Shareholders are required to disclose their interests, and are required to make further disclosure when the changes of their interest reached the prescribed threshold. The following table is derived from the latest interest information of the substantial Shareholders disclosed on the HKEXnews website of HKEX as at 31 December 2022. As they are only required to disclose the change of their interests when it reaches certain prescribed threshold, the information set out in the following table may be inconsistent with their actual interests as at 31 December 2022.

Name of Shareholders	Capacity	Class of Shares	Number of Shares (Shares)/ type of Shares held	Percentage of the number of issued A Shares/ H Shares as at 31 December 2022 (%)[Note 6]	Percentage of total issued Shares of the Company as at 31 December 2022 (%)
CITIC Group Corporation	Interest of corporation controlled by you[Note 1]	A Shares	2,299,650,108/Long positions	18.85	15.52
	Interest of corporation controlled by you[Note 1]	H Shares	434,311,604/Long positions	16.58	2.93
Guangzhou Yue Xiu Holdings Limited	Interest of corporation controlled by you[Note 2]	A Shares	809,867,629/Long positions	6.64	5.46
	Interest of corporation controlled by you[Note 1]	H Shares	263,506,693/Long positions	10.06	1.78
National Council for Social Security Fund	Beneficial owner	H Shares	690,359,200[Note 3]/Long positions	26.35	4.66
The Bank of New York Mellon Corporation	Interest of corporation controlled by you[Note 4]	H Shares	291,135,354/Long positions	11.11	1.96
			287,574,164/Shares available for lending	10.98	1.94
Citigroup Inc.	Interest of corporation controlled by you	H Shares	155,141,092[Note 5]/Long positions	5.92	1.05
			10,419,009[Note 5]/Short positions	0.39	0.07
	Approved lending agent		139,736,868[Note 5]/Shares available for lending	5.33	0.94

Note 1: As known to the Company, as at 31 December 2022, CITIC Group indirectly held 2,299,650,108 A Shares of the Company through its controlled corporations (including CITIC Limited and CITIC Corporation Limited), and indirectly held 434,311,604 H Shares of the Company through its controlled corporation (namely CITIC Limited).

Note 2: Guangzhou Yue Xiu Holdings Limited indirectly held 809,867,629 A Shares of the Company through its controlled corporations (namely Yuexiu Financial Holdings and Financial Holdings Limited), and indirectly held 263,506,693 H Shares of the Company through its controlled corporations (namely Financial Holdings Limited and Yuexiu Financial International).

Note 3: According to the notices of disclosure of interests on the HKEXnews website of HKEX, the National Council for Social Security Fund held 690,359,200 H Shares of the Company, including a total of 640,000,000 H Shares to be subscribed for under the subscription agreement entered into with ICBC Credit Suisse Asset Management (International) Company Limited and the subscription agreement entered into with Bosera Asset Management Company Limited and Bosera Asset Management (International) Company Limited on 8 June 2015. The above private placement of H Shares was considered and approved at the 2015 Second Extraordinary General Meeting of the Company and is yet to take place. The resolution had expired on 24 August 2016.

Note 4: The Bank of New York Mellon Corporation indirectly held a long position in 291,135,354 H Shares of the Company through its controlled corporation (The Bank of New York Mellon), of which 287,574,164 Shares were available for lending.

Note 5: Citigroup Inc., through a series of its controlled corporations, held the relevant interests of long position in 155,141,092 H Shares of the Company, of which 139,736,868 Shares were shares available for lending held in the capacity of approved lending agent, and a short position in 10,419,009 H Shares of the Company.

Note 6: The relevant percentages are calculated based on 2,620,076,855 H Shares or 12,200,469,974 A Shares of the Company in issue as of 31 December 2022.

Save as disclosed above, as at 31 December 2022, the Directors were not aware of any other persons (other than the Directors, Supervisors and the Chief Executive) having any interest or short position in the Shares or underlying Shares of the Company as recorded in the register to be kept under Section 336 of the Securities and Futures Ordinance.

7. DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES

7.1. Directors, Supervisors, Senior Management

7.1.1. Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period

Unit: Shares

Name	Positions	Gender	Age	Term of office commencing from	Term of office until	Number of Shares held at the beginning of the year	Number of Shares held at the end of the year	Change (increase/ decrease) in shareholding during the year	Reason for the change (increase/ decrease)	Total remuneration before tax received from the Company during the Reporting Period (RMB ten thousand)	Whether received remuneration from the Company's related parties or not
ZHANG Youjun	Executive Director, Chairman	Male	57	2016.1.19	Until expiry of term	374	430	56	allotment	561.36	No
YANG Minghui	Executive Director President and Executive Member	Male	58	2016.1.19	Until expiry of term	—	—	—	—	469.35	No
ZHANG Lin	Non-executive Director	Male	57	2022.12.30	Until expiry of term	—	—	—	—	—	No
FU Linfang	Non-executive Director	Female	47	2022.4.13	Until expiry of term	—	—	—	—	—	Yes
ZHAO Xianxin	Non-executive Director	Male	53	2022.4.13	Until expiry of term	—	—	—	—	—	Yes
WANG Shuhui	Non-executive Director	Male	51	2020.6.23	Until expiry of term	—	—	—	—	—	Yes
LI Qing	Independent Non-executive Director	Male	60	2021.6.29	Until expiry of term	—	—	—	—	30.00	No
SHI Qingchun	Independent Non-executive Director	Male	49	2022.4.13	Until expiry of term	—	—	—	—	22.50	No
ZHANG Jianhua	Independent Non-executive Director	Male	58	2022.12.30	Until expiry of term	—	—	—	—	—	No
ZHANG Changyi	Supervisor and Chairman of the Supervisory Committee	Male	55	2020.6.23	Until expiry of term	—	—	—	—	465.41	No
GUO Zhao	Supervisor	Male	66	1999.9.26	Until expiry of term	—	—	—	—	20.00	No
RAO Geping	Supervisor	Male	75	2016.3.23	Until expiry of term	—	—	—	—	20.50	No
NIU Xuekun	Employee Representative Supervisor	Female	49	2019.12.31	Until expiry of term	—	—	—	—	236.86	No
YANG Liqiang	Employee Representative Supervisor	Male	42	2022.12.30	Until expiry of term	—	—	—	—	—	No
SHI Benliang	Chief Financial Officer, Executive Member	Male	48	2021.12.10	Until expiry of term	—	—	—	—	524.96	No
WANG Junfeng	Board Secretary	Male	54	2020.7.30	Until expiry of term	—	—	—	—	514.64	No
LI Jiong	Chief Treasurer	Male	53	2017.10.24	Until expiry of term	—	—	—	—	556.16	No
ZHANG Guoming	Chief Compliance Officer, Chief Risk Officer	Male	58	2013.9.10	Until expiry of term	—	—	—	—	444.64	No
ZHANG Hao	Chief Risk Officer (proposed), Executive Member	Male	54	2017.10.31	Until expiry of term	—	—	—	—	582.60	No
FANG Xing	Chief Information Officer	Male	54	2022.11.30	Until expiry of term	—	—	—	—	36.12	No
MA Yao	Executive Member	Male	51	2017.11.28	Until expiry of term	20,000	23,000	3,000	Allotment	596.16	No

Name	Positions	Gender	Age	Term of office commencing from	Term of office until	Number of Shares held at the beginning of the year	Number of Shares held at the end of the year	Change (increase/ decrease) in shareholding during the year	Reason for the change (increase/ decrease)	Total remuneration before tax received from the Company during the Reporting Period (RMB ten thousand)	Whether received remuneration from the Company's related parties or not
SUN Yi	Member of the Senior Management	Male	51	2018.8.6	Until expiry of term	—	—	—	—	481.16	No
YE Xinjiang	Member of the Senior Management	Male	58	2018.11.6	Until expiry of term	—	—	—	—	450.33	No
XUE Jirui	Executive Member	Male	49	2017.10.24	Until expiry of term	—	—	—	—	636.16	No
YANG Bing	Executive Member	Male	50	2017.10.24	Until expiry of term	—	—	—	—	494.98	No
LI Yongjin	Executive Member	Male	52	2017.9.7	Until expiry of term	—	—	—	—	566.16	No
LI Chunbo	Executive Member	Male	47	2017.11.17	Until expiry of term	—	—	—	—	576.08	No
ZOU Yingguang	Executive Member	Male	52	2017.9.7	Until expiry of term	—	—	—	—	495.16	No
GAO Yuxiang	Member of the Senior Management	Male	54	2019.1.22	Until expiry of term	—	—	—	—	596.16	No
SONG Kangle	Former Non-executive Director	Male	59	2022.4.13	2022.12.12	—	—	—	—	—	No
LIU Ke	Former Independent Non-executive Director	Male	64	2016.1.19	2022.1.18	—	—	—	—	2.50	No
ZHOU Zhonghui	Former Independent Non-executive Director	Male	75	2019.5.27	2022.12.30	—	—	—	—	30.00	No
LI Ning	Former Employee Representative Supervisor	Male	38	2019.12.31	2022.12.30	—	—	—	—	492.53	No
SONG Qunli	Former Chief Engineer (Chief Information Officer)	Male	56	2017.9.7	2022.11.30	—	—	—	—	429.43	No
JIN Jianhua	Former Member of the Senior Management	Male	52	2019.1.22	2022.6.28	350,000	402,500	52,500	Allotment	72.29	No
Total	/	/	/	/	/	370,374	425,930	55,556	/	10,404.20	/

Note 1: Where any of the above-mentioned persons has more than one position, the "term of office" will only show the term of office of the first position held by that person in that column. The starting date of the "term of office" of a re-elected Director, Supervisor or member of the Senior Management disclosed here is the date of his/her first appointment as a Director, Supervisor,or member of the Senior Management.

Note 2: Shares held by Directors, Supervisors and Senior Management are all A Shares, which include incentive shares initially granted upon the implementation of the share incentive scheme, the shares issued under placing, the shares issued under right issue and the bonus shares under capitalization issue.

Note 3: According to a resolution approved at the 2021 First Extraordinary General Meeting of the Company, since August 2021, the Company shall pay an allowance of RMB300,000 per year (tax inclusive) to each of the independent non-executive Directors and an allowance of RMB200,000 per year (tax inclusive) to each of the external Supervisors. The Company shall pay a subsidy of RMB5,000 per person per meeting to each of the independent non-executive Directors and external Supervisors who attends an on-site meeting of the Board or the Supervisory Committee.

Note 4: The total remuneration before tax for the executive Directors, Chairman of the Supervisory Committee, employee representative Supervisors and Senior Management of the Company as listed above includes basic annual salary, annual salary linked to performance (including bonuses paid in 2022), special rewards and insurance benefits.

Note 5: The amounts of remuneration before tax attributable to the above-mentioned persons in 2021 and previous years and deferred to 2022 are as follows: RMB2.55 million for MA Yao, RMB1.60 million for WANG Junfeng, RMB3.25 million for YE Xinjiang, RMB5.00 million for SUN Yi, RMB3.50 million for LI Jiong, RMB3.50 million for LI Chunbo, RMB3.25 million for LI Yongjin, RMB4.99 million for YANG Bing, RMB5.20 million for YANG Minghui (including RMB2.50 million received from the Company and RMB2.70 million received from the Company's holding subsidiary China AMC), RMB5.00 million for ZOU Yingguang, RMB2.25 million for SONG Qunli, RMB0.80 million for ZHANG Changyi, RMB2.45 million for ZHANG Guoming, RMB3.80 million for ZHANG Hao, RMB3.25 million for JIN Jianhua, RMB3.50 million for GAO Yuxiang, and RMB1.90 million for XUE Jirui.

Note 6: On 9 March 2023, the 2023 First Extraordinary General Meeting approved the amendments to the Articles of Association of the Company. The Management Committee is the highest level management organization of the Company, which shall consist of the President, executive members, the Chief Financial Officer, the Compliance Officer, the Chief Risk Officer, the Chief Information Officer, the Secretary to the Board of Directors and the Treasurer, etc.

7.1.2. Major working experience of the incumbent Directors, Supervisors and Senior Management

Name	Major working experience
ZHANG Youjun	Secretary to the Communist Party Committee of the Company, an executive Director and Chairman of the Company. Mr. ZHANG joined the Company at the time of the establishment of the Company in 1995, and was appointed as an executive Director and Chairman of the Company on 19 January 2016. Mr. ZHANG also serves as assistant to the general manager of each of CITIC Group, CITIC Limited and CITIC Corporation Limited, a director of CITIC Financial Holdings, and the chairman of each of Goldstone Investment and CITIC Securities Investment. Mr. ZHANG had worked as a general manager of the trading department of the Company, an assistant manager and a deputy general manager of the Company since 1995, and was appointed as a Director of the Company from September 1999 to June 2012. Mr. ZHANG previously worked as the general manager of Changsheng Fund Management Co., Ltd. from 1998 to 2001, worked as the general manager of the Company from May 2002 to October 2005 and successively served as the general manager and the chairman of CSC from 2005 to 2011, a director of the board office of CITIC Group from December 2011 to December 2015 and a director of Zhongzheng International Company Limited from April to December 2020. Mr. ZHANG successively served as the chairman of CSI and CLSA (i.e. CLSA B.V. and its subsidiaries), and a director of each of CLSA Limited and Sailing Capital Management Co., Ltd. from January 2016 to September 2022, Mr. ZHANG obtained a Bachelor's degree in economics (majoring in money and banking) in 1987 from Renmin University of China and a Master's degree in economics (majoring in money and banking) in 1990 from Central University of Finance and Economics.
YANG Minghui	Deputy secretary to the Communist Party Committee of the Company, an executive Director, the President and member of the Executive Committee of the Company. Mr. YANG joined the Company at the time of the establishment of the Company in 1995 and was appointed as a Director of the Company on 19 January 2016. Mr. YANG also serves as the chairman of China AMC. Mr. YANG served as a Director, an assistant manager and a deputy general manager of the Company; a director and executive vice-president of CITIC Holdings and a director of CITIC Trust from May 2002 to August 2005; the chairman of CITIC-Prudential Fund Management Co., Ltd. from July 2005 to January 2007; and an executive director and the president of China Jianyin Investment Securities Company Limited from August 2005 to October 2011. Mr. YANG was granted the title of senior economist by China International Trust and Investment Corporation, the predecessor of CITIC Group, in October 1996. Mr. YANG obtained a Bachelor's degree in engineering (majoring in mechanical manufacturing technology and equipment) from the Department of Mechanical Engineering of East China Institute of Textile Science and Technology in 1982 and obtained a Master's degree in engineering (majoring in textile machinery) from the Department of Mechanical Engineering of East China Institute of Textile Science and Technology in 1985.
ZHANG Lin	Non-executive director of the Company. Mr. ZHANG was appointed as a non-executive Director of the Company on 30 December 2022. Mr. Zhang is currently a non-executive director of CITIC Group, CITIC Limited and CITIC Corporation Limited and a director of CITIC Financial Holdings. Mr. ZHANG successively served in the Ministry of Finance as the senior staff member at China Enterprise Division of Finance Department of Gansu Province, the senior staff member, principal staff member, deputy director of the Executive Office of Gansu Supervision & Inspection Office, a member of the leading Party members group and the assistant inspector of Gansu Supervision & Inspection Office, a member of the leading Party members group, the deputy inspector and leader of Discipline Inspection and Supervision Group of Ningxia Supervision & Inspection Office, the secretary of the leading Party members group and chief inspector of Shaanxi Supervision & Inspection Office, the secretary of the leading Party members group and director of Shaanxi Supervision Bureau from 1987 to 2021. Mr. ZHANG graduated from Lanzhou University with a bachelor degree in Business Administration in 2002.

Name	Major working experience
FU Linfang	Non-executive Director of the Company. Ms. FU was appointed as a non-executive Director of the Company on 13 April 2022. Ms. FU is currently the deputy general manager of the Strategic Development Department of CITIC Group, a director of CITICS Industrial Investment Group Corp., Ltd. and a director of CITIC Finance Company Limited. Ms. FU successively served as deputy head, project manager, senior project manager and director of Business Division II of the Integrated Planning Department of CITIC Corporation (中信公司) (later renamed as the Strategy and Planning Department and Strategic Development Department of CITIC Group) and division head of the Secretariat of the Strategic Investment Committee from 2000 to 2017. From 2017 to 2020, she was the assistant to the general manager of the Strategic Development Department and concurrently the head of the Secretariat of the Strategic Investment Committee of CITIC Group. Ms. FU obtained a bachelor degree in economics from Tianjin University of Commerce in 1997, majoring in real estate business management, a master degree in management from Nankai University in 2000, majoring in business management, and a master degree in business administration (MBA) from the University of Bath in the United Kingdom in 2006.
ZHAO Xianxin	Non-executive Director of the Company. Mr. ZHAO was appointed as a non-executive Director of the Company on 13 April 2022. Mr. Zhao also serves as Deputy General Manager of Legal Compliance Department of CITIC Group and General Manager of Risk Compliance Department of CITIC International Financial Holdings. Mr. Zhao served as a clerk of ICBC Fujian Branch from 1995 to 1997 and successively served as Deputy Director and Director of Asset and Liability Management Department of Bank of China Head Office from 2000 to 2007. From 2007 to 2018, he successively served as the General Manager of the Risk Policy Management Department and the Director of the Basel Agreement Office of Shanghai Pudong Development Bank. From 2018 to 2021, he successively served as the Deputy Director General of the Second Department of Monetary Policy of the People's Bank of China and Deputy Director General of the Macro-Prudential Authority. Mr. ZHAO obtained a Bachelor of Science degree in Urban Planning from Nanjing University in 1992, a master's degree in Regional economics from Renmin University of China in 1995, and a Doctor's degree in Western Economics from Peking University in 2000.
WANG Shuhui	Non-executive Director of the Company. Mr. WANG was appointed as a non-executive Director of the Company on 23 June 2020. Mr. WANG currently serves as the chairman of each of Yuexiu Capital, Guangzhou Yuexiu Capital, Yuexiu Industrial Investment and Yuexiu Industrial Investment Fund. Mr. WANG successively served as the business manager of the securities issuance consultancy department, the deputy manager of the research and development department, secretary to the board of directors and vice president of Guangzhou Securities Co., Ltd. from 1994 to 2006; successively served as the office general manager and general manager of the development department of Guangzhou Yue Xiu Holdings Limited (廣州越秀集團股份有限公司) from 2006 to 2010; and successively served as an assistant to general manager, director and deputy general manager of Guangzhou Yue Xiu Holdings Limited and Yuexiu Enterprises (Holdings) Limited (越秀企業(集團)有限公司) from 2010 to 2016. Mr. WANG obtained a Bachelor's degree in economics from Southwestern University of Finance and Economics in 1993 and a Master's degree in economics from Jinan University in 2000.
LI Qing	Independent non-executive Director of the Company. Mr. LI was appointed as an independent non-executive Director of the Company on 29 June 2021. Mr. LI has served as a Chair Professor and the Department Head of the Department of Computing of the Hong Kong Polytechic University since December 2018. Mr. LI successively served as an assistant professor, associate professor and full professor of the City University of Hong Kong from 1998 to 2018. From 2013 to 2018, Mr. LI served as the Founding Director of the Multimedia-software Engineering Research Center (MERC) of the City University of Hong Kong. From 2003 to 2005, Mr. LI set up and served as manager of the Mobile Information Management Division at the CityU R&D Center in Zhuhai. From 2005 to 2012, Mr. LI established and served as the general manager and the chairman of Zhuhai Faster Software Technology Ltd. Mr. LI obtained a Bachelor's degree from Hunan University in 1982, and obtained a Master's degree in computer science and a Doctor's degree in computer science from the University of Southern California in the United States of America in 1985 and 1988, respectively.

Name	Major working experience
SHI Qingchun	Independent non-executive Director of the Company. Mr. SHI was appointed as an independent non-executive Director of the Company on 13 April 2022. Mr. SHI joined the School of Management of Lanzhou University in April 2012 and has served as an associate professor of the School of Management of Lanzhou University since May 2016. Mr. SHI graduated from Lanzhou University of Finance and Economics in 2002, majoring in Accounting, obtained a master degree in Management from Lanzhou University in 2006, majoring in Business Management, and a doctoral degree in Management from Xi'an Jiaotong University in 2011, majoring in Business Administration (Accounting).
ZHANG Jianhua	Independent non-executive Director of the Company. Mr. ZHANG was appointed as an independent non-executive Director of the Company on 30 December 2022. Mr. Zhang is an expert who enjoys the government special allowance of the State Council, currently serves as the researcher, adjunct professor and doctoral supervisor of the Tsinghua University PBC School of Finance and the director of Research Center for Financial Development and Regtech of the Institute for Fintech Research, Tsinghua University, as well as the editor-in-chief of the Tsinghua Financial Review. From 1989 to 2015, Mr. ZHANG successively served as the senior staff member and principal staff member of the Trust Company Management Division of the Financial Management Department of the People's Bank of China, principal staff member, deputy director and director of the Financial Lease Company Supervision Division of the Non-bank Financial Institutions Supervision Department, director of the Supervision Division III of the Non-bank Financial Institutions Supervision Department, director of the Fiscal and Taxation Research Division of the Research Bureau, deputy director-general of the Financial Stability Bureau, director-general of the Research Bureau, secretary to the Communist Party Committee and president of the Hangzhou Central Sub-branch and concurrently director-general of the State Administration of Foreign Exchange Zhejiang Branch; he served as the deputy secretary to the Communist Party Committee, director and president of Beijing Rural Commercial Bank Co., Ltd. from 2015 to 2016, and served as deputy secretary to the Communist Party Committee, director and president of Hua Xia Bank Co., Limited from January 2017 to February 2022. Mr. ZHANG obtained a bachelor degree in engineering from the Department of Management Information Systems of Tsinghua University in 1987, graduated as a major in monetary banking from the Graduate School of the Financial Research Institute of the People's Bank of China in 1989, and graduated as major in technical economy and management from Tsinghua University and obtained a doctoral degree in management in 2003.
ZHANG Changyi	Deputy secretary to the Communist Party Committee, chairman of the Supervisory Committee and chairman of the labor union of the Company. Mr. ZHANG joined the Company in 2018 and was appointed as chairman of the Supervisory Committee on 23 June 2020. Mr. ZHANG successively served as an officer, staff and associate principal staff of the education department of the Ministry of Construction from August 1989 to November 1995, and successively served as principal staff and assistant consultant of the general office of the Ministry of Construction from November 1995 to June 1997, the second secretary (deputy-division-head level), deputy division head, the first secretary and deputy division head (division-head level) of the second secretary bureau of the General Office of the State Council from June 1997 to April 2001 and secretary of division-head level, secretary of deputy bureau level, secretary of bureau-head level in the General Office of the State Council from April 2001 to August 2018. Mr. ZHANG also serves as the chairman of GoldStone Zexin. Mr. ZHANG obtained a Bachelor's degree in engineering (majoring in industrial and civil architecture) from the Architectural Engineering Department of Northwest Institute of Construction Engineering in 1989 and obtained a Master's degree in engineering (majoring in management engineering) from Harbin University of Civil Engineering and Architecture in 1999.

Name	Major working experience
GUO Zhao	Supervisor of the Company. Mr. GUO was appointed as a Supervisor of the Company on 26 September 1999. Mr. GUO previously worked as the deputy chief accountant of Nanjing International Container Handling Co., Ltd. from 1988 to 1992; as the secretary to the board of directors of Nanjing Xingang High-Tech Co., Ltd. from 1992 to 2002; as director of Nanjing Xingang High-Tech Co., Ltd. from January 2001 to January 2013; as vice president of Nanjing Gaoke Co., Ltd. from June 2003 to December 2016; and as director and general manager of Nanjing Chengong Pharmaceuticals Co., Ltd. from January 2001 to January 2017. Mr. GUO obtained the accountant certificate in September 1993, which was granted by the Committee for Assessment of Academic Qualifications of the PRC Ministry of Transport. Mr. GUO obtained a college diploma in water transport finance and accounting in 1988 from Wuhan River Transportation College.
RAO Geping	Supervisor of the Company. Mr. RAO was appointed as a Supervisor of the Company on 19 January 2016 and formally took office on 23 March 2016. Mr. RAO is also a professor of Peking University Law School, honorary chairman of the Academy of Hong Kong and Macao Studies in Peking University and concurrently, the head of the Institute of Hong Kong and Macao Affairs of the Development Research Centre of the State Council, the deputy chairman of Chinese Judicial Studies Association (中華司法研究會) and chairman member of the Law Specialty Committee on National Self-taught Higher Education Examinations. Mr. RAO previously served as a member of 12th CPPCC National Committee, a member of the Hong Kong Special Administrative Region Basic Law Committee of the Standing Committee of the NPC, an independent supervisor of TravelSky Technology Limited, an independent non-executive Director of the Company and an independent non-executive director of Yangguang Xinye Real Estate Co., Ltd. Mr. RAO obtained Master's degree in law in 1982 from Peking University and was a visiting scholar at the University of Washington, New York University, and Max Planck Institute of International Law.
NIU Xuekun	Employee representative Supervisor and the chief officer of the Planning and Finance Department of the Company. Ms. NIU joined the Company in 2000 and previously worked as the accountant of Shenzhen Property Management Co., Ltd., and senior manager, vice president and senior vice president of the Planning and Finance Department of the Company. Ms. NIU concurrently serves as a supervisor of each of CITIC Securities Investment, GoldStone Zexin and GZS Lingxiu Investment Company Limited. Ms. NIU obtained a Bachelor's degree in economics and a Master's degree in management from Dongbei University of Finance & Economics in 1996 and 1999, respectively. Ms. NIU was qualified as a Chinese CPA and a senior accountant in 2002 and 2015, respectively.
YANG Liqiang	Employee representative Supervisor and a deputy head and executive general manager of Information and Technology Center of the Company. Mr. YANG joined the Company in 2009 and previously served as the senior engineer of Shenzhen Kingdom Sci-Tech Co., Ltd., the vice president, senior vice president, director of the Information and Technology Center of the Company. Mr. YANG obtained a bachelor degree in engineering from Sichuan University in 2001.
SHI Benliang	serves as a member of CPC Committee, Chief Financial Officer, a member of the Executive Committee and director of the Wealth Management Committee of the Company. Mr. SHI joined the Company in 2000, and had served as director of the asset management business accountant, joint person and administrative person in charge of the Planning and Finance Department. He currently serves as the chairman of CITIC PE Fund, director of each of China AMC, CSI, CLSA B.V., CLSA Limited, CITIC GoldStone Fund, CITIC Buyout Fund, GoldStone Zexin and Anhui Transport Control Jinshi Private Fund Management Co., Ltd.. Mr. SHI currently serves as a member of the Third Accounting Standards Advisory Committee for Business Enterprises (企業會計準則諮詢委員會) of the Ministry of Finance and a member of the Financial Accounting Committee of the Securities Association of China. Mr. SHI obtained a Bachelor's degree in finance from Shanghai University of Finance and Economics in 1997 and a Master's degree in finance from Nankai University in 2000.

Name	Major working experience
WANG Junfeng	serves as the Board Secretary, the deputy secretary of the disciplinary inspection committee, the director of the Party Work Department and the chief executive of the General Manager's Office of the Company. Mr. WANG concurrently serves as a member of the third session of the China Association for Listed Companies and vice Chairman of the Talent Development Committee of the Securities Association of China. Mr. WANG joined the Company in 1999 and previously served as an officer of the headquarter of the People's Bank of China, deputy general manager of the Brokerage Management Department of the Company, and business coordination supervisor of the General Manager's Office. Mr. WANG obtained a Bachelor's degree in economics in finance from Zhengzhou University in 1990 and a Master's degree in economics from Graduate School of the People's Bank of China (中國人民銀行總行金融研究所) (currently known as the PBC School of Finance, Tsinghua University) in 1997.
LI Jiong	serves as the treasurer and the chief executive of the Treasury Department of the Company. Mr. LI joined the Company in 1996 and previously worked as the manager of International Cooperation Office of the Information Center of China International Trust and Investment Corporation Company (the predecessor of CITIC Group), manager of the Development Department of CITIC International Cooperation Company, manager of the Bonds Department and deputy general manager of the Capital Operation Department (later renamed as the Treasury Department) as well as the chief executive of the Prime Service Business Line and the Chief Financial Officer of the Company and director of CSI. Mr. LI concurrently serves as the director of each of CITIC Global Leasing, CLSA Premium Limited and CITIC Securities International USA, LLC and CITIC Securities Overseas Investment Co., Ltd. Mr. LI obtained a Bachelor's degree in international finance from the University of International Business and Economics in 1992 and an MBA degree from Tsinghua University in 2000.
ZHANG Guoming	serves as the Chief Compliance Officer, Chief Risk Officer, deputy secretary of the disciplinary inspection committee, chief executive of the Legal Department of the Company. Before joining the Company in 2010, Mr. ZHANG worked as deputy chief judge, chief judge and a member of the Judge Committee of the Higher People's Court of Henan Province, the judge of the Supreme People's Court, the chief executive of Compliance Department, Risk Management Department and Special Asset Management Department of the Company. Mr. ZHANG also serves as a supervisor of each of CITIC Futures and CITIC Securities South China, the chief compliance officer of Kington Securities and Chief Risk Officer. Mr. ZHANG obtained his Master's degree in law and Doctor's degree in law from the Renmin University of China in 1994 and 2008, respectively.
ZHANG Hao	serves as the Chief Risk Officer (proposed), a member of the Executive Committee, and secretary to the Communist Party Committee and chairman of CITIC Futures. Mr. ZHANG joined the Company in 1997 and previously served as teaching assistant of Shanghai Institute of Urban Construction, head of the B-share Business Department of Shanghai Trust Investment Corporation of China Construction Bank as well as deputy general manager of the Shanghai B-share Business Department, general manager of the Shanghai Fuxing Middle Road Securities Outlet, general manager of the Shanghai Huaihai Middle Road Securities Outlet, deputy general manager of the Shanghai management headquarters, general manager of Shanghai Branch and chief marketing officer of the Company. Mr. ZHANG concurrently serves as vice president of China Futures Association and a member of Shanghai Futures Exchange and Dalian Commodity Exchange. Mr. ZHANG was awarded the title of "Skilled Young Worker of SOEs" in 2001. Mr. ZHANG obtained dual Bachelor's degrees in industrial management engineering and engineering mechanics from Shanghai Jiao Tong University in 1991 and an MBA degree from Shanghai Jiao Tong University in 2001.

Name	Major working experience
FANG Xing	serves as the chief information officer, and the head of administration of information and technology center of the Company. Mr. FANG joined the Company in 2000 and successively worked as the project leader, director, executive general manager of the information and technology center of the Company, the deputy general manager and general manager of CITIC Futures. Mr. FANG concurrently serves as the chief information officer of CITIC Securities South China, the director of E-Capital Transfer, and the executive director and legal representative of CITIC Securities Information and Quantitative Service (Shenzhen) Co., Ltd. Mr. FANG obtained a bachelor's degree in radio technology from Shanghai Jiao Tong University in 1990 and a master's degree in electromagnetic field and microwave technology from Shanghai Jiao Tong University in 1993.
MA Yao	serves as a member of the Executive Committee, the head of the Investment Banking Management Committee of the Company. Mr. MA joined the Company in 1998 and previously served as the deputy general manager of the Risk Control Department, deputy general manager of the Bond Distribution and Trading Department, deputy general manager of the Trading Department, chief executive of the Capital Market Department, head of the Financial Industry Group and member of the Investment Banking Management Committee of the Company. Mr. MA also serves as a director of CLSA Limited and CITIC Securities (Hong Kong) Limited. Mr. MA obtained a Bachelor's degree in automatic control from Xi'an Jiaotong University in 1994, a Master's degree in monetary banking and a Doctor's degree in international finance from the Graduate School of the People's Bank of China in 1998 and 2012, respectively.
SUN Yi	a member of the Senior Management, deputy head of the Investment Banking Management Committee, head of the financial and technical industry group, as well as head of the M&A business line. Mr. SUN joined the Company in 1998. He once served as the deputy general manager of the Investment Banking Department of the Company (in charge of business in Shenzhen), managing director of CSI, and head of the Operations Department, head of ECM team and head of the transport industry team under the Investment Banking Management Committee of the Company, as well as the deputy general manager of China AMC and concurrently served as the general manager of China AMC Capital Management Limited. Mr. SUN also serves as a director of CITIC Securities (Hong Kong) Limited. Mr. SUN obtained a Bachelor's degree in economics in July 1993 from Jiangxi University of Finance and Economics and a Master's degree in economics in June 1996 from Xiamen University.
YE Xinjiang	a member of the Senior Management of the Company. Mr. YE joined the Company in 2005. He was formerly the head of the medical and health industry group, head of the regional IBS group, head of the New OTC Market Business Department, member of the Investment Banking Management Committee, head of the quality control group and head of the M&A business line of the Company. Mr. YE obtained a Bachelor's degree in agricultural economics in July 1985 and a Master's degree in management in July 1990 from Zhejiang University (formerly Zhejiang Agricultural University).
XUE Jirui	serves as a member of the Executive Committee, and head of the Equity Investment Department of the Company. Mr. XUE joined the Company in 2000 and previously served as a manager of the financial products development group, researcher of the Research Department, head of the product development group of the trading and derivatives business line of the Company, the head of the Equity Derivatives Business Line, and the head of the Prime Service Business Line. Mr. XUE obtained a Bachelor's degree, a Master's degree and a Doctor's degree in statistics from Renmin University of China in 1997, 2000 and 2006, respectively.
YANG Bing	serves as a member of the Executive Committee and the chief executive of the asset management business of the Company. Mr. YANG previously worked as a teacher of Shaoguan University from 1993 to 1996 and joined the Company in 1999. He once served in the Company as an assistant trader of the Trading Department, trader of the Fixed Income Department as well as investment manager and investment supervisor of the asset management business, as well as director of China AMC. Mr. YANG obtained a Bachelor's degree in fine chemicals from Nanchang University in 1993 and a Master's degree in national economics from Nanjing University in 1999.

Name	Major working experience
LI Yongjin	Member of the Executive Committee of the Company. Mr. LI joined the Company in 1998 and previously worked as a staff of the International Business Department of Dalian Branch of Agricultural Bank of China, department manager of Dalian Securities Outlet of Shenyin Wanguo Securities, assistant to general manager, deputy general manager and general manager of Dalian Securities Outlet of the Company, senior vice president and director of the Brokerage Management Department of the Company, and general manager of the Zhejiang Branch Office of CITIC Securities and its predecessor, CITIC Securities (Zhejiang) Co., Ltd, a director of China AMC and director of the Wealth Management Committee of the Company. Mr. LI also serves as a director of each of CITIC Securities Brokerage (HK), CITIC Securities Futures (HK) Limited, CITIC Securities (Shandong) and CITIC Securities South China, as well as an executive director and general manager of Kington Securities. Mr. LI obtained a Bachelor's degree in economics and a Master's degree in finance from Dongbei University of Finance and Economics in 1992 and 2000, respectively.
LI Chunbo	Member of the Executive Committee of the Company, and chairman of CSI Group and CITIC CLSA Group. Mr. LI also serves as a director of China AMC, a member of Development Strategy Committee of the Securities Association of China and a member of the International Development Committee of Shanghai Stock Exchange. Mr. LI joined the Company in 2001 and previously worked as an analyst of the Research Consulting Department (later renamed as the Research Department), chief analyst of the Research Department, as well as the chief executive of the Research Department and the Equity Sales & Trading Department. Mr. LI obtained a Bachelor's degree in vehicle engineering and a Master's degree in management science and engineering from Tsinghua University in 1998 and 2001, respectively.
ZOU Yingguang	Member of the Executive Committee of the Company. Mr. ZOU joined the Company in 2017 and previously worked as a surgeon of the Xuanwu Hospital of the Capital Medical University, business manager of Beijing Securities Outlet of Hainan Huayin International Trust Corporation, manager of the institutional client section of South Haidian Road Outlet of Huaxia Securities, senior business director of the bonds department, assistant to general manager of the bonds department, the chief executive of the fixed income department as well as a member of the Executive Committee of CSC and the chief executive of the fixed income department of the Company. Mr. ZOU obtained a Bachelor's degree in clinical medicine from the Capital Medical University in 1994, a Master's degree in finance from Central University of Finance and Economics in 2000 and an EMBA degree from China Europe International Business School in 2012.
GAO Yuxiang	Member of the Senior Management of the Company, responsible for equity investment business. Mr. GAO joined the Company in 2004 and had served as the deputy head of the real estate and construction materials industry team, the transport industry team and the infrastructure and real estate industry team under the Investment Banking Management Committee of the Company, member of Investment Banking Management Committee and the head of the infrastructure and real estate industry team, deputy head of the Investment Banking Management Committee and head of the infrastructure and modern service industry group. Mr. GAO served as an executive director of Xinjiang Equity Exchange Center Co., Ltd. from March 2019 to March 2021 and a director of Zhongzheng International Company Limited from December 2020 to December 2021. Mr. GAO obtained a College degree in financial accounting from Qingdao Radio and Television University in July 1990 and a Bachelor's degree in national economic management from Peking University in July 1995. Mr. GAO obtained a Doctor's degree in industrial economics from Beijing Jiaotong University in July 2004. Mr. GAO obtained the qualification of technical specialty of senior economist in September 2006.

7.2. Positions held by incumbent Directors, Supervisors and Senior Management and those resigned during the Reporting Period

7.2.1. Positions held in Shareholders by incumbent Directors, Supervisors, Senior Management and those resigned during the Reporting Period

Name	Name of Shareholder	Positions held in Shareholders	Term of office commencing from	Term of office until
ZHANG Youjun	CITIC Corporation Limited	Assistant to the General Manager	2015.11.12	Until expiry of term
	CITIC Limited	Assistant to the General Manager	2015.11.12	Until expiry of term
ZHANG Lin	CITIC Corporation Limited	Non-executive Director	2021.12.27	Until expiry of term
	CITIC Limited	Non-executive Director	2022.1.4	Until expiry of term
WANG Shuhui	Yuexiu Capital	Chairman	2016.8.25	Until expiry of term
	Guangzhou Yuexiu Capital	Chairman	2016.10.18	Until expiry of term
SONG Kangle	CITIC Corporation Limited	Non-executive Director	2016.2.18	2022.11.30
	CITIC Limited	Non-executive Director	2016.3.18	2022.11.30
Description of the positions held in Shareholders	For other positions held by the Directors, Supervisors and Senior Management of the Company, please refer to the major working experience of the Directors, Supervisors and Senior Management in this section			

7.2.2. Positions held in other entities by incumbent Directors, Supervisors, Senior Management and those resigned during the Reporting Period

Name	Names of other entities	Position held in Shareholders	Term of office commencing from	Term of office until
ZHANG Youjun	Sailing Capital Management Co., Ltd.	Director	2016.9.28	2022.9.28
LI Qing	Department of Computing of The Hong Kong Polytechnic University	Chair Professor and Head of the Department	2018.12.1	Until expiry of term
SHI Qingchun	School of Management of Lanzhou University	Associate Professor	2016.5.31	Until expiry of term
ZHANG Jianhua	Tsinghua University PBC School of Finance	Researcher, Adjunct Professor and Doctoral Supervisor	2022.3.1	Until expiry of term
RAO Geping	Peking University Law School	Professor	1994.8.1	Until expiry of term
ZHOU Zhonghui	Oriental Pearl Media Co., Ltd.	External Supervisor	2015.6.19	2022.9.21
ZHOU Zhonghui	Suzhou Oriza Holdings Co., Ltd.	Independent Director	2020.3.23	Until expiry of term
ZHOU Zhonghui	CloudWalk Technology Co., Ltd.	Independent Director	2019.11.30	Until expiry of term
Description of the positions held in other entities	For other positions held by the Directors, Supervisors and Senior Management of the Company, please refer to the major working experience of the Directors, Supervisors and Senior Management in this section			

7.3. Changes of Directors, Supervisors and Senior Management

Name	Position	Change	Cause of Change
ZHANG Lin	Non-executive Director	Election	Elected by the Shareholders
FU Linfang	Non-executive Director	Election	Elected by the Shareholders
ZHAO Xianxin	Non-executive Director	Election	Elected by the Shareholders
SHI Qingchun	Independent Non-executive Director	Election	Elected by the Shareholders
ZHANG Jianhua	Independent Non-executive Director	Election	Elected by the Shareholders
YANG Liqiang	Employee Representative Supervisor	Election	Elected by the Employee Representatives
SHI Benliang	Executive Member	Appointment	Appointed by the Board
ZHANG Hao	Member of the Executive Committee, Chief Risk Officer (proposed)	Appointment	Appointed by the Board
FANG Xing	Chief Information Officer	Appointment	Appointed by the Board
ZHANG Youjun	Former Member of the Executive Committee	Resignation	Ceasing to serve such position
SONG Kangle	Former Non-executive Director	Resignation	Work transfer
LIU Ke	Former Independent Non-executive Director	Resignation	Term expired
ZHOU Zhonghui	Former Independent Non-executive Director	Resignation	Term expired
LI Ning	Former Employee Representative Supervisor	Resignation	Term expired
SONG Qunli	Former Chief Engineer (Chief Information Officer)	Resignation	Personal reasons
JIN Jianhua	Former Senior Management Member	Resignation	Adjustment of work arrangement

Details of changes of Directors, Supervisors and Senior Management of the Company:

Mr. LIU Ke, the former independent non-executive Director of the Company, resigned from the Board of Directors as an independent non-executive Director of the Seventh Session of the Board due to his term of office reaching six consecutive years and resigned from the corresponding positions of the Specialized Committees under the Board with effect from 18 January 2022. After the resignation of Mr. LIU Ke, the Company was then unable to comply with Rule 3.10 of the Hong Kong Listing Rules which requires that the board of directors must comprise at least three independent non-executive directors, Rule 3.21 which requires that the audit committee must comprise a minimum of three members, and Rule 3.27A which requires that the nomination committee must comprise a majority of independent non-executive directors. On 22 February 2022, the Board resolved to propose to appoint Mr. SHI Qingchun as an independent non-executive Director of the Seventh Session of the Board of the Company. His appointment was approved at the 2022 First Extraordinary General Meeting of the Company and became formally effective on 13 April 2022, and he has been a member of the Nomination Committee, a member of the Audit Committee, a member of the Remuneration and Appraisal Committee and a member of the Connected Transactions Control Committee since the same day. Following the appointment of Mr. SHI Qingchun, the Company has regained compliance with Rule 3.10, Rule 3.21 and Rule 3.27A of the Hong Kong Listing Rules.

According to the feedback given by the CSRC in the audit of the Company's share allotment regarding senior management's part-time employment with shareholder units, to further strengthen the independence of the listed company, the 2022 First Extraordinary General Meeting of the Company considered and passed the proposal regarding amendments to the Articles of Association of the Company on 13 April 2022; specifically, Article 220 "The Chairman of the Board of Directors and the President shall be ex-officio members of the Executive Committee" shall be amended as Article 218 "The President shall be an ex-officio member of the Executive Committee". Accordingly, Mr. ZHANG Youjun will no longer be a member of the Executive Committee of the Company with effect from 30 November 2022.

Upon election at the 2022 First Extraordinary General Meeting of the Company, Mr. SONG Kangle, Ms. FU Linfang and Mr. ZHAO Xianxin were appointed as the non-executive Directors of the Company, and Mr. SHI Qingchun was appointed as an independent non-executive Director of the Company for a term commencing from 13 April 2022 to the expiry of the Seventh Session of the Board.

As a result of the election of the new Board of Directors, the members of the Eighth Session of the Board of Directors were elected at the 2022 Second Extraordinary General Meeting of the Company, with Mr. ZHANG Lin newly appointed as a non-executive Director of the Eighth Session of the Board of Directors of the Company and Mr. ZHANG Jianhua appointed as an independent non-executive Director of the Eighth Session of the Board of Directors of the Company for a term commencing from 30 December 2022 to the expiry of the Eighth Session of the Board.

As a result of the election of the new Supervisory Committee, Mr. YANG Liqiang was appointed as an Employee Representative Supervisor of the Company for a term commencing from 30 December 2022 to the expiry of the Eighth Session of the Supervisory Committee at the Eighth Meeting of the Third Session of the Employees' Representatives Conference of the Company.

Mr. SHI Benliang and Mr. ZHANG Hao were appointed as members of the Executive Committee of the Company and Mr. FANG Xing was appointed as the chief information officer of the Company for a term commencing from 30 November 2022 to the expiry of the Eighth Session of the Board of Directors at the 47th Meeting of the Seventh Session of the Board of Directors and the First Meeting of the Eighth Session of the Board of Directors.

Mr. SONG Kangle ceased to serve as a non-executive Director of the Company with effect from 12 December 2022 due to work rearrangement; Mr. LIU Ke ceased to serve as an independent non-executive Director of the Company with effect from 18 January 2022 due to expiry of the term of office; Mr. ZHOU Zhonghui ceased to serve as an independent non-executive Director of the Company with effect from 30 December 2022 due to expiry of the term of office; Mr. LI Ning ceased to serve as an employee representative Supervisor of the Company with effect from 30 December 2022 due to expiry of the term of office; Mr. SONG Qunli ceased to serve as the chief engineer (chief information officer) of the Company with effect from 30 November 2022 due to personal reasons; Mr. JIN Jianhua ceased to serve as a member of the Senior Management of the Company with effect from 28 June 2022 due to adjustment of his work arrangement.

On 24 February 2023, Mr. ZHANG Hao was appointed as the Chief Risk Officer of the Company at the Third Meeting of the Eighth Session of Board of the Company to hold office until the expiry of the term of office of the Eighth Session of the Board of Directors. The Appointment is still subject to the completion of the filing procedures in respect of his qualification to Shenzhen Securities Regulatory Bureau, and Mr. ZHANG Guoming ceased to serve as the Chief Risk Officer of the Company.

7.4. Relationships between Directors, Supervisors and Senior Management

There is no relationship among the Directors, Supervisors or Senior Management including relationships in terms of finance, business, family or other significant relationship.

7.5. Performance Appraisal and Remuneration of Directors, Supervisors and Senior Management

7.5.1. Performance appraisal of Directors and Supervisors

During the Reporting Period, the Directors and Supervisors of the Company strictly complied with the laws, administrative rules and Articles of Association and diligently and faithfully performed their responsibilities and obligations.

The Directors of the Company attended meetings of the Board and meetings of relevant specialized committees in accordance with the relevant requirements, at which every proposal was duly considered, and opinions and advice were put forward. They read all sorts of documents and reports provided by the Company carefully during the period between each Board meeting, which enabled them to understand the operating and management condition of the Company in time.

Executive Directors of the Company duly performed their dual duties of making and executing decisions, actively implemented the decisions made by the general meetings and the Board, thus effectively served as the bridge between the Board and the management. Non-executive Directors conducted thorough study on the development strategy and operation strategy of the Company, and understood the operating and management condition and the scientific and sound decision making of the Company in time through investigations and research, seminars and communication, which demonstrated their high level of responsibility. Independent non-executive Directors maintained communication with the Company through various ways, such as on-site visits and seminars, attended meetings of the Board and the relevant specialized committees, expressed independent and objective opinions, actively protecting the interest of minority Shareholders by asserting their professional strengths, and actively contributed to the Company's development.

Supervisors of the Company attended meetings of the Supervisory Committee in accordance with the rules and they also attended on-site Board meetings and general meetings as observers. They supervised and inspected the operation in accordance with laws, major decisions, major business activities and the financial position of the Company.

For details of the performance of duties of Directors and Supervisors of the Company, please refer to the "8.5.4. Performance of duties by Directors" and "8.11. Supervisors and the Supervisory Committee" of this results announcement.

7.5.2. Performance of duties and Performance appraisal of Senior Management

During the Reporting Period, the Company provided clear targets for the Senior Management within the scope of their duties and evaluated their performances by year end. In addition to focusing on financial performances, market influences and completion of annual key tasks in their respective work sectors, their appraisals were closely linked with the performance of the Company.

During the Reporting Period, the Senior Management of the Company conscientiously performed their duties, obtained good overall performance, completed the tasks assigned to them by the Board and further enhanced the internal control system and risk control mechanisms of the Company during their term. Under the guidance of the Board, the Senior Management grasped the development opportunities of the industry, expedited innovations, optimized the operation structures, enhanced cooperation and deepened the Company's strategic implementations in all respects, achieving relatively good operating results.

7.5.3. Remuneration of Directors, Supervisors and Senior Management for the year

Procedures for determination of the remuneration of the Directors, Supervisors and Senior Management: the Remuneration and Appraisal Committee of the Board is responsible for making recommendations to the Board on the remuneration policy and structure for all Directors and the Senior Management, as well as the establishment of formal and transparent procedures for the formulation of remuneration policy. The Board is responsible for decision making regarding the remuneration, reward and punishment issues for the Senior Management, whereas the remuneration of the Directors and Supervisors is determined by the general meetings. The Company will continue to improve the performance, remuneration and other management systems in accordance with the relevant regulatory requirements and the Company's conditions. Criteria for determination of the remuneration of the Directors, Supervisors and Senior Management: the remuneration of the Directors, Supervisors and Senior Management is determined in strict accordance with the Remuneration Management System of the Company, and is linked with their respective positions and performance.

For details of the remuneration of the incumbent Directors, Supervisors and Senior Management for the year, please refer to "7.1.1. Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period" of this result announcement. Allowances for the external Directors and Supervisors are calculated on a yearly basis, provided for on a monthly basis, and paid twice a year.

7.5.4. Share incentives regarding Directors, Supervisors and Senior Management

Implementation of share incentive scheme of the Company

The Company did not implement any new share incentive scheme during the Reporting Period. For share incentive scheme implemented by the Company in 2006, please refer to China Securities Journal, Shanghai Securities News, Securities Times and the SSE website on 7 September 2006. For details of shares held by Directors, Supervisors and Senior Management of the Company, please refer to "7.1.1. Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period" of this result announcement.

The Company had not revised the scope of eligible participants for share incentives during the Reporting Period.

7.6. Staff Information

7.6.1. Number and composition of staff

As at the end of the Reporting Period, the Group had a total of 25,742 staff comprising 51.7% male and 48.3% female, of which 15,616 were staff of the Company, and their compositions are set out below:

Number of in-service staff of the Parent	15,616
Number of in-service staff of principal subsidiaries	10,126
Total number of in-service staff	25,742
Number of retired staff for which the Parent and principal subsidiaries are responsible for their expenses	533

Profession

Types of profession	Number of staff
Business staffs	20,729
IT staffs	1,572
Financial staffs	525
Administrative staffs	441
Others (including clearing & settlement, risk management, legal, compliance, supervision audit, etc.)	2,475
Total	25,742

Education level

Type of education	Number
Doctor's degree	341
Master's degree	10,414
Bachelor's degree	13,883
Associate's degree and below	1,104
Total	25,742

Gender

Gender	Number
Male	13,302
Female	12,440

7.6.2. Remuneration policy

At CITIC Securities, employees' remuneration and benefits consists of fixed salary, annual performance bonus, special rewards and insurance benefits. The fixed salary is the employees' annual base income and is determined according to the employees' remuneration standards in line with positions and ranks. The remuneration standards in line with positions and ranks are mainly based on factors such as the position's duties, responsibilities, importance, scale of operation, and industry practice. In order to strike a balance between business risks and financial goals, the Company adopts a shared performance bonus incentive system. Conditional on recognizing that the business department is profitable, performance bonus will be distributed "in favour of the business, the profitable business sections and business with major innovation" while also fully affirming the role and value of other middle-office and back-office departments to the Company. The performance bonus is based on the Company's operating results of the year. The total amount of the Company's annual salary shall be subject to approval of CITIC Group.

The Company has established a number of special rewards such as "Chairman's Incentive Funds" to develop the Company's core competitiveness, to encourage innovation and team spirit, and to maintain the stability of the core human resources team.

The Company and its employees take part in various social insurance, enterprise annuity and housing fund programs following China's relevant regulations. The social insurance and housing fund programs are regulated in accordance with local policies.

In order to raise the level of employee's medical insurance, the Company sets up commercial complementary medical insurance and accident insurance, in addition to basic medical insurance, at its own expense for the employees.

The Company has no share option program for now.

For the remuneration of the Company' employees during the Reporting Period, please refer to Note 10 to the Consolidated Financial Statements of this results announcement.

7.6.3. Pension schemes

The Group provides its full-time employees in mainland China and certain countries or jurisdictions outside mainland China with relevant pension plans as required by the government authorities or by local labour laws (including the basic pension insurance in mainland China, the Mandatory Provident Funds in Hong Kong and other statutory schemes in certain countries outside mainland China). There were no forfeited contributions under these pension plans.

The Group also provided certain defined contribution plans, including corporate annuity scheme in mainland China, provident fund scheme in Hong Kong and Master Pooled Fund in Thailand to some of its employees in mainland China and outside mainland China. As for the corporate annuity scheme in mainland China, according to the requirements of the scheme, when an employee resigns, part of the amounts of the Company's contributions not vested in the employee may be reallocated to the corporate annuity account based on the employee's actual working time. Such reallocated contributions would not affect the annuity contribution level of existing employees. The Group did not utilize any of forfeited contributions to reduce the current contribution levels. As for certain defined contribution plans outside mainland China, the Group will not utilize any of forfeited contributions to reduce the existing contribution levels of the relevant plans.

For details of the pension schemes provided by the Group, please refer to Note 10 "Operating Expenses" to the Consolidated Financial Statements in this results announcement.

7.6.4. Training program

During the Reporting Period, the Company organized various trainings in accordance with the annual training plan, which were held both online and onsite. The Company organized pilot program training, Yuanhang program training and Qihang program training for incumbent management and reserve cadres, and launched the 90 Days Turnaround Plan courses for new management personnel to promote their comprehensive management capability; the Company organized the trainings for new employees from school recruitment and social recruitment to help them rapidly understand and integrate into the Company; the Company continued to hold the "Investment Star" (投資之星) training program for business talents to assist the Company in reserving business talents; in terms of on-the-job training for employees, the Company organized annual promotion training and on-the-job training for various levels, and held a series of lectures on the "CITIC Securities Lecture" and "Workplace Gas Station" on a monthly basis, to help their career development.

7.6.5. Information on brokers

As at the end of the Reporting Period, there were 85 brokers in CSI's subsidiaries, all of whom were incorporated into its front office management system and carries out daily supervision over the occupational behaviors of the brokers by a licensed officer of the SFC. The Company has confirmed organization system, practicing conditions, scope of authorities and standards of behaviors of the brokers and has established a filing and inquiry systems for the brokers. The brokers would engage in activities such as customer solicitation and customer services only after obtaining a licence from the SFC, and required to comply with the laws and regulations, accept internal compliance management, attend training, etc. as a licensee.

8. CORPORATE GOVERNANCE REPORT

8.1. Overview of Corporate Governance

As an A+H company, the Company has operated its business in strict compliance with the requirements set forth in the laws, regulations and normative documents of the PRC and the overseas jurisdiction where the Shares of the Company are listed, and has made continuous efforts to maintain and enhance the good image of the Company in the market. The Company keeps improving its corporate governance structure according to the requirements of the Company Law, the Securities Law and relevant rules and regulations of the CSRC. The corporate governance of the Company complies with the requirements of the relevant laws and regulations by having established a corporate governance structure characterized by checks and balances among the general meeting, the Board, the Supervisory Committee and the Operation Management, with each of them being separated from the others and performing its own functions and responsibilities corresponding to its position within the specified terms of reference, thereby ensuring that all the operational activities of the Company are carried out according to the rules and regulations.

During the Reporting Period, the Company strictly complied with the Corporate Governance Code (hereinafter referred to as the "**Code**") as set out in Appendix 14 of the Hong Kong Listing Rules, and observed all the Code provisions and satisfied the requirements of most recommended best practices in the Code.

8.2. Establishment and Implementation of the Registration and Administration System for Persons Informed of Inside Information

Upon consideration and approval by the Board, the Registration System for Persons Informed of Inside Information of the Company became effective from 29 September 2009 and was amended on 18 March 2021. During the Reporting Period, the Company managed to achieve the due implementation of inside information management and registration of persons informed of inside information in accordance with the requirements under the System. The Company also maintained the relevant documents for inspection by the Company itself and relevant regulatory authorities, including a true and complete list of persons informed of inside information in various processes such as reporting, circulation, preparation, audit and disclosure prior to dissemination of inside information, as well as the content of the inside information and the timing it became known to such persons. The Company was not aware of any non-compliance with the System.

The Company formulated the Registration System of Persons Informed of Undisclosed Information and established the information reporting mechanism and procedure regarding the information on persons informed of undisclosed information in various departments/business lines of the Company, specifying the responsibilities of the management personnel of undisclosed information in the Compliance Department and in each department/business line, administrators of each department/business line and persons informed of undisclosed information. During the Reporting Period, in strict compliance with the System, the Company conducted its registration of persons informed of undisclosed information on a quarterly basis, and managed and registered the persons informed of undisclosed information in the course of business within the scope of responsibility of various departments/business lines of the Company.

8.3. Dealing in Securities by Directors, Supervisors and Related Employees

According to the domestic regulatory requirements, the Board of the Company approved the Measures for the Management of the Holdings in the Shares of CITIC Securities Company Limited by Directors, Supervisors and Senior Management and Relevant Changes (hereinafter referred to as the "Management Measures") on 13 March 2008, to regulate the behavior of holdings of and dealings in the Shares of the Company by Directors, Supervisors and Senior Management of the Company. The Measures are stricter than the compulsory provisions in the Model Code for Securities Transactions by Directors of Listed Issuers (hereinafter referred to as the "Model Code") set out in Appendix 10 to the Hong Kong Listing Rules. Having made enquires, all Directors, Supervisors and Senior Management had confirmed that they had strictly complied with the relevant provisions of the Management Measures and the Model Code during the Reporting Period. For details about the shareholdings of the Directors, Supervisors and Senior Management in the Company, please refer to "7.1.1

Changes in the Shares held by and information on remuneration of Directors, Supervisors and Senior Management who held office or resigned during the Reporting Period" of this results announcement.

8.4. Shareholders and the General Meetings

The general meeting is the highest authority of the Company, and Shareholders can exercise their rights through the general meeting. The Company convenes and holds the general meeting in strict compliance with the relevant regulations, so as to ensure all Shareholders, especially the minority Shareholders, are being treated equally and can fully exercise their rights. Following the guidance of the Articles of Association of the Company, the Company operates in an orderly manner and maintains healthy and stable development, thus effectively protecting the interests of the Company and its Shareholders.

Pursuant to Article 96 of the Articles of Association of the Company, Shareholders that hold, individually or collectively, 10% or more of the shares in the Company shall have the right to request in writing the Board of Directors to hold an extraordinary General Meeting of Shareholders. The Board of Directors shall, in accordance with relevant laws, regulations and the Articles of Association, give a written response on whether or not it agrees to call such an extraordinary General Meeting of Shareholders within 10 days after receipt of the proposal from the abovementioned shareholders to call such meeting. If the Board of Directors agrees to hold an extraordinary General Meeting of Shareholders, it will issue a notice calling such meeting within 5 days after it has so resolved. The consent of the relevant shareholders shall be secured if any change is to be made in the notice to the original request. If the Board of Directors disagrees to hold an extraordinary General Meeting of Shareholders or fails to give a response within 10 days after the receipt of the proposal, the relevant shareholders may propose to the Supervisory Committee to hold an extraordinary General Meeting of Shareholders. If the Supervisory Committee agrees to hold an extraordinary General Meeting of Shareholders, it will issue a notice calling such meeting within 5 days after it has so resolved. The consent of the relevant Shareholders shall be secured if any change is to be made in the notice to the original request. If the Supervisory Committee fails to issue the notice calling such meeting within the period specified hereinabove, it shall be deemed to have failed to convene and preside over such meeting. The Shareholders that hold, individually or collectively, 10% of the shares in the Company for 90 days or more consecutively may convene and preside such meeting.

In addition, pursuant to Article 101 of the Articles of Association of the Company, the Board of Directors, the Supervisory Committee and shareholders that hold, individually or collectively, 3% or more of the shares in the Company shall have the right to propose motions to the Company at the General Meeting of Shareholders. Shareholders that hold, individually or collectively, 3% or more of the shares in the Company may submit extempore motions in writing to the convener 10 days prior to the date of such meeting. The convener shall, within two days after receipt of the motion, issue a supplementary notice of the General Meeting of Shareholders and make a public announcement of the contents of such extempore motion. Otherwise, the convener may not, after publishing the notice of the General Meeting of Shareholders, make any change to the motions set forth in such notice or add any new motions.

The Company attaches great importance to the management of investor relations, and pursuant to the Management System for Information Disclosure and the Management System for Investor Relations of the Company, the Board Secretary is designated to handle information disclosure matters, and to receive visits and enquiries from the Shareholders, thereby having established a relatively well-managed and effective channel for communication with the Shareholders. In addition to the information disclosure channels prescribed in the laws and regulations, the Company mainly communicates with its investors through telephone, email, online platform, receiving visits, and attending investor meetings, to ensure that all Shareholders, especially the minority Shareholders, can fully exercise their rights. During the Reporting Period, the Company has reviewed above communicating policies between the Company and its Shareholders. The Board of Directors is of the view that the views of the Shareholders have been properly received and addressed and that the policies have been effectively implemented.

The Company fully respects and protects the lawful interests of the Shareholders and other creditors, employees, clients and other stakeholders, and involves them in a joint effort to promote the sustained and healthy development of the Company.

The 2022 First Extraordinary General Meeting of the Company was held at Beijing Ruicheng Four Seasons Hotel, and one special resolution and four ordinary resolutions were considered and approved; the 2021 Annual General Meeting of the Company was held at CITIC Securities Tower, Beijing, and eleven ordinary resolutions were considered and approved; the 2022 Second Extraordinary General Meeting of the Company was held at CITIC Securities Tower, Beijing, and thirteen ordinary resolutions were considered and approved. These shareholders' meetings, taken by poll through a combination of on-site voting and online voting, were chaired by Mr. ZHANG Youjun, the Chairman of the Company, and Directors, Supervisors and certain members of the Senior Management of the Company attended the meetings.

Note: For details of the resolutions of the meetings mentioned above, please refer to the announcements published on the HKEXnews website of HKEX on the date of the meeting, and the announcements published on the SSE website, China Securities Journal, Shanghai Securities News and Securities Times published on the following day.

During the Reporting Period, the attendances of Directors at the general meetings/class meetings are as follow:

Name of Director	Position	Required attendance at general meetings/class meetings held during the year	Actual attendance	Attendance by proxy	Absence	Attendance rate
ZHANG Youjun	Executive Director and Chairman	3	3	—	—	100%
YANG Minghui	Executive Director and President	3	3	—	—	100%
ZHANG Lin	Non-executive Director	—	—	—	—	100%
FU Linfang	Non-executive Director	2	2	—	—	100%
ZHAO Xianxin	Non-executive Director	2	2	—	—	100%
WANG Shuhui	Non-executive Director	3	3	—	—	100%
LI Qing	Independent Non-executive Director	3	3	—	—	100%
SHI Qingchun	Independent Non-executive Director	2	2	—	—	100%
ZHANG Jianhua	Independent Non-executive Director	—	—	—	—	—
SONG Kangle	Former Non-executive Director	1	1	—	—	100%
LIU Ke	Former Independent Non-executive Director	—	—	—	—	100%
ZHOU Zhonghui	Former Independent Non-executive Director	3	3	—	—	100%

Note: The attendance listed in the table above represents the number of meetings attended by the Directors in their terms of office during the Reporting Period

8.5. The Board and the Operation Management

8.5.1. Composition of the Board

The Company strictly complies with the requirements of the Articles of Association of the Company for appointments and changes of the Directors. The number and composition of the Board have complied with the requirements of the relevant laws and regulations. Besides, the Board also kept improving the Rules of Procedure of the Board. The convening, holding, as well as the voting procedures of all the Board meetings were legitimate and valid. The independent non-executive Directors of the Company are able to protect the interests of minority Shareholders independently and objectively, and play a role of checks and balance in the decision-making of the Board.

As at the end of the Reporting Period, the Eighth Session of the Board consisted of nine Directors, including two executive Directors (Mr. ZHANG Youjun and Mr. YANG Minghui), four non-executive Directors (Mr. ZHANG Lin, Ms. FU Linfang, Mr. ZHAO Xianxin and Mr. WANG Shuhui) and three independent non-executive Directors (Mr. LI Qing, Mr. SHI Qingchun and Mr. ZHANG Jianhua), and the independent non-executive Directors reached one third of the Board. Mr. ZHANG Youjun is the Chairman of the Board.

Directors (including executive Directors, non-executive Directors and independent non-executive Directors) are elected by the general meeting for a term of three years commencing from the date on which their appointments are approved at the general meeting. Directors are eligible for re-election upon the expiration of their terms. The terms of independent non-executive Directors are the same as the other Directors, but shall not be re-elected for more than two consecutive sessions. In accordance with relevant requirement of Rule 3.13 of the Hong Kong Listing Rules, the Company has received the annual written confirmation from each of the independent non-executive Director with regard to his independence. Based on these confirmations and the relevant information available to the Board, the Company continues to confirm their independence.

Pursuant to the authorisation of the 2011 Fifth Extraordinary General Meeting, the Company has purchased liability insurance for the Directors, Supervisors and Senior Management, so as to protect them against the compensation liabilities that may arise from performing their duties and to encourage them to earnestly fulfill their duties and responsibilities.

8.5.2. Duties and responsibilities of the Board

The Board is the decision-making body of the Company and is responsible to the general meeting. The Board is principally responsible for making the overall and long-term decisions of the Group, as well as making decisions of corporate governance, development strategy, risk management, financial operation and other aspects. The Board is also responsible for reviewing and approving of the major financial and investment decisions, business strategies and other plans.

The Board shall exercise the following major functions and powers in accordance with the Articles of Association of the Company: to convene general meeting and report its work to the general meeting; to report at the annual general meeting and to disclose the performance of duties by the directors in the annual report, including the attendance of Board meetings and votes of the directors during the Reporting Period; to implement the resolutions of the general meeting; to decide on the business plans and investment plans of the Company; to formulate the annual financial budget plan and the final account plan of the Company; to formulate the profit distribution plan and loss recovering plan of the Company; to formulate proposals for the increase or reduction of the registered capital, the issuance of bonds or other securities and the listing plan of the Company; to prepare plans for material acquisitions, purchase of the Company's Shares, or merger, separation, dissolution or change of the corporate form of the Company; to decide on the external investment, acquisition and disposal of assets, mortgage of assets, external guarantee, entrusted wealth management, related party/connected transactions, external donations, etc. of the Company in accordance with the laws and regulations or the listing rules of the stock exchange where the Company's shares are listed or within the scope of the authorisation of the general meeting; to decide on the establishment of the internal management structure of the Company; to decide on the appointment of Senior Management of the Company, and assess and determine their remuneration, rewards and punishments; and to decide on the dismissal of Senior Management (including but not limited to the person who assumes the primary or leadership responsibility for the occurrence of major compliance risks); to formulate the basic management system of the Company; to formulate the amendment to the Articles of Association of the Company; to manage information disclosures of the Company; to propose to the general meeting on the engagement or replacement of the accounting firms of the Company who conduct audit for the Company; to listen to the work report and check the work of the President of the Company; to consider and approve the fundamental system of compliance management and overall risk management of the Company; to consider and approve the risk appetite, risk tolerance and major risk limits of the Company; to consider the regular risk assessment reports of the Company; to listen to the work report of the Chief Compliance Officer and Chief Risk Officer; to consider and approve the annual compliance report; to assess the effectiveness of compliance management and procure solutions for the problems existed in the compliance management; to consider the information technology management objectives and assume responsibilities for the effectiveness of the information technology management; to perform other duties and powers granted under relevant laws, administrative regulations and departmental rules.

8.5.3. Responsibilities of the Operation Management

The Operation Management of the Company is responsible for implementing the development strategies and policies approved by the Board, as well as the daily operation and management of the Group. The Operation Management Committee, the highest operation management authority of the Company, shall exercise the following functions and powers in accordance with the Articles of Association of the Company: to carry through and implement the operation guidelines of the Company set by the Board, and decide on material matters in respect of the operation and management of the Company; to formulate and implement the financial budget plan of the Company; to formulate financial account plan, profit distribution plan and loss recovering plan of the Company; to formulate proposals for altering the registered capital of the Company and bonds issuance; to formulate proposals for merging,

splitting, transforming the form of and dissolution of the Company; to formulate operational plans and proposals for investment, financing and disposal of assets of the Company, and submit the proposals to the Board for approval according to its terms of reference; to formulate risk management system and to make adjustment as appropriate; to formulate the risk appetite, risk tolerance and major risk limits, regularly assess the overall risk and various key risk management positions of the Company, address issues in risk management and report to the Board; to establish a complete IT system and data quality control mechanism; to implement the IT management objectives set by the Board and take responsibility for IT management; to formulate proposals on the establishment of the management structure of the Company; to build up and improve the comprehensive risk management structure of the Company; to build up a performance appraisal system for all employees covering the effectiveness of the risk management, to formulate and approve the proposal of remuneration, rewards and punishments of employees; to build up and improve an organizational structure for compliance management, to comply with the order of the compliance management, equip sufficient and appropriate compliance management personnel, and provide adequate human, material, financial and technical support and guarantee for them to perform their duties; to promptly report and rectify any irregularities found and implement accountability; to perform other functions and powers delegated by the Board.

During the Reporting Period, the Operation Management of the Company firmly performed their duties. Various operational and management works were steadily promoted and positive results had been achieved, and the Company's business results and market rankings of various main businesses continued maintaining in top tier of the industry. The Company further strengthened the refined management of assets and liabilities to lead to more accurate and effective allocation of resources, continuously improved its global risk and compliance management system, effectively controlled various types of risk and compliance incidents. Secured, reliable and efficient information systems were operated to continuously improve transaction service capabilities. The Company strengthened the cultivation of talents and optimized the incentive and restraint mechanism of the Company, further promoted party building and construction of corporate culture, effectively fulfilled its social responsibilities.

8.5.4. Performance of duties by Directors

8.5.4.1. Board meeting and attendance of Directors

Sessions	Date of Meeting	Resolutions of the Meetings
The 33rd Meeting of the Seventh Session of the Board	13 January 2022	The meeting considered and approved: Proposal of Fixing the Price of the Public Issuance of Securities by way of Rights Issue of the Company Proposal on Considering Matters on the Rights Issue of H Shares and Relevant Documents
The 34th Meeting of the Seventh Session of the Board	24 January 2022	The meeting considered and approved: Resolution on the Renaming the Strategic Planning Committee of the Board and Revising the Terms of Reference of Committee Proposal on Amendments to the Articles of Association of the Company Proposal on the Authorization of Convening the General Meeting of the Company
The 35th Meeting of the Seventh Session of the Board	8 February 2022	The meeting considered and approved: Proposal on Considering Anti-money Laundering Special Work Report Proposal on Amending the Company's Comprehensive Risk Management System and formulating the Company's Risk Appetite Statement for 2022 Proposal on the Use of Temporarily Unutilized Proceeds from A Share Rights Issue for Cash Management
The 36th Meeting of the Seventh Session of the Board	22 February 2022	The meeting considered and approved: Proposal on Nomination of Independent Non-executive Director of the Company

Sessions	Date of Meeting	Resolutions of the Meetings
The 37th Meeting of the Seventh Session of the Board	28 March 2022	The meeting considered and approved: 2021 Annual Report 2021 Profit Distribution Plan Proposal on the Total Remuneration of the Directors of the Company for 2021 2021 Work Report of the Board Proposal on the Estimated Investment Amount for the Proprietary Business of the Company for 2022 Resolution on Estimation of Related Party/Continuing Connected Transactions Contemplated in the Ordinary Course of Business of the Company in 2022 2021 Duty Performance Report of the Independent Non-executive Directors Internal Control Audit Report 2021 Assessment Report on the Internal Control 2021 Compliance Report 2021 Evaluation Report on the Compliance Management Effectiveness 2021 Anti-money Laundering Work Report 2021 Integrity Practice Management Report 2021 Comprehensive Risk Management Report 2021 Risk Appetite Management Report Proposal on the Total Remuneration of Senior Management of the Company for 2021 Proposal on Annual Assessment on the Chief Compliance Officer of the Company 2021 Corporate Governance Report 2021 Audit Work Report 2021 Social Responsibility Report 2021 Special Report on Information Technology Management Special Audit Report on the Implementation of the Relevant Requirements of Notice No. 128 of Shenzhen Securities Regulatory Bureau Proposal on Amendments to the Key Inputs of Expected Credit Loss Measurement Proposal on Provision for Other Assets Impairment Loss of the Company for 2021 Proposal on Capital Increase in CITIC Futures Co., Ltd. Proposal on the Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue Proposal on the Authorization of Convening the 2021 Annual General Meeting
The 38th Meeting of the Seventh Session of the Board	13 April 2022	The meeting considered and approved: Proposal on Increasing the Company's Registered Capital and Amending the Company's Articles of Association
The 39th Meeting of the Seventh Session of the Board	28 April 2022	The meeting considered and approved: 2022 First Quarterly Report Resolution on Election of Members of Specialized Committees Under the Board of the Company
The 40th Meeting of the Seventh Session of the Board	13 May 2022	The meeting considered and approved: Proposal on the Re-appointment of Accounting Firms Resolution on Re-authorization of the Adjustment to the Registered Capital of CITIC Securities Investment Special Audit Report on the Material Related Party Transactions
The 41st Meeting of the Seventh Session of the Board	26 May 2022	The meeting considered and approved: Proposal on the Amendments to the Rules of Procedure for the Executive Committee of the Company

Sessions	Date of Meeting	Resolutions of the Meetings
The 42nd Meeting of the Seventh Session of the Board	28 June 2022	The meeting considered and approved: Proposal on JIN Jianhua Ceasing to Serve as the Senior Management Member of the Company Proposal on Waiver of the Pre-emptive Right of 10% Equity of China Asset Management Company Limited
The 43rd Meeting of the Seventh Session of the Board	8 July 2022	The meeting considered and approved: Proposal on Additional Subscription of Fund Shares by a Subsidiary Proposal on Conducting Market Making Business of Shares on the STAR Market
The 44th Meeting of the Seventh Session of the Board	29 August 2022	The meeting considered and approved: 2022 Interim Report 2022 Interim Compliance Report 2022 Interim Comprehensive Risk Management Report 2022 Interim Risk Appetite Management Report 2022 Interim Special Report on the Depository and Actual Use of the Proceeds Proposal on the Amendments to the Administrative Measures on Related Party Transactions of the Company Proposal on the Acquisition of 0.1% Equity Interest in CITIC Securities South China
The 45th Meeting of the Seventh Session of the Board	30 September 2022	The meeting considered and approved: Proposal on Renewal of Framework Agreement for Day-to-day Related Party/Continuing Connected Transactions with the CITIC Group Corporation Proposal on the External Investment through a Subsidiary Proposal on Applying for Qualification of Market Making Business of Listed Securities Proposal on the Authorization of Convening the 2022 Second Extraordinary General Meeting of the Company
The 46th Meeting of the Seventh Session of the Board	28 October 2022	The meeting considered and approved: 2022 Third Quarterly Report Proposal on the Amendments to the Management System for Investor Relations of the Company
The 47th Meeting of the Seventh Session of the Board	30 November 2022	The meeting considered and approved: Proposal in Relation to the Election of Members of the Eighth Session of the Board of the Company Proposal in Relation to the Change of Relevant Senior Management of the Company
The 48th Meeting of the Seventh Session of the Board	27 December 2022	The meeting considered and approved: Proposal in Relation to the Amendments to the Articles of Association of the Company Proposals in Relation to the Amendments to Rules of Procedure for the General Meeting of Shareholders, Rules of Procedure for the Board of Directors and Rules of Procedure for the Supervisory Committee of the Company Proposal on the Amendments to the Management System for Information Disclosure of the Company Proposal on the Amendments to the Working System for Independent Directors of the Company Proposal on Changes to the Special Account for Proceeds from the A-Share Rights Issue Proposal on the Authorization of Convening the 2023 First Extraordinary General Meeting of the Company
The 1st Meeting of the Eighth Session of the Board	30 December 2022	The meeting considered and approved: Resolution in Relation to the Election of the Chairman of the Board of the Company Resolution in Relation to the Election of Members of the Specialized Committees under the Board of the Company Resolution in Relation to the Appointments of Senior Management of the Company

During the Reporting Period, the attendances of Directors at the Board meetings are as follows:

			Attendance in Board meetings				
Name of Director	Whether an Independent Director or not	Required attendance at Board meetings held during the year	Attendance in person	Attendance by tele-communication	Attendance by proxy	Absence	Attendance rate
ZHANG Youjun	No	17	17	8	—	—	100%
YANG Minghui	No	17	17	8	—	—	100%
ZHANG Lin	No	1	1	—	—	—	100%
FU Linfang	No	11	11	5	—	—	100%
ZHAO Xianxin	No	11	11	5	—	—	100%
WANG Shuhui	No	17	17	8	—	—	100%
LI Qing	Yes	17	17	8	—	—	100%
SHI Qingchun	Yes	11	11	5	—	—	100%
ZHANG Jianhua	Yes	1	1	—	—	—	100%
SONG Kangle	No	9	9	4	—	—	100%
LIU Ke	Yes	1	1	1	—	—	100%
ZHOU Zhonghui	Yes	16	16	8	—	—	100%
Board meetings held during the year				17			
Among which, number of on-site meetings				8			
Number of meetings held via tele-communications				8			
Number of meetings held by a combination of on-site meeting and tele-communications				1			

Note: The attendance listed in the table above represents the number of meetings attended by the Directors in their terms of office during the Reporting Period

8.5.4.2. Implementation of resolutions approved at the General Meetings by the Board

(1) On 29 June 2021, the Resolution on the Re-authorisation of Issuances of Onshore and Offshore Corporate Debt Financing Instruments by the Company was considered and approved at the 2020 Annual General Meeting of the Company. As at the end of 2022, the resolution was in effect and the aggregate existing size of debt financing instruments issued under the resolution was approximately RMB46.913 billion.

(2) On 29 June 2021, the Plan of Public Issuance of Securities by way of the Rights Issue was considered and approved at the 2020 Annual General Meeting, the 2021 First A Shareholders Class Meeting and the 2021 First H Shareholders Class Meeting of the Company. With the approval from the CSRC, the Rights Issue was completed in March 2022.

(3) On 9 August 2021, the Proposal on the Establishment of an Asset Management Subsidiary and the Corresponding Change to the Business Scope of the Company was considered and approved at the 2021 First Extraordinary General Meeting of the Company. The establishment of the asset management subsidiary of the Company was approved by the CSRC on 30 December 2022. CITIC Securities Asset Management Co., Ltd. has completed the industrial and commercial registration procedures and obtained its business license on 1 March 2023.

(4) On 28 June 2022, the 2021 Profit Distribution Plan was considered and approved at the 2021 Annual General Meeting of the Company. The Company adopted the cash dividend payment method for its 2021 profit distribution, and all cash dividends had been fully paid on 26 August 2022.

(5) On 28 June 2022, the Proposal on Re-appointment of Accounting Firms was considered and approved at the 2021 Annual General Meeting of the Company. Pursuant to the resolution, the Company appointed PwC Zhong Tian and PwC Hong Kong as the external auditors of the Company for 2022 and PwC Zhong Tian as the audit firm for the internal control of the Company for 2022. On 30 March 2023, PwC issued unqualified audit reports and the Audit Report on the Internal Control for the Company.

(6) On 30 December 2022, the Proposal on Renewal of Securities and Financial Products Transactions and Services Framework Agreement with the CITIC Group Corporation was considered and approved at the 2022 Second Extraordinary General Meeting of the Company. After the General Meeting on that day, the Company entered into the Securities and Financial Products Transactions and Services Framework Agreement with CITIC Group.

During the Reporting Period, the main measures taken by the Board in corporate governance are as follows:

(1) Corporate governance of the Company and related suggestions: Facing the complex economic and market environment in 2022, the Board and specialized committees of the Board continued to pay attention to the conditions of the Company and of the market and regulatory requirements, and helped the Company to further sort out the internal management process, strengthen the internal control mechanism and establish a sound risk management system.

(2) Development of directors and senior management: The Company provided professional training for directors and senior management to perform their duties, and provided them with relevant information on the securities industry and the Company's development trends in a timely manner to facilitate their performance of duties.

(3) Compliance management of laws and regulations: The Board revised the Articles of Association of the Company and its appendixes, the Comprehensive Risk Management System, the Rules of Procedure of the Executive Committee, the Administrative Measures on Related Party Transactions, the Management System for Investor Relations, the Management System for Information Disclosure and the Working System for Independent Directors in accordance with the provisions and requirements of various laws and regulations and normative documents as amended by regulatory authorities and taking into consideration the Company's business operation and development needs.

(4) ESG governance: The "Strategy Planning Committee" of the Board of the Company was renamed the "Strategic Planning and ESG Committee", and ESG duties were added to the former Terms of Reference of the Committee, and amended as the Terms of Reference of the Strategic Planning and ESG Committee of the Board; nine ESG management policies were formulated.

8.5.4.3. Training of Directors

Training of Directors is a continuous program. The Company will arrange induction training for all newly appointed Directors according to their experiences and backgrounds. The Company will also provide relevant various kinds of reading materials to newly appointed Directors to enhance their knowledge and understanding about the corporate culture and operation of the Group. The content of the training and reading materials generally include brief introduction about the structure, business and corporate governance of the Group, as well as an introduction on the securities industry and investment banking business in China.

In addition, every Director will receive a guideline on code of conduct and other documents when joining the Board. During the Reporting Period, the Directors were periodically or occasionally provided with reporting information about the business operations of the Group, as well as the introduction on the changes and latest development of the relevant legislative and regulatory environment. Besides, the Company also encourages all Directors to participate in relevant training courses at the cost of the Company. All Directors have provided regular training records to the Company.

During the Reporting Period, the Directors of the Company attached great importance to updating their professional knowledge and skills to cater for the needs of the Company's development, the methods and the details are as follows:

Name	Positions	Methods and Details of the Training
ZHANG Youjun	Executive Director, Chairman	In May 2022, Mr. ZHANG attended the online specialized thematic courses on "Doing a Good Job of Carbon Dioxide Peaking and Carbon Neutrality and Promoting the High-quality Development of Enterprises" organized by China E-learning Academy for Leadership In November 2022, he participated in the "Series Training for Chairman, General Manager and Chairman of Supervisory Board of Listed Companies" of the China Association for Public Companies In December 2022, he attended the online specialized thematic courses on "Studying and Implementing the Spirit of the 20th CPC National Congress" organized by China E-learning Academy for Leadership; participated in the "Special Training of Corporate Governance for Listed Companies" of the China Association for Public Companies; participated in the "2022 Training for Directors, Supervisors, and Senior Management of Listed Companies" organized by the Shenzhen Securities Regulatory Bureau
YANG Minghui	Executive Director	In November 2022, Mr. YANG participated in the "Series Training for Chairman, General Manager and Chairman of Supervisory Board of Listed Companies" of the China Association for Public Companies In December 2022, he participated in the "Special Training of Corporate Governance for Listed Companies" of the China Association for Public Companies; participated in the "2022 Training for Directors, Supervisors, and Senior Management of Listed Companies" organized by the Shenzhen Securities Regulatory Bureau
FU Linfang	Non-executive Director	In August 2022, Ms. FU participated in the 4th Session of SSE 2022 Initial Training for Directors, Supervisors and Executives of Listed Companies
ZHAO Xianxin	Non-executive Director	In August 2022, Mr. ZHAO participated in the 4th Session of SSE 2022 Initial Training for Directors, Supervisors and Executives of Listed Companies
WANG Shuhui	Non-executive Director	In September 2022, Mr. WANG participated in the special conference on "Promoting the Standardized Development of Listed Companies in Guangdong for 2022" organized by Guangdong Office of CSRC and the Guangdong Finance Regulatory Bureau In November 2022, he attended a seminar on "Studying the Spirit of the 20th CPC National Congress: New Economic and Financial Strategic Choices and Development Prospects" organized by Guangdong Province Financial Think Tank Association In December 2022, he participated in the initial training course for the 14th People's Congress of Guangdong Province; participated in the "Explanation of the Essentials of Standardized Governance of Listed Companies" organized by the China Association for Public Companies
LI Qing	Independent Non-executive Director	In June 2022, Mr. LI participated in the Second Follow-up Training for Listed Independent Directors of SSE for 2022
SHI Qingchun	Independent Non-executive Director	In June 2022, Mr. SHI participated in the Second Follow-up Training for Listed Independent Directors of SSE for 2022

Name	Positions	Methods and Details of the Training
SONG Kangle	Former Non-executive Director	In August 2022, Mr. SONG participated in the 4th Session of SSE 2022 Initial Training for Directors, Supervisors and Executives of Listed Companies
LIU Ke	Former Independent Non-executive Director	In January 2022, Mr. LIU read the Interpretation of the Securities Law of the People's Republic of China
ZHOU Zhonghui	Former Independent Non-executive Director	In June 2022, Mr. ZHOU participated in the Second Follow-up Training for Listed Independent directors of SSE for 2022 In July 2022, he participated in the Third Follow-up Training for Listed Independent Directors of SSE for 2022

Note: Mr. ZHANG Lin, the Company's Non-executive Director, and Mr. ZHANG Jianhua, the Company's Independent Non-executive Director served on 30 December 2022. The Company will disclose their training status in the 2023 Annual Report

8.6. Chairman

The Chairman is the Company's legal representative, whose responsibilities are to take charge of the operation of the Board and to ensure that the Board acts in the best interest of the Company, that the Board operates effectively, fulfills its duties and considers all important and appropriate issues, and that the Directors can receive information in an accurate, timely and clear manner.

8.7. President

Mr. YANG Minghui serves as the President of the Company. The President is responsible for presiding over the Company's daily work, which mainly includes, organizing to carry out the Board's resolutions, organizing the implementation of the Company's annual business plan and investment plan, formulating the Company's basic management system, formulating the specific rules and regulations of the Company, drafting plans for the establishment of the Company's internal management structure, proposing the appointment or dismissal of Senior Management other than the President, the Chief Compliance Officer and the Board Secretary, deciding on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board, implementing the risk control system of the Company, ensuring that the Company meets the requirements of the risk control indicators set by the CSRC, and exercising other powers granted by the Articles of Association of the Company and the Board of the Company. The President shall be accountable to the Board and report his work to the Board.

8.8. Non-executive Directors

The Company currently has seven non-executive Directors, three of which are independent non-executive Directors. For details about the terms of office of the non-executive Directors, please refer to "7. Directors, Supervisors, Senior Management and Employees" of this results announcement.

8.9. Specialized Committees under the Board

The Seventh Session of the Board has established the Strategic Planning and ESG Committee, the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, the Risk Management Committee and the Related Party Transactions Control Committee, which are responsible for assisting the Board to perform its duties from various aspects.

The Company has completed its re-election of the Board of Directors on 30 December 2022. The First Meeting of the Eighth Session of the Board elected the new members of the specialized committees of the Board, and at the same time, each specialized committee of the Eighth Session of the Board elected the Chairman. Up to now, the composition of the specialized committees of the Eighth Session of the Board is as follows:

Category of specialized committees	Name of member
Strategic Planning and ESG Committee	ZHANG Youjun (Chairman), YANG Minghui, FU Linfang, WANG Shuhui
Audit Committee	SHI Qingchun (Chairman), LI Qing, ZHANG Jianhua
Remuneration & Appraisal Committee	ZHANG Jianhua (Chairman), LI Qing, SHI Qingchun
Nomination Committee	LI Qing (Chairman), ZHANG Youjun, ZHANG Lin, SHI Qingchun
Risk Management Committee	YANG Minghui (Chairman), ZHAO Xianxin, WANG Shuhui, ZHANG Jianhua
Related Party Transactions Control Committee	SHI Qingchun (Chairman), LI Qing, ZHANG Jianhua

During the Reporting Period, the specialized committees of the Board cordially performed their duties, actively discussed the changes in internal and external environment, participated in the collective decision-making of material matters of the Company, and provided a number of constructive and professional opinions and recommendations on the rapid and healthy development of the Company. In response to the financial situation of global economy, the national macroeconomic policies and the regulatory requirements on the securities industry, the specialized committees of the Board affirmed the Company's strategic goals and made recommendations to the Board in respect of deeply advancing the internationalization process, improving internal control, preventing business risks, exploring more efficient management structures, establishing incentive policies matching the industry positioning of the Company and other aspects. During the Reporting Period, none of the committee members raised objection to the matters being considered

8.9.1. Strategic Planning and ESG Committee

The primary responsibilities of the Strategic Planning and ESG Committee of the Board are: to understand and master the overall operations of the Company; to understand, analyze and master the current conditions of the international and domestic industries; to understand and master relevant policies of China; to research on the short-term, mid-term and long-term development strategies of the Company and other related issues; to advise on the long-term development strategies, major investments, reforms and other major decisions of the Company; to research and provide the advice for decision making on ESG governance of the Company, including the prospects, objectives and policies of ESG governance; to review, evaluate the implementation of the above items and timely make recommendations for adjustment; other duties conferred by the Board.

The Strategic Planning and ESG Committee of the Company currently comprises four members, namely, Mr. ZHANG Youjun and Mr. YANG Minghui as executive Directors, and Ms. FU Linfang and Mr. WANG Shuhui as non-executive Directors. The chairman of the Strategic Planning and ESG Committee is Mr. ZHANG Youjun, an executive Director.

During the Reporting Period, the Strategic Planning and ESG Committee held eight meetings in total, details of which are as follows:

Date of Meeting	Proposals Passed
24 January 2022	Proposal on the Renaming the Strategic Planning Committee of the Board and Revising the Terms of Reference of Committee
25 March 2022	2021 Social Responsibility Report Proposal on Capital Increase in CITIC Futures Co., Ltd.
13 May 2022	Proposal on the Re-authorization of the Adjustment to the Registered Capital of CITIC Securities Investment
8 July 2022	Proposal on Additional Subscription of Fund Shares by a Subsidiary
26 August 2022	Proposal on the Acquisition of 0.1% Equity Interest in CITIC Securities South China
28 October 2022	Proposal on Considering the Environmental, Social and Governance Related Policies of the Company
29 November 2022	Proposal on Election of the Members of the Eighth Session of the Board of Directors of the Company
30 December 2022	Proposal on Election of the Chairman of the Strategic Planning and ESG Committee of the Eighth Session of the Board of Directors of the Company

All members of the Strategic Planning and ESG Committee attended the above meetings.

8.9.2. Audit Committee

The primary responsibilities of the Audit Committee of the Board are: to make recommendations to the Board on the appointment and removal of the auditors of the Company; to approve the remuneration and terms of engagement for the auditors; to review and monitor the independence and objectivity of the external auditors and the effectiveness of the auditing procedures in accordance with applicable standards; to review the financial information of the Company and its disclosure; to review the financial control, internal control and risk management systems of the Company; and to review the financial and accounting policies and practices of the Company.

The Audit Committee currently comprises three members, namely, Mr. SHI Qingchun, Mr. LI Qing and Mr. ZHANG Jianhua, each an independent non-executive Director. The chairman of the Audit Committee is Mr. SHI Qingchun, an independent non-executive Director.

During the Reporting Period, the Audit Committee held eight meetings in total. The Audit Committee convened its meetings, considered relevant matters and made decisions in accordance with the Rules of Procedure of the Audit Committee of the Board, and made efforts to enhance the efficiency of its work and the soundness of its decision-making. The Audit Committee diligently performed its duties, and actively participated in the preparation, audit and disclosure of annual financial reports according to the Working Procedures of the Audit Committee of the Board for Annual Reports. It ensured the independence of audit, enhanced the audit quality, and protected the overall interests of the Company and its Shareholders.

The Audit Committee and its members have fully played their roles of audit and supervision according to the relevant laws and regulations, diligently performed their duties and made great contributions to improving corporate governance structure and enhancing the audit quality.

The Audit Committee prudently reviewed the financial status of the Company and examined the financial statements prepared by the Company, and considered that the Company's financial system is under stable operation and the financial status is good. Besides, the Board, through the Audit Committee, also reviewed and was satisfied with the adequacy of resources, staff qualifications and experience, training programmes for employees and relevant budget in relation to the Company's accounting and financial reporting functions.

Major accomplishments of the Audit Committee in 2022 included:

- reviewing periodic financial reports
- reviewing the summary of the internal audits and approving the annual internal audit plan
- reviewing the major findings on the audits of the internal audit departments and external auditors, and responses of the management to the recommendations on such audits
- reviewing the effectiveness of the internal control system and adequacy of accounting and financial reporting functions
- reviewing the statutory scope of review of the external auditors
- considering the fee and appointment of the external auditors
- reviewing and monitoring the independence of the external auditors and the non-audit services provided by them

During the Reporting Period and up to the date of the report, the Audit Committee held 11 meetings. The details are as follows:

Date of Meeting	Proposals Passed	Important Comments and Suggestions	Other Duties Performed
11 March 2022	Report of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers Regarding the Company's Preliminary Audit Results for 2021, Audit Work Report of the Company for 2021, Proposal on Amendments to the Key Inputs of Expected Credit Loss Measurement, Proposal on Provision for Other Assets Impairment Loss of the Company for 2021, Audit Work Plan of the Company for 2022	Suggest that the Company make information disclosure in relation to the amendments to the key inputs of expected credit loss measurement and the provision for other assets impairment loss for 2021 in accordance with relevant rules and regulations.	The independent non-executive Directors inspected the Company's operation, listened to the report on the financial position and the business performance of the Company in 2021, and communicated with the management; independent non-executive Directors met the accounting firms and listened to the report of PricewaterhouseCoopers on the Company's Preliminary Audit Results for 2021.
25 March 2022	The 2021 Annual Audit Work Summary of PwC, the 2021 Annual Report, the Audit Report on the Internal Control, the 2021 Assessment Report on the Internal Control, the Performance Report of the Audit Committee of the Board for 2021	—	—
25 April 2022	2022 First Quarterly Report	—	—
6 May 2022	Proposal on the Re-appointment of Accounting Firms	—	—

Date of Meeting	Proposals Passed	Important Comments and Suggestions	Other Duties Performed
15 August 2022	Proposal on Considering the 2022 Interim Review Work of the Company	Suggest that the Company do proper risk management to cope with the complex market environment.	The independent non-executive Directors inspected the Company's operation and listened to the report on the financial position and the business performance of the Company in the first half of 2022; independent non-executive Directors met with the accounting firms and listened to the report of PricewaterhouseCoopers on the 2022 Interim Review Work.
26 August 2022	2022 Interim Report, 2022 Interim Special Report on the Depository and Actual Use of the Proceeds	—	—
27 October 2022	2022 Third Quarterly Report	—	—
30 December 2022	Proposal on Election of the Chairman of the Audit Committee of the Eighth Session of the Board of the Company	—	—
9 January 2023	Proposal on Considering the 2022 Audit Plan of CITIC Securities Company Limited	—	Training and sharing activities for independent non-executive Directors — listening to the explanation on recent regulatory policy updates by PricewaterhouseCoopers.

Date of Meeting	Proposals Passed	Important Comments and Suggestions	Other Duties Performed
10 March 2023	Report of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers Regarding the Company's Preliminary Audit Results for 2022 Audit Work Report of the Company for 2022 Audit Work Plan of the Company for 2023	Emphasize the importance of digital audit.	The independent non-executive Directors inspected the Company's operation, listened to the report on the financial position and the business performance of the Company in 2022 and communicated with the management; independent non-executive Directors met the accounting firms and listened to the report of PricewaterhouseCoopers on the Company's Preliminary Audit Results for 2022.
28 March 2023	Audit Work Summary of PwC 2022 Annual Report Audit Report on the Internal Control 2022 Assessment Report on the Internal Control Performance Report of the Audit Committee of the Board for 2022		

All members of the Audit Committee attended above meetings. They carefully reviewed the meeting documents beforehand, making full preparation for performing their duties. During the process of considering the relevant proposals at the meetings, all the members put forward pertinent suggestions leveraging on their own professional background and experience, and actively guided the Company for relevant improvements.

Overview of audit work of the Company:

PwC carried out the 2022 audit work on the Company mainly by two stages, the preliminary audit and year-end audit. PwC adopted the "Integrated Audit" method to complete the audit work in combination of the audit on financial statements and the audit on internal control. At the preliminary audit stage, PwC conducted the audit on internal control and carried out internal control testing at the enterprise level and the business process level under the Chinese Certified Public Accountants Auditing Standards, the Guidelines for Audit on Enterprise Internal Control and the Opinions on the Implementation of the Guidelines for Audit on Enterprise Internal Control issued by the Chinese Institute of Certified Public Accountants. Meanwhile, the IT auditors of PwC also asked for information about and conducted testing on major computer systems used by the Company. At the year-end audit stage, PwC focused on the implementation of principal accounting policies and the application of critical accounting judgements and accounting estimations adopted by the Company. PwC conducted detailed testing such as external confirmations, review and re-calculation and substantive analysis to conduct audit on financial statements items.

In order to successfully complete the audit on the 2022 annual financial statements of the Company and procure PwC to issue relevant reports within the agreed period, the Audit Committee of the Board authorized the Planning and Financial Department of the Company to supervise on PwC in relation to the planning of audit work, impairments of goodwill, valuation of financial instruments, impairments of financing business, judgement on scope of consolidation, audit progress, timing of initial draft and final draft of the audit report, etc. during the auditing period. The Audit Committee convened the 2023 1st meeting of the Audit Committee of the Eighth Session of the Board of the Company on 9 January 2023 by means of video/telephone, at which the Audit Committee considered and unanimously approved the 2022 Audit Plan of the Company. On 30 March 2023, PwC issued the unqualified audit reports for the Company within the scheduled time.

In addition, the Audit Committee conducted an annual appraisal on PwC. In the appraisal, major considerations of the Audit Committee include requirements of the laws and regulations of the Mainland China and Hong Kong and relevant professional provisions in relation to the external auditors, and the external auditors' compliance with such laws, regulations and provisions and their overall performance during the Reporting Period. The Audit Committee is also responsible for reviewing the independence of PwC to ensure that the reports issued by PwC can provide truly and objective opinions. The Audit Committee has received a written confirmation from PwC on their independence and objectivity prior to the audit of the Company's 2022 financial statements. PwC shall not offer any other non-audit service unless otherwise specially approved, to ensure that their judgment and independence in the audit are not undermined. The Audit Committee of the Board was of the opinion that PwC conducted its independent audit on the 2022 financial statements of the Company in a diligent, fair and objective manner, and successfully completed the annual audit work.

On 28 March 2022, the Audit Committee conducted a preliminary review on the 2022 Assessment Report on the Internal Control and the Audit Report on Internal Control of the Company, and was of the view that the internal control system of the Company was effective and well-performed, and the sound development of the Company is effectively secured.

8.9.3. Remuneration and Appraisal Committee

The primary responsibilities of the Remuneration and Appraisal Committee of the Board of the Company are: to establish and implement the performance appraisal system that is adapt to the changing market, the remuneration policy that has competitive edge, and the reward and punishment and incentive measures that are linked to the operating performance, and make recommendations to the Board on the remuneration and its structure of all the Directors and Senior Management of the Company and on the establishment of a formal and transparent procedure for developing remuneration policy; to review the performance of the Directors and Senior Management of the Company, carry out annual performance appraisals over them, and review and approve performance-based remuneration; and to monitor the implementation of the remuneration system of the Company.

The Remuneration and Appraisal Committee currently comprises three members, namely, Mr. ZHANG Jianhua, Mr. LI Qing and Mr. SHI Qingchun, each an independent non-executive Directors. The chairman of the Remuneration and Appraisal Committee is Mr. ZHANG Jianhua, an independent non-executive Director.

Major accomplishments of the Remuneration and Appraisal Committee in 2022 included:

- reviewing the performance of the Directors and Senior Management of the Company, and carrying out annual performance appraisals over them
- reviewing the remuneration level of the Directors and Senior Management and making recommendations to the Board in this regard
- supervising the implementation of the remuneration system of the Company

During the Reporting Period, the Remuneration and Appraisal Committee held three meetings in total, details of which are as follows:

Date of Meeting	Proposals Passed
18 January 2022	Proposal on Election of the Chairman of the Remuneration and Appraisal Committee of the Board of Directors of the Company
28 March 2022	Proposal on the Total Remuneration of the Directors of the Company for 2021 Proposal on the Total Remuneration of Senior Management of the Company for 2021 Proposal on Annual Assessment on the Chief Compliance Officer of the Company Proposal on Considering the Report of the Duty Performance of the Remuneration and Appraisal Committee of the Board of the Company in 2021 Proposal on Considering the Achievement of Performance Targets in 2021 and the Implementation Plan of Annual Performance-based Remuneration Policy for Senior Management of the Company Proposal on Considering the Pre-distribution Plan of Senior Management Loyalty Award of the Company in 2021
30 December 2022	Proposal on Election of the Chairman of the Remuneration and Appraisal Committee of the Eighth Session of the Board of Directors of the Company Proposal on Amendment and Establishment of the Remuneration Management Measures and Other Relevant Systems of the Company

All members of the Remuneration and Appraisal Committee attended the above meetings.

During the Reporting Period, the Remuneration and Appraisal Committee supervised the implementation of the remuneration system of the Company, and was of the opinion that the Company strictly implemented the remuneration system established by the Board of the Company, and that the information about the remuneration of the Directors, Supervisors and Senior Management disclosed in the 2022 Annual Report of the Company was true, accurate and complete, and in compliance with the relevant requirements of the CSRC and the Hong Kong Stock Exchange.

8.9.4. Nomination Committee

The primary responsibilities of the Nomination Committee of the Board of the Company are: to review the structure, number and composition of the Board (including skills, knowledge, experience and diversity of the Board members), make recommendations on any proposed changes to the Board, if necessary, to match up with the strategies of the Company; to study the selection criteria and procedures of the Directors and Senior Management and make recommendations to the Board, to ensure that the Board members possess skills, experience and diversified views and perspectives required and suitable for the operation and development of the Company; to conduct extensive searches for qualified candidates for the Directors and Senior Management, review and give suggestions on the candidates and select and nominate relevant candidates of Directors or make recommendations to the Board in this regard; to assess the independence of the independent non-executive Directors; to make recommendations to the Board on relevant matters on the appointment or re-appointment of the Directors and succession plan for Directors; and to report its decisions or recommendations to the Board.

The Nomination Committee currently comprises four members, namely, Mr. LI Qing and Mr. SHI Qingchun, each an independent non-executive Director, and Mr. ZHANG Youjun, an executive Director and Mr. ZHANG Lin, a non-executive Director. The chairman of the Nomination Committee is Mr. LI Qing, an independent non-executive Director.

In order to achieve Board diversity, the Terms of Reference of the Nomination Committee of the Board of the Company clearly states that the Nomination Committee should select the Director candidates based on objective standards, and relevant standards include but are not limited to:

- considering a combination of factors, such as gender, age, cultural and educational background, as well as professional experience of the Director candidates

- considering the Company's business features and future development needs, etc.

The Nomination Committee selects Director candidates and periodically reviews the measurable objectives of selecting Director candidates, including but not limited to, gender, age, culture background, education background, professional experience, years of service, etc., based on the abovementioned diversity principles. After taking into comprehensive consideration of the Company's business and development needs, the Nomination Committee believes that the current session of the Board fully reflects a diversified composition in terms of skills, experience, knowledge and independence. As at the disclosure date of this report, the Company consists of nine Directors, the composition of the Board from the view of diversity is summarized as follows: (1) education and professional background: four of them hold Doctor's degree and four hold Master's degree with strong professional quality and rich practical experience in enterprise management, financial audit, legal risk control and other aspects; (2) age: one of them is at or beyond the age of 60 and the other eight are below the age of 60; (3) role: two of them are executive Directors, four of them are non-executive Directors and the other three are independent non-executive Directors. The Nomination Committee of the Company has conducted an annual review of the abovementioned diversity principles, and is of the view that the diversity principles have been fully implemented.

The Company provides the Nomination Committee with sufficient resources to perform its duties. The Nomination Committee may, if necessary, seek independent professional advice when performing its duties at the Company's expense. The Board has reviewed such mechanisms for seeking independent opinions and considers that the mechanisms are effective and each of the Directors could obtain and consider such independent opinions.

Major accomplishments of the Nomination Committee in 2022 included:

- conducting preliminary review on the nomination of independent non-executive Director of the Company
- conducting preliminary review on the nomination of members of the Eighth Session of the Board of the Company
- conducting preliminary review on the change of relevant Senior Management of the Company

During the Reporting Period, the Nomination Committee held four meetings, details of which are as follows:

Date of Meeting	Proposals Passed
18 January 2022	Proposal on Election of the Chairman of the Nomination Committee of the Board of Directors of the Company
21 February 2022	Proposal on Nomination of Independent Non-executive Director of the Company
29 November 2022	Proposal on Nomination of the Members of the Eighth Session of the Board of the Company Proposal on the Change of Relevant Senior Management of the Company
30 December 2022	Proposal on Election of the Chairman of the Nomination Committee of the Eighth Session of the Board of the Company

All members of the Nomination Committee attended the above meetings.

Pursuant to the Articles of Association of the Company, Director candidates shall be nominated by the Board or the Shareholders who individually or jointly hold more than 3% of the total voting shares in the Company. The methods and procedures for nomination of independent non-executive Directors shall be implemented in accordance with laws, regulations, regulatory requirements and the relevant independent non-executive director system. The list of the Director and the Supervisor candidates shall be submitted to the general meeting for approval by way of resolution.

Before the Director candidates are presented to the Board, the Nomination Committee must conduct a review and make recommendations to the Board and the Shareholders. The Nomination Committee will review the biography of each of the candidates, conduct due diligence and evaluate the candidates' skills, knowledge, experience and diversification, etc.

During the Reporting Period, the Nomination Committee extensively searched for qualified senior management candidates, conducted review over the candidates and provided opinions to the Board of Directors for decision. The Nomination Committee selects and recommends senior management candidates based on the following criteria:

Familiar with domestic and overseas securities business, with many years of experience in securities and finance; have a deep understanding and unique insight into each of the Company's main businesses, and have achieved excellent results in a certain main business; have strong strategic analysis ability, leadership, executive force and business coordination ability; have an international vision; comply with the relevant provisions of the CSRC's Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Members and Practitioners of Securities Fund Operating Institutions; have the time and energy necessary for performing duties; comply with other conditions stipulated by laws, administrative regulations and the Articles of Association of the Company.

8.9.5. Risk Management Committee

The primary responsibilities of the Risk Management Committee of the Board of the Company are: to develop the overall risk management policy for the Board's review; to prescribe strategic structures and resources used for the risk management of the Company, and make them compatible with the internal risk management policy of the Company; to formulate the threshold of major risks; and to supervise, examine and make recommendations to the Board on the relevant risk management policies.

The Risk Management Committee of the Company currently comprises four members, namely, Mr. YANG Minghui, an executive Director, Mr. ZHAO Xianxin, a non-executive Director, Mr. WANG Shuhui, a non-executive Director, and Mr. ZHANG Jianhua, an independent non-executive Director. The chairman of the Risk Management Committee is Mr. YANG Minghui, an executive Director.

During the Reporting Period, the Risk Management Committee held four meetings in total and considered various reports in relation to risk control, compliance management and internal control and governance, details of which are as follows:

Date of Meeting	Proposals Passed
7 February 2022	Proposal on Considering Special Work Report on the Anti-money Laundering Proposal on Amending the Company's Comprehensive Risk Management Systems and Formulating the Company's Risk Appetite Statement for 2022
25 March 2022	Audit Report on the Internal Control 2021 Assessment Report on the Internal Control 2021 Compliance Report 2021 Evaluation Report on the Compliance Management Effectiveness 2021 Anti-money Laundering Work Report 2021 Integrity Practices Management Report 2021 Comprehensive Risk Management Report 2021 Risk Appetite Management Report Special Report on Information Technology Management for 2021
26 August 2022	2022 Interim Compliance Report of the Company 2022 Interim Comprehensive Risk Management Report of the Company 2022 Interim Risk Appetite Management Report of the Company
30 December 2022	Proposal on Election of the Chairman of the Risk Management Committee of the Eighth Session of the Board of the Company

All members of Risk Management Committee attended the above meetings.

8.9.6. Related Party Transactions Control Committee

The primary responsibilities of the Related Party Transactions Control Committee of the Board of the Company are: to establish and amend the related party/connected transactions management system of the Company and monitor its implementation; to identify the list of related parties/connected persons of the Company and report it timely to the Board and the Supervisory Committee; to define the types of the related party/connected transactions and determine their approval procedures, standards and other matters; to review contemplated major related party/connected transactions of the Company with any related parties/connected persons, form a written opinion to the Board for review and report the same to the Supervisory Committee; and to review the information disclosure of any related party/connected transaction.

The Related Party Transactions Control Committee of the Company currently comprises three members, namely, Mr. SHI Qingchun, Mr. LI Qing, and Mr. ZHANG Jianhua, each an independent non-executive Director. The chairman of the Related Party Transactions Control Committee is Mr. SHI Qingchun, an independent non-executive Director.

During the Reporting Period, the Related Party Transactions Control Committee held six meetings, details of which are as follows:

Date of Meeting	Proposals Passed
25 March 2022	Resolution on Estimation of Related Party/Continuing Connected Transactions Contemplated in the Ordinary Course of Business of the Company in 2022
6 May 2022	Proposal on Special Audit Report on Material Related Party Transactions of the Company
14 June 2022	Resolution on Waiving the Right of First Refusal regarding the 10% Equity Interest in China Asset Management Co., Ltd.
26 August 2022	Proposal on Considering the Implementation of Related Party/Continuing Connected Transactions in the Ordinary Course of Business of the Company in the First Half of 2022 Proposal on the Amendments to the Administrative Measures on Related Party Transactions of the Company
29 September 2022	Proposal on Renewal of Framework Agreement for Day-to-day Related Party/Continuing Connected Transactions with the CITIC Group Corporation Proposal on External Investment through Subsidiaries
30 December 2022	Proposal on Election of the Chairman of the Related Party Transactions Control Committee of the Eighth Session of the Board of the Company

All members of the Related Party Transactions Control Committee attended the above meetings.

8.10. Performance of Duties by Independent Non-executive Directors

8.10.1. Work in relation to periodic reports

(1) Preparation and review of 2021 Annual Report

All of the independent non-executive Directors of the Company are members of the Audit Committee. On 11 March 2022, the 2022 1st meeting of the Audit Committee of the Seventh Session of the Board of the Company listened to the reports of PwC Zhong Tian and PwC Hong Kong on the preliminarily audit results of 2021 Annual Report, considered/preliminarily considered on the 2021 Audit Work Report of the Company, the Proposal on Amendments to the Key Inputs of Expected Credit Loss Measurement, the Proposal on Provision for Other Assets Impairment Loss of the Company for 2021 and the 2022 Audit Work Plan of the Company.

On 25 March 2022, the 2022 2nd meeting of the Audit Committee of the Seventh Session of the Board of the Company considered/preliminarily considered the 2021 Annual Audit Work Summary of PwC, the 2021 Annual Report, the Audit Report on the Internal Control, the 2021 Assessment Report on the Internal Control and the Performance Report of the Audit Committee of the Board for 2021.

(2) Preparation and review of 2022 Annual Report

On 9 January 2023, the 2023 1st meeting of the Audit Committee of the Eighth Session of the Board considered and approved the 2022 Audit Plan of the Company.

On 10 March 2023, the independent non-executive Directors inspected the Company's operation, listened to the report on the financial position and the business performance of the Company in 2022, and communicated with the operation management; independent non-executive Directors met the accounting firms and listened to the report of PricewaterhouseCoopers on the Preliminary Audit Results for 2022 Annual Report. As members of the Audit Committee, all the independent non-executive Directors of the Company considered/preliminarily considered the Report of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers regarding Preliminarily Audit Results of 2022 Annual Report of the Company, the 2022 Audit Work Report of the Company, and the 2023 Audit Work Plan of the Company.

On 25 March 2023, as members of the Audit Committee, all of the independent non-executive Directors of the Company considered/preliminarily considered the 2022 Annual Audit Work Summary of PwC, the Performance Report of the Audit Committee of the Board for 2022, the 2022 Annual Report, the 2022 Assessment Report on the Internal Control, and the Audit Report on the Internal Control.

8.10.2. Review of related party/connected transactions

On 25 March, 6 May, 14 June, 26 August and 29 September 2022, respectively, the independent non-executive Directors of the Company, all being members of the Related Party Transactions Control Committee, considered/ preliminarily considered the Proposal on the Estimation of Related Party/Continuing Connected Transactions to be Contemplated in the Ordinary Course of Business of the Company in 2022, the Special Audit Report on Major Related Party Transactions of the Company, the Resolution on Waiving the Right of First Refusal regarding the 10% Equity Interest in China Asset Management Co., Ltd., the Proposal on Considering the Related Party/Continuing Connected Transactions in the Ordinary Course of Business of the Company in the First Half of 2022, the Proposal on the Amendments to the Administrative Measures on Related Party Transactions of the Company, the Proposal on Renewal of Framework Agreement for Day-to-day Related Party/Continuing Connected Transactions with the CITIC Group Corporation, and the Proposal on External Investment through Subsidiaries.

On 18 March, 28 March, 20 April, 14 June, 28 June, 29 September and 30 September 2022, respectively, the independent non-executive Directors of the Company gave their Prior Approval Opinions and Independent Opinions about the Company's annual daily related party/continuing connected transactions and forecast, external investment through subsidiaries, renewal of framework agreement, joint investment with related/connected parties, waiver of the right of first refusal and other related party/connected transactions.

8.10.3. Other performance of duties

On 8 February, 22 February, 28 March, 13 May, 29 August, 29 November, 27 December and 30 December 2022, respectively, the independent non-executive Directors of the Company issued the Special Explanations and Independent Opinions on matters in respect of the management of fund raising, the guarantee situation, profit distribution, re-appointment of accounting firms, provision for impairment losses, total annual remuneration for directors and senior management, and candidates for directors and senior management.

8.10.4. Establishment and improvement of working system in relation to the independent non-executive Directors and performance of independent non-executive Directors

In order to improve the corporate governance structure, promote the regulated operations, safeguard the overall interests of the Company and protect the lawful rights and interests of all Shareholders, particularly the minority Shareholders, the Working System for Independent Directors of the Company formulated on 28 July 2008 by the 28th Meeting of the Third Session of the Board and amended on 27 December 2022 by the 48th Meeting of the Seventh Session of the Board of the Company. The contents of the system include: qualifications of independent Directors; nomination, election and replacement of independent Directors; special powers of independent Directors; independent opinions of independent Directors; necessary conditions being provided for independent Directors; and working system regarding the annual report.

During their term of office, all independent non-executive Directors complied with relevant requirements of the laws, regulations and the Articles of Association of the Company, and had devoted sufficient time and energy to performing their duties. When making an independent judgment, the independent non-executive Directors were not affected by the substantial Shareholders of the Company or any other entity or individual having an interest in the Company; and they endeavored to protect the interests of the Company and minority Shareholders.

The independent non-executive Directors actively participated in all the meetings of the Board. Among the members of the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, the Risk Management Committee and the Related Party Transactions Control Committee of the Board, the Company has appointed the requisite number of independent non-executive Directors as required by their respective rules. Among, each of the chairman of the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Related Party Transactions Control Committee is assumed by an independent non-executive Director. All the chairmen of the committees convened the meetings according to the relevant rules of procedure.

8.11. Supervisors and the Supervisory Committee

The Supervisory Committee is the supervisory body of the Company and is accountable to the general meeting. According to the Company Law and the Articles of Association of the Company, the Supervisory Committee is responsible for overseeing the financial activities and internal control of the Company, and the legality and compliance of the Board, the Operation Management and its members in the performance of their duties.

In 2022, the Supervisory Committee of the Company strictly complied with the Company Law, the Articles of Association of the Company and other relevant requirements, lawfully and diligently performed its duties, observed the relevant procedures, attended all on-site meetings of the Board and general meetings, made reports to the general meeting and submitted its working reports and relevant proposals. Based on the spirit of being accountable to all Shareholders, the Supervisory Committee effectively supervised the legality and compliance of the Company's finance and the performance of duties by the Board and the Operation Management of the Company.

8.11.1. Meetings of the Supervisory Committee and attendance of Supervisors during the Reporting Period

In 2022, the Supervisory Committee of the Company convened 8 meetings in total. Details of which are as follows:

Session	Date of Meeting	Proposals Passed
The 13th Meeting of the Seventh Session of the Supervisory Committee	8 February 2022	The meeting considered and approved: Proposal on the Use of Temporary Idle A Share Raised Funds for Cash Management
The 14th Meeting of the Seventh Session of the Supervisory Committee	28 March 2022	The meeting considered and approved: 2021 Annual Report Proposal on 2021 Profit Distribution Plan 2021 Work Report of the Supervisory Committee Proposal on the Total Remuneration of the Supervisory Committee for 2021 2021 Social Responsibility Report Proposal on Provision for Other Assets Impairment Loss of the Company for 2021 Proposal on the Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue of the Company and considered: 2021 Audit Work Report 2021 Assessment Report on Internal Control 2021 Compliance Report 2021 Integrity Practice Management Report 2021 Comprehensive Risk Management Report
The 15th Meeting of the Seventh Session of the Supervisory Committee	28 April 2022	The meeting considered and approved: 2022 First Quarterly Report

Session	Date of Meeting	Proposals Passed
The 16th Meeting of the Seventh Session of the Supervisory Committee	29 August 2022	The meeting considered and approved: 2022 Interim Report 2022 Interim Special Report on the Depository and Actual Use of the Proceeds and considered: 2022 Interim Compliance Report 2022 Interim Comprehensive Risk Management Report 2022 Interim Risk Appetite Management Report
The 17th Meeting of the Seventh Session of the Supervisory Committee	28 October 2022	The meeting considered and approved: 2022 Third Quarterly Report
The 18th Meeting of the Seventh Session of the Supervisory Committee	30 November 2022	The meeting considered and approved: Proposal on the Election of the Non-Employee Representative Supervisors of the Eighth Session of the Supervisory Committee of the Company
The 19th Meeting of the Seventh Session of the Supervisory Committee	27 December 2022	The meeting considered and approved: Proposal on Amendments to the Rules of Procedure for the Supervisory Committee of the Company Proposal on Changes to the Special Account for Proceeds from the A-Share Rights Issue
The 1st Meeting of the Eighth Session of the Supervisory Committee	30 December 2022	The meeting considered and approved: Proposal on the Election of the Chairman of the Supervisory Committee of the Company

During the Reporting Period, the attendances of Supervisors at the meetings of the Supervisory Committee during their term of office are as follows:

Name of the Supervisor	Position	Required attendance at meetings of the Supervisory Committee during the year	Actual attendance	Attendance at on-site meetings by other means	Attendance by proxy	Absence
ZHANG Changyi	Supervisor, Chairman of the Supervisory Committee	8	8	1	—	—
GUO Zhao	Supervisor	8	8	1	—	—
RAO Geping	Supervisor	8	8	1	—	—
YANG Liqiang	Employee Representative Supervisor	1	1	—	—	—
NIU Xuekun	Employee Representative Supervisor	8	8	1	—	—
LI Ning	Former Employee Representative Supervisor	7	7	1	—	—
Meetings of the Supervisory Committee held during the year:			8			
Of which: number of meetings held on-site:			7			

8.11.2. Participating in the audit project of the Company and conducting on-site inspections

To ensure the Supervisors to perform their supervision duties, the Supervisory Committee continued to supervise and inspect the Company's day-to-day operations. In March, August and September 2022, the Supervisors of the Company participated in the on-site activities on performance of duties, listened to the research reports of the business departments of the Company with regard to the macroeconomy and capital market, the report of the PwC on the 2022 Interim Work Review and other reports, respectively, and engaged in the on-site opinion exchange sessions on audit held by the business departments of the Company.

8.12. Appointment of Auditors

For information in relation to the appointment of auditors and the remuneration for audit services, please refer to "5.2. Appointment or Termination of Service of Accounting Firms" of this results announcement.

The Directors are responsible for the preparation of the accounts and the auditors are responsible for the issuance of audit opinions on the financial statements based on their audit work.

8.13. Non-audit Work

During the Reporting Period, the Company engaged PwC Zhong Tian to provide non-audit services to the Company, including rights issue, bond issuance, capital verification and ESG report assurance with a total non-audit service fee of RMB4.30 million.

8.14. Responsibilities of Directors for the Financial Statements

The following responsibility statement of Directors regarding the financial statements shall be read in conjunction with the responsibility statement of the certified public accountants included in the audit report of this report. Each responsibility statement shall be understood separately.

All Directors of the Company confirm that they have the responsibilities to compile the financial statements which can truly reflect the operating results of the Company in each financial year. To the best knowledge of all Directors, there are no events or situations which may cause a material adverse impact on the ongoing operations of the Company.

8.15. Company Secretary

During the Reporting Period, Ms. LIU Xiaomeng and Ms. YU Hiu Kwan, Hilda are the Joint Company Secretaries. The Company Secretary is accountable to the Board and ensures that various meetings of the Board are successfully convened according to the correct procedures; advises and recommends on issues related to corporate governance; and promotes effective communication among members of the Board, and among the Directors, the Shareholders and the Operation Management of the Company.

During the Reporting Period, in order to better perform duties and in accordance with the Hong Kong Listing Rules and other relevant requirements, Ms. LIU Xiaomeng had received over 40 hours of professional training, including: participated in the 65th Seminar for Strengthening the Ongoing Professional Development of Corporate Governance Professionals organized by the Hong Kong Chartered Governance Institute; participated in the Management Series System Training for Securities Institution Practitioners held by the Securities Association of China and follow-up training for securities practitioners; participated in the ESG Seminar on online refueling of "Gas Stations" held by the Shenzhen Public Companies Association; participated in compliance training including ESG policy system and investment methods, anti-money laundering training, and securities industry culture promotion. Ms. YU Hiu Kwan, Hilda had received 15 hours of professional training, including the following areas: prescribed new search arrangements for personal data in Hong Kong, common ways to set up business in Hong Kong, updating the economic substance of Cayman Islands and British Virgin Islands, Hong Kong company secretarial practices, and resolving cross-border disputes through arbitration.

Subsequent to the Reporting Period, the Hong Kong Stock Exchange confirmed that Ms. LIU Xiaomeng is qualified to act as the Company Secretary of the Company in accordance with Rule 3.28 of the Hong Kong Listing Rules. On 10 February 2023, Ms. YU Hiu Kwan, Hilda resigned as the Joint Company Secretary and Ms. LIU Xiaomeng acted independently as the Company Secretary of the Company. For details, please refer to the relevant announcement disclosed by the Company on the HKEXnews website of HKEX and the Company's website on the same day.

8.16. Investor Relations

8.16.1. Amendments to the Articles of Association

Upon preliminary review at the 34th Meeting of the Seventh Session of the Board of the Company, the First Extraordinary General Meeting in 2022 approved the amendment to the Articles of Association of the Company and its attachments and included the construction of corporate cultures into the Articles of Association of the Company for the first time. The increase of the registered capital of the Company and the corresponding amendment to the Articles of Association of the Company resulting from that increase were also approved by the 38th Meeting of the Seventh Session of the Board. The amended Articles of Association of the Company took effect on 13 April 2022.

Upon preliminary review at 48th Meeting of the Seventh Session of the Board of the Company, the 2023 First Extraordinary General Meeting approved the amendment to the Articles of Association and appendixes of the Company and adjusted the highest operation management authority and the business scope of the Company. The amended Articles of Association of the Company took effect on 9 March 2023.

8.16.2. Work conducted relating to investor relations during the Reporting Period

The Company pays high attention to the protection of the lawful interests of shareholders and investors, especially those of minority shareholders and investors. Through the shareholder hotline, e-mail, SSE "e-interaction" and other network platforms, the Company takes the General Meetings, investor briefings, road shows, analyst meetings, visitor receptions, discussions, and other methods to listen to the investors' opinions and suggestions in all aspects and respond to investors' demands in a timely manner.

In 2022, the Company held three results conferences in the form of "live streaming video + online roadshow + telephone communication", and attracted about 160,000 investors and media to participate in the meeting, and the Company was once again awarded the "Best Practice of 2021 Annual Results Announcement of Public Companies" by China Association for Public Companies. The investor relations team of the Company timely exchanged views with investors and analysts on market focus, rights issue of the Company as well as updates in regulatory policies. The Company also ensured the investor hotline access rate, continuously optimized the function of the mailbox and the Company's website, timely updated the contents on SSE e-interaction platform, and replied to investors' questions to keep investors informed of the development of the Company in a more convenient, rapid, prompt and comprehensive manner.

8.17. Risk Management and Internal Control

8.17.1. Statement of the Board regarding the responsibility of risk management and internal control

In accordance with the requirements of the corporate internal control standard system, it is the responsibility of the Board of the Company to establish, improve and effectively implement internal control, assess its effectiveness and truthfully disclose the assessment report on internal control. The Supervisory Committee oversees the establishment and implementation of internal control by the Board. The Operation Management is responsible for organizing and steering the day-to-day operation of corporate internal control.

The goal of the Company's internal control is to provide reasonable assurance for the legal compliance of the operation and management, safety of the assets, truthfulness and completeness of the financial reports and relevant information, improve operational efficiency and effectiveness so as to facilitate the realization of development strategies. Due to its inherent limitations, internal control can only provide reasonable assurance for the achievement of the above objectives. Moreover, as changes in circumstances may render the internal control to be inappropriate, or reduce the degree of compliance with policies and procedures of the internal control, predicting the effectiveness of future internal control based on the assessment results of internal control may involve certain risks.

The Audit Committee of the Board assists the Board in independently reviewing the Company's financial condition and the implementation and effects of the internal control system, and reviewing and supervising the results of the Company's internal audit work. There were no significant internal control issues found during the relevant review. The Board was of the view that the existing risk management and internal control systems were effective and sufficient during the Reporting Period and as of the disclosure date of this report.

8.17.2. Risk management system and procedures for identifying, assessing, and managing significant risks

For details of the Company's risk management system and the Company's procedures for identifying, assessing and managing significant risks, please refer to the section "3.5. Risk Management" of this results announcement.

8.17.3. Procedures for resolving severe defects in internal control

The Company conducts a self-evaluation of the risk management systems during its annual internal control assessment. If any defect is found, the Company will formulate a rectification plan to diminish the defect. Risk events and potential defects that arise in the day-to-day risk management work are effectively managed according to the procedures of risk management systems. Under its comprehensive risk management system, the Company regularly updates and revises risk management systems and processes so as to adapt to the changing risk exposures and management requirements. The Audit Department of the Company inspects the internal controls of each business and issues audit reports, offer advice for rectification and provides management proposals on issues found during the audit. The Compliance Department of the Company formulates defect rectification plans in accordance with laws and regulations as well as the regulatory requirements, and is also responsible for the specific implementation of defect rectification work.

8.17.4. Basis of establishment of internal control over financial reporting

According to the criteria for determining major defects, important defects and general defects as defined by in the corporate internal control standard system and in light of the factors including the Company's scale, industry-specific features, risk appetite and risk tolerance, the Board of the Company distinguished internal control over financial reporting and internal control over non-financial reporting and studied and defined the criteria suitable for the specific determination of internal control defects of the Company and kept it consistent with the criteria of the previous years.

An internal control defect should be recognized as a major defect if it is reasonably possible that such defect, alone or in combination with other defects, may lead to the failure to prevent or detect and correct the material misstatement in the financial report in time. An internal control defect is recognized as an important defect if it is reasonably possible that such defect, alone or in combination with other defects, may lead to the failure to prevent or detect and correct the misstatement in the financial report that has not reached the level of major defects but has come to the attention of the Board and the management. Internal control defects that do not constitute major defects or important defects are recognized as general defects.

According to the determination of major defects in the Company's internal control over financial reporting, there were no major defects in the internal control over financial reporting as at the benchmark date of the internal control evaluation report. The Company has maintained effective internal control over financial reporting in all material aspects in accordance with the requirements of the corporate internal control standard system and relevant regulations.

8.17.5. Overall view on establishment of the internal control system

The Company has attached great importance to the development of its internal rules and regulations and its management systems since the Company was established. The Company has continued to improve its internal control according to the latest regulatory requirements and made consistent efforts to improve internal control in every aspect of its business development.

With the authorization of the Board of the Company, the Compliance Department of the Company has led the establishment of the internal control self-assessment working group of the Company to independently conduct the internal control self-assessment. After years of accumulating experience, the Company has established a relatively stable system of personnel allocation and responsibilities and cultivated its internal control self-assessment procedures and mechanism which are in line with the actual situations of the Company, thereby enabling the assessment results to reflect a real and accurate picture of the Company's internal control.

As of the end of the Reporting Period, the Company has established an internal control system in line with its business nature, scale and degree of complexity, as well as achieved remarkable results in ensuring the compliance of the Company's operations and management, safety of the assets, truthfulness and integrity of the financial reports and relevant information, and the improvement of business efficiency and effectiveness.

The Company has established, improved and implemented a set of systems, including the information segregation wall, the registration system of persons informed of undisclosed information, and the registration system for persons informed of insider information, according to the regulatory requirements. It effectively prevented the improper use and dissemination of sensitive information. Meanwhile, the Company disclosed the relevant information in a true, accurate, complete and timely manner strictly in compliance with the laws, regulations and the Articles of Association, and ensured that all investors have equal opportunities of promptly accessing the Company's information.

8.17.6. Management and control over subsidiaries during the Reporting Period

The Company formulated the Measures for the Management over Subsidiaries, Associated Companies and Joint Ventures of CITIC Securities Company Limited and the Measures for the Management of Designated Directors or Supervisors of CITIC Securities Company Limited, to strengthen the management over subsidiaries and standardize their operation and management, effectively control risks and safeguard the interests of the Company. The Company fully performed the duties as shareholders and designated directors and supervisors to get involved in the significant business decisions of subsidiaries via participating in the corporate governance of subsidiaries according to laws, thereby implementing unified management requirements of the Company for corporate governance. Subject to the compliance with regulatory requirements, the Company managed its controlled subsidiaries through vertically management in terms of human resources, finance, assets and liabilities, legal affairs, risks, compliance, auditing and other aspects.

8.17.7 Related information on the internal control auditing report

PwC Zhong Tian engaged by the Company has given an audit opinion on the effectiveness of the internal control over the financial reporting of the Company and issued the Internal Control Auditing Report of CITIC Securities Company Limited (《中信証券股份有限公司內部控制審計報告》), which is of the opinion that the Company has maintained effective internal control over financial reporting in all material aspects as at 31 December 2022 in accordance with the Fundamental Norms on Enterprise Internal Control and relevant regulations. The Company disclosed the Internal Control Evaluation Report for the Year 2022 (《2022年度內部控制評價報告》) and the Internal Control Auditing Report (《內部控制審計報告》) of the Company when disclosing this results announcement, and there was no disagreement.

Whether to disclose the internal control auditing report: Yes
Type of opinion on the Audit Report of Internal Control: Standard unqualified opinion

8.17.8. Implementation of the Company's accountability system for material errors in information disclosure in the annual report

In order to further improve the Company's internal control system and reinforce the financial accountability system, the Board of the Company developed the Accountability System for Material Errors in Information Disclosure in the Annual Report, and this system became effective on 29 March 2010.

During the Reporting Period, the system had been implemented satisfactorily, and there had been no material accounting error, material omission of information which needed to be supplemented, or correction on the preliminary announcement on the Company's results.

8.17.9. Other matters of report

Establishment of the compliance management system

The Company attaches great significance to compliance management. Positioning around the objective of "Comprehensively Improving Compliance Management Capabilities, Providing Timely and Effective Compliance Support for the Company's Business Development to Achieve Sustainable and Standardized Development of the Company", the Company continues to improve the compliance management system, enhance the compliance risk management and control capabilities and promote the construction of the compliance culture through systems, processes, training, consultation, inspection, monitoring and other means.

The Company constantly establishes and improves a comprehensive and multi-level organizational system for compliance management. The compliance management of the Company is led by the Board, supervised by the Supervisory Committee and implemented by the Chief Compliance Officer and the Compliance Department. The Operation Management, head of each department or business line and the Compliance Specialist, shall perform their duties of compliance management within their own scope of authorities, respectively.

Internal audit

During the Reporting Period, the Audit Department of the Company completed routine audits, resignation audits, special audits and compulsory resignation audits on general managers of securities outlets for a total of 133 projects among 8 departments/business lines at the headquarter, 102 securities outlets and 5 subsidiaries of the Company. Details of which are as follows:

The 20 audit projects for the headquarter of the Company include: 4 routine audits on the Treasury Department and the debt business of the Investment Banking Management Committee; periodic audits on comprehensive risk management, credit business, material related party transactions, transactions with overseas subsidiaries and securities investment fund sales business; special audits on the Company's information technology management, the Company's write-off of bad debts and the rectification of the audit findings; and resignation audit on investment managers in the equity investment department, equity derivatives business line and the asset management business.

The 107 audit projects for the securities outlets include: compulsory resignation audit projects on general managers of 69 securities outlets and resignation audit projects on general managers of 38 securities outlets.

The 6 audit projects for subsidiaries include: routine audits on three subsidiaries including Qingdao GoldStone Haorui Investment Company Ltd (青島金石灝沨投資有限公司), and 3 special audits including anti-money laundering in the United States.

Through the audits mentioned above, the Audit Department of the Company evaluated the soundness and effectiveness of internal control in the audited units, revealed the existing major risks and promoted the progress in increasing the awareness towards risk prevention among departments/business lines, securities outlets and subsidiaries and in improving the risk management of the Company.

The Status of the Establishment of Monitoring and Replenishment Mechanism of the Risk Control Indicators of the Company

The Company continues to attach great importance to the supervision indicators. It has established a dynamic monitoring system of risk control indicators in accordance with the requirements under the Measures for the Administration of the Risk Control Indicators of Securities Companies, achieving T+1 dynamic monitoring and automatic early warning of risk control indicators, and setting up the trans-departmental communication & coordination mechanism to ensure the risk control indicators kept staying within the supervision limit consistently. Meanwhile, by continuously calculating and analyzing risk control indicators for a period of time in the future, the Company is able to identify risks and make warning in advance, so as to reasonably arrange the financing activities and usage of funds.

In 2022, the Company's main risk control indicators remained good, keeping within the supervision limit.

The Company has established the net capital replenishment mechanism to ensure continued compliance of risk control indicators, such as the net capital, in accordance with the requirements of the securities regulatory authorities. As at the end of the Reporting Period, the net capital of the Company was RMB136.199 billion and all types of risk control indicators were in compliance with the relevant regulatory requirements.

Account regulation of the Company

In 2022, the Company continued to strengthen its day-to-day regulation over accounts, implement the real-name based requirement in opening and holding CSDC accounts, organize on-site inspections on the branches' businesses of real-name based accounts, and continue to follow the supplemental record of information for the integrated securities account, and report on the interest holders' data and products' net value, inspect the CSDC securities accounts, regulate categories of occupations, etc. The Company provided special trainings for each branch of the Company, and also improved the process control of accounts opening through technical means, in order to eliminate the occurrence of opening non-compliance accounts.

As of the end of the Reporting Period, the Company's wealth management business had 23,677,045 securities accounts, of which 22,201,904 were normal securities accounts, representing 93.77% of the total; 1,423,798 were dormancy securities accounts, representing 6.01% of the total; 49,460 securities accounts were frozen, representing 0.21% of the total; 1,863 were unqualified securities accounts, representing 0.01% of the total and there was no risk disposal securities account.

As of the end of the Reporting Period, the Company's wealth management business had 13,745,125 capital accounts, of which 10,725,773 were normal capital accounts, representing 78.03% of the total; 3,005,097 were internal dormancy capital accounts, representing 21.86% of the total; 10,596 were unqualified capital accounts, representing 0.08% of the total; 3,646 securities accounts were frozen, representing 0.03% of the total and there was no risk disposal capital account.

The above account regulation condition is also disclosed in the 2022 Assessment Report on Internal Control of the Company.

Reporting and Complaints

The Company formulated the Client Complaints Reporting and Handling System of CITIC Securities Company Limited, Anti-money Laundering Violation Reporting System of CITIC Securities Company Limited and Process of Receiving and Handling On-site Complaints Reporting of CITIC Securities Company Limited (Beijing) and other relevant systems, and published relevant information in prominent positions such as channels and platforms within the Company on hotlines and emails for reporting, which provided convenient reporting channels and protection measures. We respect and protect the legitimate rights and interests of investors, customers and other stakeholders, to ensure that the interests of whistle-blowers are fully protected. At the same time, the Company carries out special training on complaints reporting, interprets the complaints reporting and handling system and conveys regulatory requirements, so as to standardize the complaints reporting and handling of the company.

Anti-corruption

Relying on the construction work of risk and compliance culture, the Company used multiple platforms to publish the relevant policies and norms of integrity practices and anti-corruption, as well as popularized the representative cases of violation of discipline and laws, to deeply promote the formation of integrity practices culture. The Company formulated the Integrity Practices of CITIC Securities Company Limited and other relevant systems, and strengthened anti-corruption publicity, education and training, organized special training on standard system, core requirements and typical regulatory cases analysis of integrity practices, provided training on special Integrity Practices requirements for relevant business personnel in specific business fields, and formulated the Integrity Practices Manual and distributed it to all employees.

Self-assessment on the Implementation of the Management Measures on Information Disclosure by the Board

During the Reporting Period, the Company managed to disclose information in a manner that is true, accurate and complete in strict compliance with the laws, regulations, the Articles of Association of the Company and the Management Measures on Information Disclosure, so as to ensure the timely and fair information disclosure.

In 2022, the Management Measures on Information Disclosure, the Registration System for Persons Informed of Inside Information, and other relevant policies were effectively implemented. The Company further regulated information disclosure and improved the management and quality of information disclosure of the Company. At the same time, the Management Measures on Information Disclosure and other internal systems of the Company clearly specify the reporting, delivery, reviewing and disclosing procedures for material events of the Company. All these systems were effectively implemented.

External Guarantees

In accordance with relevant rules of the No. 8 Regulatory Guideline of the Listed Companies — Regulatory Requirements on Capital Movement, External Guarantees of Listed Companies issued by the CSRC, the independent non-executive Directors of the Company, through the understanding and investigation of the Company's relevant situation, issued special explanations and independent opinions on the Company's accumulated and current guarantees during the Reporting Period based on the information provided by the Company.

There are no overdue debts for the Company

9. INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

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Independent Auditor's Report

To the Shareholders of CITIC Securities Company Limited
(Incorporated in People's Republic of China with limited liability)

Opinion

What we have audited

The consolidated financial statements of CITIC Securities Company Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 162 to 267, comprise:

- the consolidated statement of financial position as at 31 December 2022;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Goodwill impairment assessment
- Valuation of financial instruments held at fair value classified under Level 3 Financial Instruments
- Expected credit impairment allowance of Financing Assets

Key Audit Matter	How our audit addressed the Key Audit Matter
Goodwill impairment assessment	
Refer to note 3(20), 4(1) and 21 to the consolidated financial statements. As at 31 December 2022, the Group's accumulated impairment of goodwill was RMB3,462 million and the carrying amount of goodwill was RMB8,432 million. The Group's goodwill is primarily resulted from the acquisition of China Asset Management Co., Ltd. ("China AMC") with a carrying amount of RMB7,419 million with no impairment recognised. Goodwill impairment assessment is performed annually. The impairment assessment relies upon the calculation of the recoverable amount for each of the Group's cash generating units ("CGUs") or groups of CGUs. The recoverable amount of CGUs or groups of CGUs is the higher of its fair value less costs of disposal and its value in use ("VIU"). Management considers China AMC as a separate CGU. Management used the VIU approach to assess the recoverable amount by applying a discounted cash flow ("DCF") model based on key assumptions and inputs including revenue growth rate, terminal growth rate and discount rate. Goodwill impairment assessment was a key area of audit focus due to the significant management judgement involved in selecting the appropriate key assumptions and inputs used in the estimation of each CGU's recoverable amount, and the amount of any goodwill impairment that may be required.	We compared the key assumptions used by management in preparing the cash flow forecasts of China AMC under the VIU approach against the historical figures, the approved budgets and the business plans. We involved our internal valuation specialist to assess the reasonableness of the DCF model, including the growth rate in the forecast period, terminal growth rate and the discount rate used. Our assessment was based on our knowledge of the business and industry. We also tested the mathematical accuracy of calculations used in the cash flow forecast of China AMC. Based on the results of our procedures, we found that management's judgements and assumptions used in the estimation of China AMC's recoverable amount to be acceptable.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of financial instruments held at fair value classified under Level 3 Financial Instruments	
Refer to note 3(3)(c), 4(3) and 57 to the consolidated financial statements. As at 31 December 2022, the Group's financial instruments included those classified under Level 3 in the fair value hierarchy ("Level 3 Financial Instruments"), which were measured using valuation techniques that involve significant inputs that were not based on observable market data ("unobservable inputs"). Such inputs included liquidity discounts, volatility, risk adjusted discount rate and price to book ratios, etc. The amounts of Level 3 financial assets and financial liabilities as at 31 December 2022 were RMB88,392 million and RMB34,480 million, respectively. Valuation of the Level 3 Financial Instruments was a key area of audit focus due to the size of their amounts and the selection of unobservable inputs used in the valuation process which involved significant judgment.	We evaluated the design and tested the operating effectiveness of the Group's controls over data inputs to the valuation models and the ongoing monitoring and optimisation of the models. We evaluated the appropriateness of the models used by management for the valuation of Level 3 Financial Instruments by using our knowledge of those used in current industry practice. We also evaluated on a sample basis the reasonableness and appropriateness of the unobservable and observable inputs used for measuring the fair value of Level 3 Financial Instruments with reference to relevant market data. We performed an independent valuation and sensitivity analysis of the Level 3 Financial Instruments on a sample basis. Based on the results of our procedures performed above, we found the models used and inputs adopted by management acceptable.

Key Audit Matter	How our audit addressed the Key Audit Matter
Expected credit impairment allowance of Financing Assets Refer to note 3(3)(e), 4(5), 13, 30, 33 and 58(a) to the consolidated financial statements. As at 31 December 2022, the Group's financial assets arising from financing businesses included margin accounts, stock-pledged repo under reverse repurchase agreements ("Financing Assets"). This comprised margin accounts and repo of RMB109,478 million and RMB29,396 million; with credit impairment loss allowances of RMB2,502 million and RMB6,582 million, respectively. The credit loss allowances as at 31 December 2022 for Financing Assets represented management's best estimates of the expected credit losses ("ECL") in accordance with International Financial Reporting Standard 9: "Financial Instruments". Management applied a three-stage impairment model to calculate the ECL. For Financing Assets classified under Stages 1 and 2, management assessed credit loss allowances using the risk parameter modelling approach that incorporated key parameters, including exposure at default and loss rate after taking into consideration forward looking factors. For credit-impaired Financing Assets classified under Stage 3, management assessed the credit loss allowance by estimating the future cash flows after taking into consideration forward looking factors. Management assesses whether objective evidence of impairment existed for Financing Assets at each reporting date. The measurement model for ECL involves significant management judgments and assumptions, primarily including: (1) Selection of the appropriate models and assumptions; (2) Determination of the criteria for significant increase in credit risk ("SICR"), definition of default and credit impairment; (3) Projection of macroeconomic variables for forward-looking scenarios and probability weightings. The Group has established governance processes and controls over the measurement of ECL. ECL assessment of Financing Assets was considered to be a key area of audit focus due to the size of the balances and the significant management judgements involved.	We evaluated and tested the Group's internal controls relating to the measurement of ECL for Financing Assets which included: (1) Governance over ECL models, including the selection and approval of methodologies and model; and the ongoing monitoring and optimisation of such models; (2) Review and approval of significant management judgements and assumptions, including: i) the criteria for SICR; ii) the definition of default and credit-impairment; and iii) the use of economic variables and relative weighting for forward-looking scenarios; (3) Internal controls over the accuracy and completeness of key inputs used by the models. In addition, we also performed the following procedures: (1) We examined the ECL modelling methodologies and assessed their reasonableness; (2) We examined the application of the SICR criteria and credit impairment definition by testing the collateral to financing assets ratio and the backstop past due days defined by management; (3) For forward-looking scenarios, we examined the basis of determining of the economic variables, number of scenarios and relative weightings; assessed the reasonableness of the economic variables forecasted under the different scenarios; and performed sensitivity analysis on economic indicators and relative weightings; (4) We examined major data inputs to the ECL models for selected samples, including exposure at default and loss rate after taking into consideration forward looking factors; (5) For credit-impaired assets under Stage 3, we tested, on a sample basis, the credit loss allowance computed by management with reference to financial information of borrowers and guarantors, and the latest collateral valuations, as appropriate. Based on the audit procedures performed, in the context of the inherent uncertainties associated with the measurement of ECL, we considered the models, key parameters, significant judgements and assumptions adopted by management and the measurement results to be acceptable.

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yip Siu Foon, Linda.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 March 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2022

(In RMB thousands, unless otherwise stated)

	Notes	**2022**	2021
Revenue			
Fee and commission income		**37,945,213**	40,930,909
Interest income	7	**21,023,810**	20,574,931
Investment income	8	**17,636,308**	22,682,672
		76,605,331	84,188,512
Income from bulk commodity trading		**7,372,367**	12,387,890
Other income	9	**1,963,562**	747,767
Total revenue and other income		**85,941,260**	97,324,169
Fee and commission expenses	10	**6,002,403**	6,376,739
Interest expenses	10	**15,218,022**	15,237,439
Staff costs	10	**21,173,971**	20,762,073
Depreciation of property, plant and equipment		**457,848**	399,026
Tax and surcharges		**375,476**	423,169
Cost from bulk commodity trading		**7,227,121**	11,784,741
Other operating expenses and costs	10	**7,393,617**	7,833,195
Expected credit losses	13	**(698,184)**	899,084
Impairment losses on other assets	14	**514,172**	2,604,632
Total operating expenses		**57,664,446**	66,320,098
Operating profit		**28,276,814**	31,004,071
Share of profits and losses of:			
Associates		**645,658**	851,977
Joint ventures		**27,732**	37,747
Profit before income tax		**28,950,204**	31,893,795
Income tax expense	15	**6,781,417**	7,888,714
Profit for the year		**22,168,787**	24,005,081
Attributable to:			
Owners of the Parent		**21,317,422**	23,099,625
Non-controlling interests		**851,365**	905,456
		22,168,787	24,005,081
Earnings per share attributable to Owners of the Parent (in RMB yuan)			
— Basic	18	**1.42**	1.69
— Diluted	18	**1.42**	1.69

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

(In RMB thousands, unless otherwise stated)

	2022	2021
Profit for the year	**22,168,787**	24,005,081
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		
Net losses on investments in debt instruments measured at fair value through other comprehensive income	**(6,840)**	(16,864)
Net losses on debt instruments measured at fair value through other comprehensive income reclassified to profit or loss on disposal	**(83,959)**	(11,299)
Income tax relating to these items	**(21,266)**	24,613
	(112,065)	(3,550)
Share of other comprehensive income of associates and joint ventures	**19,791**	13,625
Exchange differences on translation of foreign operations	**1,146,013**	(531,671)
Other	**—**	20,188
	1,053,739	(501,408)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Net gains on investments in equity instruments designated as at fair value through other comprehensive income	**(19,402)**	(788,366)
Income tax relating to these items	**—**	191,341
	(19,402)	(597,025)
Share of other comprehensive income of associates and joint ventures	**(3,889)**	—
Other	**6,701**	8,776
	(16,590)	(588,249)
Other comprehensive income for the year, net of tax	**1,037,149**	(1,089,657)
Total comprehensive income for the year	**23,205,936**	22,915,424
Attributable to:		
Owners of the Parent	**22,262,775**	22,029,606
Non-controlling interests	**943,161**	885,818
	23,205,936	22,915,424

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2022

(In RMB thousands, unless otherwise stated)

	Notes	31 December 2022	2021
Non-current assets			
Property, plant and equipment	19	**8,282,316**	7,800,360
Investment properties	20	**953,997**	956,861
Goodwill	21	**8,431,567**	8,675,973
Land-use rights and intangible assets	22	**3,421,368**	3,592,201
Investments in associates	24	**9,638,858**	9,089,090
Investments in joint ventures	24	**9,860**	38,894
Financial assets at fair value through other comprehensive income	25	**162,540**	164,813
Financial assets at fair value through profit or loss	31	**32,630,913**	29,231,659
Refundable deposits	26	**69,158,115**	55,183,604
Deferred income tax assets	27	**11,256,113**	9,492,914
Right-of-use assets	28	**1,942,488**	1,893,724
Other non-current assets	29	**507,717**	1,947,104
Total non-current assets		**146,395,852**	128,067,197
Current assets			
Fee and commission receivables		**2,189,302**	2,410,131
Margin accounts	30	**106,976,333**	129,119,054
Financial assets at fair value through other comprehensive income	25	**70,115,174**	69,091,928
Financial assets at fair value through profit or loss	31	**498,291,779**	516,102,101
Derivative financial assets	32	**36,388,727**	31,000,576
Reverse repurchase agreements	33	**31,483,059**	46,393,304
Other current assets	34	**58,323,821**	36,410,871
Cash held on behalf of customers	35	**245,723,271**	222,458,910
Cash and bank balances	36	**112,401,964**	97,610,703
Total current assets		**1,161,893,430**	1,150,597,578
Current liabilities			
Customer brokerage deposits	37	**279,402,254**	251,164,466
Derivative financial liabilities	32	**28,122,498**	34,117,766
Financial liabilities at fair value through profit or loss	38	**62,404,334**	49,413,477
Repurchase agreements	39	**212,745,223**	235,286,476
Due to banks and other financial institutions	40	**29,580,863**	50,683,601
Taxes payable	41	**5,576,161**	5,066,551
Short-term loans	42	**9,801,009**	7,261,987
Short-term financing instruments payable	43	**11,859,811**	14,630,461
Lease liabilities	44	**563,835**	541,974
Other current liabilities	45	**297,781,138**	265,367,689
Total current liabilities		**937,837,126**	913,534,448
Net current assets		**224,056,304**	237,063,130
Total assets less current liabilities		**370,452,156**	365,130,327

	Notes	31 December 2022	2021
Non-current liabilities			
Debt instruments issued	46	**74,759,187**	118,075,506
Deferred income tax liabilities	27	**3,176,625**	3,188,308
Long-term loans	47	**272,299**	457,866
Financial liabilities at fair value through profit or loss	38	**28,711,261**	26,230,119
Repurchase agreements	39	**1,537,872**	—
Lease liabilities	44	**1,407,947**	1,342,961
Other non-current liabilities	48	**2,214,926**	2,027,781
Total non-current liabilities		**112,080,117**	151,322,541
Net assets		**258,372,039**	213,807,786
Equity			
Equity attributable to Owners of the Parent			
Issued share capital	49	**14,820,547**	12,926,776
Other equity instruments	50	**13,761,704**	10,767,729
Reserves	51	**139,306,544**	107,816,264
Retained earnings		**85,229,293**	77,660,564
		253,118,088	209,171,333
Non-controlling interests		**5,253,951**	4,636,453
Total equity		**258,372,039**	213,807,786

The accompanying notes form an integral part of these consolidated financial statements.

Approved and authorised for issue by the Board of Directors on 30 March 2023.

Chairman

Executive Director and President

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

(In RMB thousands, unless otherwise stated)

		Attributable to owners of the Parent										
					Reserves							
	Notes	Share capital	Other equity instruments	Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total
At 1 January 2022		**12,926,776**	**10,767,729**	**65,629,381**	**9,985,077**	**32,958,534**	**(88,824)**	**(667,904)**	**77,660,564**	**209,171,333**	**4,636,453**	**213,807,786**
Profit for the year		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**21,317,422**	**21,317,422**	**851,365**	**22,168,787**
Other comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**(108,863)**	**1,054,216**	**—**	**945,353**	**91,796**	**1,037,149**
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**(108,863)**	**1,054,216**	**21,317,422**	**22,262,775**	**943,161**	**23,205,936**
Dividends — 2021	17	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(8,003,095)**	**(8,003,095)**	**—**	**(8,003,095)**
Distribution to other equity instrument holders	17	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(497,209)**	**(497,209)**	**—**	**(497,209)**
Appropriation to surplus reserves		**—**	**—**	**—**	**1,308,816**	**—**	**—**	**—**	**(1,308,816)**	**—**	**—**	**—**
Appropriation to general reserves		**—**	**—**	**—**	**—**	**3,925,768**	**—**	**—**	**(3,925,768)**	**—**	**—**	**—**
Capital increase/(decrease)												
— Capital increase by equity holders		**1,893,771**	**—**	**25,309,120**	**—**	**—**	**—**	**—**	**—**	**27,202,891**	**—**	**27,202,891**
— Capital increase by other equity instrument holders	50	**—**	**2,993,975**	**—**	**—**	**—**	**—**	**—**	**—**	**2,993,975**	**—**	**2,993,975**
— Others		**—**	**—**	**1,223**	**—**	**—**	**—**	**—**	**(13,805)**	**(12,582)**	**123,673**	**111,091**
Dividends to non-controlling interests		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(449,336)**	**(449,336)**
At 31 December 2022		**14,820,547**	**13,761,704**	**90,939,724**	**11,293,893**	**36,884,302**	**(197,687)**	**386,312**	**85,229,293**	**253,118,088**	**5,253,951**	**258,372,039**

		Attributable to owners of the Parent										
					Reserves							
	Notes	Share capital	Other equity instruments	Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total
At 1 January 2021		12,926,776	—	65,631,818	9,438,480	28,634,720	469,163	(155,872)	64,766,984	181,712,069	4,170,667	185,882,736
Profit for the year		—	—	—	—	—	—	—	23,099,625	23,099,625	905,456	24,005,081
Other comprehensive income for the year		—	—	—	—	—	(557,987)	(512,032)	—	(1,070,019)	(19,638)	(1,089,657)
Total comprehensive income for the year		—	—	—	—	—	(557,987)	(512,032)	23,099,625	22,029,606	885,818	22,915,424
Dividends — 2020	17	—	—	—	—	—	—	—	(5,170,710)	(5,170,710)	—	(5,170,710)
Distribution to other equity instrument holders	17	—	—	—	—	—	—	—	(157,636)	(157,636)	—	(157,636)
Appropriation to surplus reserves		—	—	—	546,597	—	—	—	(546,597)	—	—	—
Appropriation to general reserves		—	—	—	—	4,323,814	—	—	(4,323,814)	—	—	—
Capital increase/(decrease)												
— Capital increase by equity holders		—	—	—	—	—	—	—	—	—	(4)	(4)
— Capital increase by other equity instrument holders	50	—	10,767,729	—	—	—	—	—	—	10,767,729	—	10,767,729
— Others		—	—	(2,437)	—	—	—	—	(7,288)	(9,725)	(10,799)	(20,524)
Dividends to non-controlling interests		—	—	—	—	—	—	—	—	—	(409,229)	(409,229)
At 31 December 2021		12,926,776	10,767,729	65,629,381	9,985,077	32,958,534	(88,824)	(667,904)	77,660,564	209,171,333	4,636,453	213,807,786

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

(In RMB thousands, unless otherwise stated)

	2022	2021
Cash flows from operating activities		
Profit before income tax	**28,950,204**	31,893,795
Adjustments for:		
Financing interest expense	**6,378,624**	7,416,364
Share of profits and losses of associates and joint ventures	**(673,390)**	(889,724)
Interest income and dividend income from financial assets at fair value through other comprehensive income	**(1,491,050)**	(2,801,292)
Net (gains)/losses on disposal of debt instruments at fair value through other comprehensive income	**(256,582)**	(44,074)
Net (gains)/losses on disposal of property, plant and equipment and other assets	**(924)**	(38,686)
(Gains)/losses on disposal of associates, joint ventures and subsidiaries	**(20,786)**	(55)
Fair value (gains)/losses on financial assets and liabilities measured at fair value through profit or loss	**13,659,871**	(5,306,730)
Depreciation	**1,349,592**	1,271,832
Amortisation	**388,709**	360,152
Expected credit losses/(reversals)	**(698,184)**	899,084
Impairment on other assets	**514,172**	2,604,632
	48,100,256	35,365,298
Net (increase)/decrease in operating assets		
Financial assets at fair value through profit or loss	**(9,751,173)**	(142,278,765)
Cash held on behalf of customers	**(23,264,362)**	(22,941,333)
Other assets	**75,832,622**	(46,127,511)
	42,817,087	(211,347,609)
Net increase/(decrease) in operating liabilities		
Customer brokerage deposits	**27,648,039**	46,350,783
Repurchase agreements	**(21,003,381)**	36,987,076
Other liabilities	**(33,940,192)**	108,032,111
	(27,295,534)	191,369,970
Net cash inflow from operating activities before tax	**63,621,809**	15,387,659
Income tax paid	**(8,363,459)**	(9,870,867)
Net cash inflow from operating activities	**55,258,350**	5,516,792

	Notes	2022	2021
Cash flows from investing activities			
Net cash flow from purchases and sales of items of property, plant and equipment and other assets		**(1,304,020)**	(719,738)
Net cash flow from disposal of subsidiaries	23(c)	**—**	15,417
Net cash flow from investments in associates and joint ventures		**293,879**	265,537
Net cash flow of financial assets at fair value through other comprehensive income		**186,928**	(6,729,375)
Net cash flow from other investing activities		**31,474**	252,435
Net cash (outflow)/inflow from investing activities		**(791,739)**	(6,915,724)
Cash flows from financing activities			
Cash inflows from the rights issue		**27,156,972**	—
Cash inflows from issuance of perpetual bonds		**3,000,000**	10,800,000
Cash inflows from borrowing activities		**10,194,389**	24,034,869
Cash inflows from issuing bonds		**67,716,044**	106,375,493
Payment of debts		**(133,201,845)**	(118,449,931)
Dividends and interest expenses paid		**(15,516,047)**	(12,500,569)
Other cash outflows from financing activities		**(1,209,107)**	(546,422)
Net cash inflow/(outflow) from financing activities		**(41,859,594)**	9,713,440
Net increase in cash and cash equivalents		**12,607,017**	8,314,508
Cash and cash equivalents at the beginning of the year		**90,064,626**	83,339,178
Effect of exchange rate changes on cash and cash equivalents		**556,628**	(1,589,060)
Cash and cash equivalents at the end of the year	52	**103,228,271**	90,064,626

The accompanying notes form an integral part of these consolidated financial statements.

1 CORPORATE INFORMATION

CITIC Securities Company Limited (the "Company") was established in Beijing, the People's Republic of China (the "PRC" or "Mainland China", which excludes for the purpose of these consolidated financial statements, the Hong Kong Special Administrative Region of the PRC or "Hong Kong", the Macau Special Administrative Region of the PRC or "Macau", and Taiwan) on 25 October 1995. Pursuant to approval by the China Securities Regulatory Commission (the "CSRC"), the Company was restructured as a joint stock limited company in 1999. The unified social credit code of the Company for its business license is 9144030010178144O2. The Company's common stock was listed on the PRC domestic A-share market and Hong Kong Stock Exchange in 2003 and 2011 respectively. The registered office of the Company is located at North Tower, Excellence Times Plaza II, No. 8 Zhongxin San Road, Futian District, Shenzhen, Guangdong Province, the PRC.

According to a resolution relating to the issue and listing of H Shares in Hong Kong passed in the first extraordinary general meeting of shareholders in 2011, along with the "Approval of Issue of Overseas-Listed Foreign Shares of CITIC Securities" (CSRC [2011] No. 1366) issued by the CSRC, the Company conducted its initial public offering of Overseas-Listed Foreign Shares ("H shares") from September to October 2011. Under this offering, the Company offered a total of 1,071,207,000 H shares (including over-allotment of 75,907,000 H shares) with a nominal value of RMB1.00 per share. As at 31 December 2011, the total share capital of the Company increased to RMB11,016,908,400.00. The capital increase has been verified by Ernst & Young Hua Ming according to the capital verification report of Ernst & Young Hua Ming Yan Zi (2011) 60469435_A09.

According to the resolution of the additional issuance and listing of H shares in Hong Kong Exchange approved at the 2015 First Extraordinary General Meeting, along with the approval of CSRC and Hong Kong Exchange, the Company completed its additional issuance and listing of H shares on 23 June 2015. Under this offering, the Company offered a total of 1,100,000,000 H shares with an offering price of HKD24.60 per share. As at 31 December 2015, the total share capital of the Company increased to RMB12,116,908,400.00, according to the capital verification report (Zhong Tian Yan Zi (2015) No. 748) issued by PricewaterhouseCoopers Zhong Tian LLP.

In March 2020, the Company issued 809,867,629 ordinary A shares to Guangzhou Yuexiu Financial Holding Group Co., Ltd. and its wholly-owned subsidiary Guangzhou Yuexiu Financial Holding Limited for the acquisition of Guangzhou Securities Company Limited. The total share capital of the Company increased to RMB12,926,776,029.00 after such issuance. The capital increase has been verified by the capital verification report (PwC Zhong Tian Yan Zi (2020) No. 0134).

Pursuant to the CSRC's Approval in respect of the Rights Issue of CITIC Securities Company Limited (Zheng Jian Xu Ke [2021] No. 3729), the Company has offered A share rights issue on the basis of 1.5 A shares for every 10 existing A shares held to all A Shareholders registered on the registry of the Company at the Shanghai branch of China Securities Depository and Clearing Corporation Limited after the close of trading on the A Shares Record Date (18 January 2022). The actual number of shares placed in this A shares placement is 1,552,021,645 shares. The subscription payment for the A share rights issue ended on 25 January 2022.

Pursuant to the CSRC's Approval in respect of the Rights Issue of CITIC Securities Company Limited (Zheng Jian Xu Ke [2021] No. 3714), the Company has offered H share rights issue on the basis of 1.5 H shares for every 10 existing H shares held to all H shareholders registered on the registry of the Company at Hong Kong Securities Clearing Company Limited on the H Shares Record Date (9 February 2022). The actual number of shares placed in this H shares placement is 341,749,155 shares. The subscription payment for the H share rights issue ended on 23 February 2022.

The above-mentioned A shares and H shares placement raised a total of net amount of RMB27,202,891,118.60, increasing the share capital by RMB1,893,770,800.00 and increasing the capital reserve by RMB25,309,120,318.60.

The Company (also referred to as the "Parent") and its subsidiaries (collectively referred to as the "Group") conduct the following principal activities:

- Securities and futures brokerage;
- Securities investment fund distribution and introducing brokerage business for futures companies;
- Agency sale of financial products;
- Securities underwriting and sponsorship;
- Investment advisory and consultancy services;
- Proprietary securities activities;
- Asset management and fund management;
- Margin financing and securities lending; and
- Stock option market-making.

2 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), as issued by the International Accounting Standards Board ("IASB"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance (Cap. 622) for this financial year and the comparative period.

These consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, financial assets/liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, which have been measured at fair value, as further explained in the respective accounting policies below. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

2.1 Standards and amendments effective in 2022 relevant to and adopted by the Group

On 1 January 2022, the Group has adopted the following IFRSs and amendments issued by the International Accounting Standards Board ("IASB"), which were mandatorily effective:

IFRS 3 Amendments	Business Combination
IAS 16 Amendments	Property, Plant and Equipment: Proceeds before Intended Use
IAS 37 Amendments	Onerous Contracts — Cost of Fulfilling a Contract
Annual Improvements to IFRSs 2018–2020 Cycle (issued in May 2020)	Minor Amendments to IFRS 1, IFRS 9, IAS 41 and IFRS 16

(1) IFRS 3 Amendments: Business Combination

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.

(2) IAS 16 Amendments: Property, Plant and Equipment: Proceeds before Intended Use

IAS 16 Amendments prohibit entities from deducting from the cost of an item of property, plant and equipment, any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that when 'testing whether the asset is functioning properly', an entity assesses the technical and physical performance of the asset. The assessment of functioning properly is not an assessment of the financial performance of an asset, such as assessing whether the asset has achieved the level of operating margin initially anticipated by management. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

(3) IAS 37 Amendments: Onerous Contracts — Cost of Fulfilling a Contract

IAS 37 Amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". Costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

(4) Annual Improvements to IFRSs 2018–2020 Cycle (issued in May 2020): Minor Amendments to IFRS 1, IFRS 9, IAS 41 and IFRS 16

Annual Improvements to IFRSs 2018–2020 Cycle were issued in May 2020, including an amendment to IFRS 9 Financial Instruments as well as an amendment to IFRS 16 Leases. The amendment to IFRS 9 clarifies fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability by conducting the "10 per cent" test for derecognition of financial liabilities. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendment to IFRS 16 Leases removes the illustration of payments from the lessor relating to leasehold improvements in an illustrative example so as to remove potential confusion regarding the treatment of lease incentives when applying IFRS 16.

The adoption of the above standards and amendments does not have any material impact on the operating results, financial position and comprehensive income of the Group for the year ended 31 December 2022.

2.2 Standards and amendments that are not yet effective in the current year and have not been adopted before their effective dates by the Group

		Effective for annual periods beginning on or after
IFRS 17 Amendments	Insurance Contracts	1 January 2023
IAS 1 and IFRS Practice Statement 2 Amendments	Disclosure of Accounting Policies	1 January 2023
IAS 8 Amendments	Definition of Accounting Estimates	1 January 2023
IAS 12 Amendments	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IFRS 16 Amendments	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 1 Amendments	Non current liabilities with covenants	1 January 2024
IFRS 10 and IAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been deferred indefinitely

(1) IFRS 17 Amendments: Insurance Contracts

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of: discounted probability-weighted cash flows, an explicit risk adjustment, and a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

(2) IAS 1 and IFRS Practice Statement 2 Amendments: Disclosure of Accounting Policies

IAS 1 and IFRS Practice Statement 2 Amendments provide guidance to help entities apply materiality judgements to accounting policy disclosures. The amendments replace the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies. The amendments add guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(3) IAS 8 Amendments: Definition of Accounting Estimates

IAS 8 Amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. It introduces a new definition of "accounting estimates". The amendments are designed to clarify distinction between changes in accounting estimates and changes in accounting policies and correction of errors.

(4) IAS 12 Amendments: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

IAS 12 Amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

(5) IFRS 16 Amendments: Lease Liability in a Sale and Leaseback

IFRS 16 Amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019. The amendments confirm the following: On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

(6) IAS 1 Amendments: Non current liabilities with covenants

These amendments clarify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. The 2022 amendments also introduce additional disclosure requirements. When an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within twelve months of the reporting date, the entity shall disclose information in the notes, including the carrying amount of the liability, information about the covenants, facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's consolidated financial statements.

(7) IFRS 10 and IAS 28 Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

IFRS 10 and IAS 28 Amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. The amendments require a full recognition of a gain or loss when the sale or contribution between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture.

The adoption of the above standards and amendments will have no material impact on the consolidated and the Group's financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries for the year ended 31 December 2022. The financial statements of the subsidiaries are prepared for the same reporting period as the Company (also referred to as the "Parent"), using consistent accounting policies.

The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(a) derecognises the assets (including goodwill) and liabilities of the subsidiary;

(b) derecognises the carrying amount of any non-controlling interest;

(c) derecognises the cumulative translation differences recorded in equity;

(d) recognises the fair value of the consideration received;

(e) recognises the fair value of any investment retained;

(f) recognises any resulting surplus or deficit in profit or loss; and

(g) reclassifies the Group's share of components previously recognised in other comprehensive income (OCI) to profit or loss.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position separately from the equity attributable to owners of the Parent. An acquisition of non-controlling interests is accounted for as an equity transaction.

3 SIGNIFICANT ACCOUNTING POLICIES

(1) Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid assets, which are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents include cash and assets with original maturity of three months or less under cash and bank balances.

(2) Foreign currency transactions and foreign currency translation

The financial statements are presented in RMB, which is the Company's functional and presentation currency. The recording currency of the Company's subsidiaries is determined based on the primary economic environment in which they operate.

Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the prevailing functional currency exchange rates at the end of the reporting period. All differences are taken to the statement of profit or loss. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's overseas operations are translated into the presentation currency of the Group at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at exchange rates that approximate the exchange rates of the date of the transaction. The exchange differences resulting from foreign currency financial statement translation of subsidiaries are recognised in other comprehensive income ("OCI") and accumulated in the foreign exchange translation reserve. The cash flows of overseas operations are translated at the spot exchange rates on the dates of the cash flows.

The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(3) Financial instruments

(a) Initial recognition, classification and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value, in the case of a financial asset or financial liability not at fair value through profit or loss, plus or minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Financial assets

Financial assets are classified on the basis of the Group's business model for managing the asset and the cash flow characteristics of the assets:

(i) Amortised cost;

(ii) Fair value through other comprehensive income ("FVOCI"); or

(iii) Fair value through profit or loss ("FVPL").

Business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest ("SPPI"). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement. i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determine whether their cash flows are SPPI.

The classification requirements for debt instruments and equity instruments are described as below:

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Classification and subsequent measurement of debt instruments depend on: (i) the Group's business model for managing the asset; and (ii) the cash flow characteristics of asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

(i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVPL, are measured at amortised cost.

(ii) FVOCI: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVPL, are measured at FVOCI.

(iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

The Group may also irrevocably designate financial assets at FVPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Group subsequently measures all equity investments at FVPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI.

Financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost, except for financial liabilities at FVPL, which is applied to derivatives, financial liabilities held for trading (e.g. short positions in the trading books) and other financial liabilities designated as such at initial recognition.

Contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration shall subsequently be measured at fair value with changes recognised in profit or loss.

An entity may, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss: (i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch'); (ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.

(b) Reclassification of financial assets

When the Group changes the business model for managing its financial assets, it shall reclassify all affected financial assets, and apply the reclassification prospectively from the reclassification date. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. Reclassification date is the first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.

(c) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The

fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair values of quoted financial assets and financial liabilities in active markets are based on quoted market prices. If there is no active market, the Group establishes fair value by using valuation techniques. These include the use of market approach, income approach and cost approach. When using valuation techniques, the Group uses observable inputs. Unobservable market inputs would not be used unless relevant observable inputs are not available or not practicable to access.

Default Valuation Adjustments are applied to the Group's financial liabilities at fair value through profit or loss, and assumes that Default Valuation Adjustments stay the same before and after the transfer of the liability. Default Valuation Adjustments refer to risk that enterprises fail to perform the obligation, including but not limited to their own credit risk.

The Group uses the following hierarchy for determining and disclosing the fair values of financial assets and financial liabilities based on the inputs used when determining the fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Valuation technique using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuation technique using inputs for the asset or liability that is not based on observable market data (unobservable inputs).

The level of fair value measurement depends on the lowest level of input that is significant to the entire fair value measurement.

(d) Subsequent measurement of financial instruments

Subsequent measurement of financial instruments depends on the categories:

Amortised cost

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition: (i) minus the principal repayments; (ii) plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount; and (iii) for financial assets, adjusted for any loss allowance. Interest income from these financial assets is included in "Interest income" using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses ("ECL") and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate. For purchased or originated credit-impaired ("POCI") financial assets, the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and is included in "Interest income", except for: (i) POCI financial assets, whose interest income is calculated, since initial recognition, by applying the credit-adjusted effective interest rate to their amortised cost; and (ii) financial assets that are not POCI but have subsequently become credit-impaired, whose interest income is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss allowance). If, in a subsequent period, the financial assets improve their qualities so that they are no longer credit-impaired and the improvement in credit quality is related objectively to a certain event occurring after the application of the above-mentioned rules, then the interest income is calculated by applying the effective interest rate to their gross carrying amount.

Fair value through other comprehensive income

Debt instruments

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue on the instrument's amortised cost which are recognised in profit or loss. Interest income from these financial assets is included in "interest income" using the effective interest rate method. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Investment income".

Equity instruments

The equity instrument investments that are held for purposes other than to generate investment returns are designated as FVOCI. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as investment income when the Group's right to receive payments is established, and it is probable that future economic benefits associated with the item will flow to the Group, and the amounts of the dividends can be measured reliably.

Financial assets at fair value through profit or loss

Debt instruments

A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within "Investment income" in the period in which it arises.

Equity instruments

Gains and losses on equity investments at FVPL are included in the "Investment income" line in the statement of profit or loss.

Financial liabilities at fair value through profit or loss

Gains or losses on financial liabilities designated as at FVPL are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains or losses attributable to changes in the credit risk of the liability are also presented in profit or loss.

When financial liabilities designated as at FVPL are derecognised, fair value gains and losses are subsequently reclassified from other comprehensive income to retained earnings.

(e) Impairment of financial instruments

The Group assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at amortised cost and FVOCI.

ECL is the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets).

The Group measures the ECL of a financial instrument reflects:

(i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

(ii) the time value of money; and

(iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For financial instruments whose impairment losses are measured using the ECL model, the Group assesses whether their credit risk has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate their impairment allowance and recognise their ECL, as follows:

— Stage I: The Group measures the loss allowance for a financial instrument at an amount equal to the next 12 months ECL if the credit risk of that financial instrument has not increased significantly since initial recognition.

— Stage II: The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the credit risk of that financial instrument has increased significantly since initial recognition, but is not yet deemed to be credit-impaired.

— Stage III: The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the financial instrument is credit-impaired.

The Group applies the impairment requirements for the recognition and measurement of loss allowance for debt instruments that are measured at FVOCI. The loss allowance is recognised in OCI and the impairment loss is recognised in profit or loss, and it should not reduce the carrying amount of the financial asset in the statement of financial position.

The Group has measured the loss allowance for a financial instrument at an amount equal to the lifetime ECL in the previous reporting period, but determines to measure it at an amount equal to the next 12 months ECL at the current reporting date since the credit risk of that financial instrument has increased significantly since initial recognition is no longer met, and the amount of ECL reversal is recognised in profit or loss. Excluding POCI financial assets.

The inputs, assumptions and estimation techniques the Group used in ECL models for its debt instrument assets carried at amortised cost and FVOCI refer to note 58(a).

(f) Derecognition of financial instruments

A financial asset is derecognised, when one of the following criteria is satisfied:

(i) the contractual rights to receive cash flows from the assets have expired; or

(ii) the Group has transferred its rights to receive cash flows from the asset; or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and (a) the Group has transferred substantially all the risks and rewards of ownership of the financial asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but not retain control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

When the Group has made substantial modifications to a part of the contract terms of an existing financial liability, the relevant portion of the existing financial liability is derecognised, while the financial liability under modified terms is recognised as a new financial liability.

On derecognition of a financial liability in its entirety or partially, the difference between the carrying amount and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) shall be recognised in profit or loss.

If the Group repurchases a part of a financial liability, the Group shall allocate the previous carrying amount of the financial liability between the part that continues to be recognised and the part that is derecognised based on the relative fair values of those parts on the date of the repurchase. The difference between the carrying amount allocated to the part derecognised and the consideration paid (including any non-cash assets transferred or liabilities assumed) for the part derecognised shall be recognised in profit or loss.

(4) Derivative financial instruments

The Group uses derivatives, such as foreign currency contracts, interest rate swaps, contracts of stock index and contracts for difference to economically hedge its foreign currency risk, interest rate risk and stock price risk, respectively. Derivatives financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including the discounted cash flow analysis and option pricing models, as appropriate. Credit Valuation Adjustments (CVA) and Debit Valuation Adjustments (DVA) are applied to the Group's over-the-counter derivatives to reflect the credit risk of the counterparties and the Group itself, respectively.

(5) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a current legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(6) Margin financing and securities lending services

Margin financing and securities lending services refer to the lending of funds by the Group to customers for purchase of securities, or lending of securities by the Group to customers, for which the customers provide the Group with collateral.

The Group recognises margin accounts at initial recognition, and recognises interest income accordingly. Securities lent are not derecognised, but still accounted for as the original financial assets, and interest income is recognised accordingly.

Securities trading on behalf of margin financing or securities lending customers are accounted for as securities brokerage business.

For impairment of financial assets arising from margin financing and securities lending, refer to Note 3(3)(e).

(7) Reverse repurchase agreements and repurchase agreements

Financial assets transferred as collateral in connection with repurchase agreements, involving fixed repurchase dates and prices, are not derecognised. They continue to be recorded as original financial assets before transferred. The corresponding liability is included in repurchase agreements.

Consideration paid for financial assets held under agreements to resell are recorded as reverse repurchase agreements, the related collateral accepted is not recognised in the consolidated financial statements.

The difference between the purchase and resale consideration, and that between the sale and repurchase consideration, is amortised over the period of the respective transaction using the effective interest method and is recognised through interest income or expenses.

For impairment of reverse repurchase agreements, refer to Note 3(3)(e) and Note 4(5).

(8) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When the Group assesses whether it has power over an investee, the Group's voting rights or potential voting rights and other contractual arrangements are considered.

(9) Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated statement of profit or loss and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates.

(10) Joint ventures

Joint ventures are all entities over which the Group has joint control. Joint control, is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of post-acquisition results and reserves of joint ventures is included in the consolidated statement of profit or loss and reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures.

(11) Investment properties

Investment properties comprise real estate properties for the purpose of earning rental income and/or for capital appreciation, including buildings that have been leased out. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

The Group's investment properties are accounted for using cost model. The initial recognition and subsequent measurement of buildings and properties that are leased out are accounted for using the same measurement and depreciation methods as those for property, plant and equipment.

When an investment property is transferred to owner-occupied property, it is reclassified to property, plant and equipment with the carrying amount determined at the carrying amount of the investment property at the date of the transfer. When an owner-occupied property is transferred out for earning rentals or for capital appreciation, the property, plant and equipment is transferred to investment properties with the carrying amount determined at the carrying amount at the date of the transfer.

An investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal, net of the carrying amount and related expenses, in the consolidated statement of profit or loss.

(12) Property, plant and equipment

(a) Recognition criteria for property, plant and equipment

Property, plant and equipment comprise properties and buildings, transportation vehicles and electronic devices that the Group expects to use for more than one year and other tangible assets that are expected to be used for more than one year and the unit costs of which are greater than RMB2,000.

(b) Property, plant and equipment initially measured at cost

Cost of an item of purchased property, plant and equipment comprises purchase price, tax and any costs directly attributable to bringing the asset to the condition necessary for its intended use and it includes transportation costs, installation and assembly costs, and professional service fees. The cost of a self-constructed asset comprises all costs incurred before the asset is ready for its intended use.

Subsequent expenditure incurred for the property and equipment is included in the cost of the property and equipment if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditure can be measured reliably, while the carrying amount of the replaced part is derecognised. Other subsequent expenditure is recognised in the consolidated income statement in the period in which they are incurred.

Depreciation of property, plant and equipment is calculated on the straight-line basis.

Estimated useful life, depreciation rate and estimated residual value of each item of property, plant and equipment which are required by the operation of the Group are as follows:

Types of property, plant and equipment	Estimated useful lives	Monthly depreciation rate	Estimated residual value rate
Properties and buildings	35 years	0.2262%	5%
Electronic devices	2–5 years	1.667%–4.167%	—
Transportation vehicles			
— Leased out	(i)	(i)	(i)
— Others	5 years	1.617%	3%
Communication equipment	5 years	1.617%	3%
Office equipment	3 years	2.778%	—
Security equipment	5 years	1.617%	3%
Others	5 years	1.617%	3%

(i) Transportation vehicles that are leased out under operating lease represent aircraft and cargo vessel. The Group determines the useful lives and depreciation method according to conditions of aircraft and cargo vessel. Among transportation vehicles, the estimated useful lives of cargo vessel is 20 years, and the estimated residual value is determined based on the expected residual value; the estimated useful lives of aircraft is 18 years with a monthly depreciation rate of 0.394%, and the estimated residual value rate is 15% of its original cost.

The years that property, plant and equipment were already in use upon purchase were excluded when determining the estimated useful lives of these types of property, plant and equipment. The estimated useful lives, the estimated residual value rate and the depreciation method of each type of property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year end. Gains and losses on disposal of property, plant and equipment, the costs of disposal and taxes in connection with such disposal are considered in the determination of the estimated residual value rate.

(c) Impairment of property, plant and equipment

The Group assesses whether there is any indication that assets are impaired at each financial reporting date. When any such indication exists, the Group estimates the recoverable amount. When recoverable amounts of assets are lower than carrying amounts, the Group decreases the carrying amount to recoverable amount, the decreased amount recognised in the consolidated income statement.

An impairment loss recognised for property, plant and equipment is not reversed in subsequent periods.

(d) Disposal of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised through profit or loss.

(e) Construction in progress

Costs of construction in progress are determined based on the actual expenditure incurred which include all necessary expenditure incurred during the construction period, borrowing costs eligible for capitalisation and other costs incurred to bring the asset to its intended use.

Items classified as construction in progress are transferred to property, plant and equipment when such assets are ready for their intended use.

(13) Land-use rights and intangible assets

(a) Land-use rights

Land-use rights acquired by the Group are amortised over the period that is confirmed by the land use permit.

(b) Intangible assets

Intangible assets are recognised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item shall be measured reliably, and measured initially at cost. Intangible assets acquired from business combination and their fair value can be measured reliably are recognised as intangible assets individually and measured at their fair value as at date of combination.

Useful lives of intangible assets are determined as the period that the assets are expected to generate economic benefits for the Group, and when there is no foreseeable limit on the period of time over which the asset is expected to generate economic benefits for the Group, the intangible assets are regarded as having indefinite useful life.

Intangible assets with finite useful lives shall be amortised on a straight-line basis over the useful period. The useful lives and amortisation method of the intangible assets with finite useful lives shall be reviewed by the Group at least at each financial year end, and adjusted as appropriate. The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless there is a commitment by a third party to purchase the asset at the end of its useful life, or there is an active market for the asset, where residual value can be determined by reference to that market; and it is probable that such a market will exist at the end of the asset's useful life. Impairment for intangible assets not readily for use is also assessed annually.

Software acquired from third party shall be amortised over 5 years. The self-developed software, patents, non-patents, trademarks, customer relationships and other intangible assets shall be amortised over their useful lives.

Intangible assets with indefinite useful lives need to be assessed for impairment no matter if there is any impairment evidence. These assets need not to be amortised, and their useful lives shall be reviewed each reporting date. If there is any evidence to support that the useful lives are definite, these intangible assets shall apply the policies of intangible assets with definite useful lives.

Internal research and development expenses are classified as research phase expense and development phase expenses. Expenditure on research phase of an internal project shall be recognised as an expense when it is incurred. Development phase expense can be capitalised only an entity can demonstrate all of the following:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(ii) its intention to complete the intangible asset and use or sell it;

(iii) its ability to use or sell the intangible asset;

(iv) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The development phase expenses that do not meet the above conditions shall be recognised in profit or loss when incurred.

(14) Revenue

Revenue from underwriting services is recognised when the outcome of the underwriting services provided can be reliably estimated and reasonably recognised. The revenue is usually recognised upon completion of the offering.

Revenue from the securities brokerage services is recognised on the date of the securities transaction.

Revenue from asset management services is recognised when management services are provided in accordance with the asset management contract.

Dividend income is recognised when the Group's right to receive payment has been established.

Other business revenue mainly comes from the bulk commodities sales of the Group's commodities trading subsidiaries.

The Group recognises sales revenue from bulk commodity goods when fulfil the Group's performance obligations in the contract, that is, the revenue is recognised when the customer obtains control of the relevant bulk commodity goods.

In the process of selling goods, the Group, as the primary obligor, has the primary responsibility of providing goods and performing orders to customers; the Group is exposed to inventory risk before or after the bulk commodity goods have been ordered by a customer; the Group has discretion in establishing prices of bulk commodity goods and exposed to credit risk for the amount receivable from customers in exchange for the other party's goods and commodity risk for inventory. The Group satisfies the performance obligation above and recognised revenue in the gross amount. When the Group acts as an agent, the net amount of the consideration received or receivable after deducting the price payable to other parties shall be recognised as income.

When the Group recognises revenue in accordance with the progress of completed services, the part of unconditional receivables that the Group has acquired will be recognised as accounts receivables, and the rest will be recognised as contract assets. The Group identifies loss allowance on the basis of expected credit losses for accounts receivable and contractual assets; if the Group's received consideration or receivable consideration exceed the completed services, the excess part will be recognised as contractual liabilities. The Group's contractual assets and liabilities under the same contract are shown in net.

Interest income of debt investments at amortised costs and FVOCI, is measured by amortised cost and effective interest rate; excluding financial assets credit impaired are measured by amortised cost and credit-adjusted effective interest rate. The net gains of holding period from financial investments at FVTPL is measured as "Investment income".

(15) Income tax

Income tax comprises current tax and deferred income tax. Current tax is the amount of current income tax payable calculated based on current taxable income. Taxable income is calculated based on the adjustment to the current year pre-tax accounting profit according to the applicable tax laws.

For current income tax liabilities or current income tax assets generated from the current and prior periods, the expected income tax payable or the income tax deduction is calculated according to the applicable tax laws.

The Group measures deferred income tax using balance sheet liability method according to the temporary differences between the carrying amount of an asset or liability at the end of the reporting period and its tax base, and the temporary difference between the carrying amount of an item not recognised as an asset or liability at the end of the reporting period and its tax base.

All taxable temporary differences are recognised as deferred income tax liabilities, except:

(i) The deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or deductible expenses; and

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, unused tax credits carried forward and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax credits carried forward and unused tax losses can be utilised, except that deferred income tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or deductible expenses.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period and reflect the corresponding tax effect.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilised. When it is virtually probable that sufficient taxable income will be available, the reduced amount can be reversed accordingly.

(16) Employee compensation

Employee compensation refers to all forms of consideration and other related expenditure given or incurred by the Group in exchange for services rendered by employees. The benefits payable are recognised as liabilities during the period in which the employees have rendered the services to the Group.

In accordance with the applicable laws and regulations, Mainland China employees of the Group participate in various social insurance schemes including basic pension insurance, medical insurance, unemployment insurance and housing fund schemes administered by the local government authorities. Contributions to these schemes are recognised in profit or loss as incurred.

All eligible employees outside Mainland China participate in the respective local defined contribution schemes. The Group contributes to these defined contribution schemes based on the requirements of the local regulatory bodies. The Group and its employees pay corporate annuities in accordance with the relevant PRC regulations.

(17) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all the attaching conditions will be complied with. Where the Group receives grants of monetary assets, the grants are recorded at the amount received or receivable. Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets. When fair value cannot be reliably measured, they are recognised at nominal amount.

Government grants for purchasing, building or other development of long-term assets regulated in government documents are recognised as government grants related to assets. Judgments should be made based on the necessary basic conditions for obtaining the government grants when government documents are unclearly stated. Government grants with purchasing, building or other development of long-term assets as basic condition are recognised as government grants related to assets, and the remaining type of grants are recognised as related to income.

Government grants related to income which are to compensate relevant expenditures or losses in future periods are recognised as deferred income and released to profit or loss during the period when the expense is incurred. Government grants that are to compensate the incurred expenses or losses are recognised into profit or loss directly. Government grants related to assets are recognised as deferred income, and released to profit or loss over the expected useful life of the relevant assets by equal annual instalments. Government grants measured at nominal amount are recorded into profit or loss directly.

(18) Leases

As a lessor

Lease income from operating leases is recognised in income on a straight-line basis over the period of the lease.

As a lessee

(a) Initial measurement of the right-of-use asset and lease liability

Initial measurement of the right-of-use asset

The right-of-use asset is defined as the right of underlying assets in the lease term for the Group as a lessee. The lease term is defined as the non-cancellable period of the lease for the Group as a lessee.

At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

(i) the amount of the initial measurement of the lease liability;

(ii) any lease payments made at or before the commencement date, less any lease incentives received;

(iii) any initial direct costs incurred by the lessee; and

(iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Initial direct costs are defined as incremental costs that would not have been incurred if a lease had not been obtained.

Initial measurement of the lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The lessee uses as the discount rate the interest rate implicit in the lease — this is the rate of interest that causes the present value of lease payments and the unguaranteed residual value to equal the sum of the fair value of the underlying asset and any initial direct costs of the lessor.

The incremental borrowing rate is defined as the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment.

(b) Subsequent measurement of the right-of-use asset and lease liability

Subsequent measurement of the right-of-use asset

At the commencement date, the Group as a lessee shall measure the right-of-use asset at cost and apply the depreciation requirements in IAS 16 *Property, Plant and Equipment* in depreciating the right-of-use asset. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. When the recoverable amount is less than the book value of the right-to-use assets, the Group shall write down its book value to the recoverable amount.

Subsequent measurement of the lease liability

After the commencement date, the Group shall recognise interest on the lease liability in profit or loss. Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

(c) Recognition of short-term leases and leases for which the underlying asset is of low value

Short-term leases are defined as leases with a lease term of less than 12 months from the commencement date. Leases for which the underlying asset is of low value are defined as underlying assets of low value when new. The right-of-use asset and lease liability are not recognised by the Group for short-term leases and leases for which the underlying asset is of low value. The lessee shall recognise the lease payments associated with those leases as an expense.

(19) Inventories

Inventories are recognised at cost for initial recognition. The cost of inventories comprises all costs of purchase, costs of conversion and other costs.

At the balance sheet date, inventories are measured at the lower of cost and net realisable value. When net realisable value is lower than the carrying amount, the Group decreases the carrying amount to net realisable value. The decreased amount is recognised in profit or loss and corresponding allowance is made.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and related taxes.

(20) Impairment of goodwill

The Group assesses goodwill acquired from business combination, no matter there is objective evidence of impairment or not, impairment should be assessed at each annual financial reporting date.

The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of the estimated future cash flow expected to be derived from the asset. The Group estimates the recoverable amount on the basis of individual asset. When it is difficult to estimate the recoverable amount individually, the recoverable value of the cash generating units to which the asset belongs will be estimated. The recognition of a group of assets shall base on whether the main cash flow generated by the group of assets is independent from those generated by other assets or groups of assets.

When recoverable amounts of assets or groups of assets are lower than their carrying amounts, the Group decreases their carrying amount to recoverable amount. The decreased amounts are recognised in profit or loss and corresponding allowances are made.

For impairment test of goodwill, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units when being unable to be allocated to each of the cash-generating units. Cash-generating units or groups of cash-generating units refer to those that can benefit from the synergies of the combination and are not larger than the reportable segment determined by the Group.

When performing impairment test for the (groups of) cash-generating unit to which goodwill is allocated, the Group firstly tests the (groups of) cash-generating unit excluding goodwill, calculates the recoverable amount and recognises relevant impairment losses. The Group then tests the (groups of) cash-generating units including goodwill, and compares the carrying amount and recoverable amount. If the carrying amount exceeds the recoverable amount, the amount of impairment loss is firstly deducted from the carrying amount of goodwill allocated to the (groups of) cash-generating unit, and then from the carrying amount of each of other assets (other than goodwill) within the (groups of) cash-generating unit, on a pro rata basis. An impairment loss recognised for goodwill cannot be reversed in subsequent periods.

(21) Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close family member of that person and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

Or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a); or

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(22) Provisions and contingencies

The obligation pertinent to contingencies shall be recognised as provisions when the following conditions are satisfied concurrently:

(i) the obligation is a present obligation of the Group;

(ii) the obligation is probable to cause a future outflow of resources from the Group as a result of performance of the obligation; and

(iii) the amount of the obligation can be reliably measured.

The amount of a provision is initially measured in accordance with the best estimate of the necessary expenses for the performance of the current obligation. To determine the best estimate, the Group takes into full consideration of risks, uncertainty, time value of money and other factors pertinent to the contingencies. The Group reviews the book value of the provisions at the end of the reporting period. If there is substantial evidence that the amount of provisions cannot actually reflect the current best estimate, the Group will adjust the amount in accordance with the current best estimate.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or, a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

(23) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, and non-current assets are not depreciated or amortised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition.

(24) Perpetual bonds

Perpetual bonds issued by the Group, which satisfied with the following criteria are classified as equity instruments:

(i) Financial instruments exclude those are settled on a net basis in cash (or other financial assets);

(ii) Financial instruments must or can be settled on own equity: (a) For non-derivative contracts, they exclude those are settled gross by delivery of a variable number of own shares; (b) Derivative contracts that result in the delivery of a fixed amount of cash or other financial assets for a fixed number of an entity's own equity instruments.

Dividends for the perpetual bonds, which are classified as equity instruments, are accounted for as profit distribution.

(25) Profit distribution

After-tax profit for the year is firstly applied to make up for the losses of previous years. Secondly, the Company sets aside 10% of after-tax profit for a statutory reserve under surplus reserves, 10% of after-tax profit for a general risk reserve under general reserves, and according to the requirements of the CSRC, sets aside 10% of after-tax profit for a transaction risk reserve under general reserves. In addition, with the approval from the Annual General Meeting, the Company may set aside 5%–10% of after-tax profit for a discretionary reserve after setting aside the funds for the various statutory reserves. The remaining after-tax profit is distributed according to the resolution approved at the Annual General Meeting. If the aggregate balance of the statutory reserve has reached 50% of the Company's registered capital, appropriation for the statutory reserve is no longer mandatory.

General reserves set aside by the Company are used to make up for any losses arising from securities transactions. The Company's surplus reserves are used to make up for any losses of the Company or as additional capital of the Company. However, capital reserve cannot be used to make up for the Company's losses. When the statutory reserve are converted to capital, the balance of the statutory reserve cannot be less than 25% of the Company's registered capital.

Dividends proposed by the directors are not deducted from equity, until they have been approved by the ordinary equity holders in the Annual General Meeting. When these dividends have been approved by the ordinary equity holders, they are recognised as a liability.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these judgements assumptions and estimates could result in outcomes that could require an adjustment to the carrying amounts of the assets or liabilities.

(1) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis, which requires significant judgement. This involves an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated. The recoverable amount is the higher of a cash-generating unit's fair value less costs to sell and its value in use.

(2) Income tax

Determining provisions for income tax requires the Group to estimate the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions in accordance with prevailing tax regulations and provides for taxes accordingly. In addition, deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. This requires significant judgement of the tax treatments of certain transactions and also significant estimation of the probability that adequate future taxable profits will be available for the deferred income tax assets to be recovered.

(3) Fair value of financial instruments

If the market for a financial instrument is not active, the Group estimates fair value by using a valuation technique. Valuation techniques include using recent prices in arm's length market transactions between knowledgeable and willing parties, if available, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analyses and option pricing models. To the extent practicable, valuation technique makes the maximum use of observable market inputs. However, where observable market inputs are not available, management needs to make estimates and use alternatives on such unobservable market inputs.

(4) Consolidation of structured entities

Management makes significant judgment on whether the Group controls and therefore is required to consolidate its structured entities. The decision outcome impacts the financial and operational results of the Group.

When assessing control, the Group considers: 1) the level of power of the Group over the investee; 2) variable returns gained through participation of relevant activities of the investee; and 3) the ability of the Group in using its power over the investee to affect its return.

When assessing the level of power over the structured entities, the Group considers the following four aspects:

(i) the degree of participation when establishing the structured entities;

(ii) contractual arrangements;

(iii) activities that take place only at special occasions or events;

(iv) commitments made to the investee from the Group.

When assessing whether there is control over the structured entities, the Group also considers whether it's acting as a principal or as an agent. Aspects of considerations normally include the decision making power over the structured entities, substantive rights enjoyed by the other third parties, level of reward to the Group, and exposure to variable risks and returns from owning other benefits of the structured entities.

(5) Measurement of the expected credit loss allowance

Expected credit loss measurement

The measurement of the expected credit loss allowance for debt instruments measured at amortised cost and FVOCI is an area that requires the use of models and assumptions about future economic conditions and credit behaviour of the client (such as the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring expected credit losses (ECL), such as:

— Determining criteria for significant increase in credit risk, definition of default and credit impairment;

— Choosing appropriate models and assumptions for the measurement of ECL;

— Projection of macroeconomic variables for forward-looking scenarios.

Inputs, assumptions and estimation techniques

The ECL of different financial portfolios is measured by the Group on either a 12-month or lifetime basis depending on whether they are in Stage 1, 2 or 3 as defined above. For debt securities investments, ECL are the discounted product of the Probability of Default ("PD"), Exposure at Default ("EAD"), and Loss Given Default ("LGD"). For margin accounts, stock-pledged repo under reverse repurchase agreements, ECL are the discounted product of the EAD and Loss Ratio ("LR").

Forward-looking information incorporated in the ECL model

A pervasive concept in measuring ECL in accordance with IFRS9 is that it should consider forward-looking information. The assessment of SICR and the calculation of ECL both incorporated forward-looking information. The Group has performed historical data and identified the key economic variables impacting credit risk and ECL for each financial instrument portfolio. These economic variables and their associated impact on the PD vary by product type. The impact of these economic variables on the PD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates.

Details of the significant accounting judgements and estimates above please refer to Note 58(a).

(6) Classification of financial assets

When the Group determines the classification of financial assets, a number of significant judgements in the business model and the contractual cash flow characteristics of the financial assets are required.

Factors considered by the Group in determining the business model for a group of financial assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

When the Group assesses whether the contractual cash flows of the financial assets are consistent with basic lending arrangements, the main judgements are described as below: whether the principal amount may change over the life of the financial asset (for example, if there are prepayments); whether the interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin and cost, associated with holding the financial asset for a particular period of time.

5 TAXATION

According to relevant tax policies, the most significant categories of taxes which the Company is currently subjected to are as follows:

(1) Income tax

From 1 January 2008, the "Enterprise Income Tax Law of the PRC" and the "Regulations on the Implementation of Enterprise Income Tax Law of the PRC" became effective for the Company. Income tax computation and payment are governed by the "Announcement of the State Administration of Taxation on Printing and Distributing Administrative Measures for Collection of Consolidated Payments of Enterprise Income Tax by Enterprises with Multi-Location Operations" (Public Notice of the State Administration of Taxation [2012] No. 57). The income tax rate applicable to the Company and its major domestic subsidiaries is 25%. Hong Kong and overseas subsidiaries pay taxes according to the applicable tax rate in the territory where their tax residency is located.

(2) Value added tax

Pursuant to the "Circular regarding the Comprehensive Implementation of the Pilot Programs for Transformation from Business Taxes to Value-added Taxes (the "VAT Pilot Programs")" (Cai Shui [2016] No. 36), the "Circular regarding Further Clarification of Relevant Policies Applicable to the Financial Sector in the Comprehensive Implementation of the VAT Pilot Programs (Cai Shui [2016] No. 46), the "Supplementary Circular regarding VAT Policies Applicable to Transactions between Financial Institutions" (Cai Shui [2016] No. 70) issued by the Ministry of Finance (the "MOF") and the State Administration of Taxation (the "SAT") of the PRC, effective from 1 May 2016, the Group is subject to value-added taxes on its income from principal businesses at 6%.

In accordance with the "Circular regarding the Value-added Taxes Policies for Financial, Real Estate Development and Education Ancillary and Other Services" (Cai Shui [2016] No. 140), the "Supplementary Circular regarding Issues concerning Value-added Taxes Policies for Asset Management Products" (Cai Shui [2017] No. 2) and the "Circular on the Relevant Issues concerning Value-added Tax Levied on Asset Management Products" (Cai Shui [2017] No. 56), the Group shall pay VAT at rate of 3% for related asset management taxable activities undertaken after 1 January 2018.

(3) Vehicle and vessel taxes, property taxes and stamp duties are levied in accordance with the provisions of the relevant tax laws and regulations.

(4) Urban maintenance and construction taxes, education surcharges and local education surcharges are levied at 5%/7%, 3% and 2%, respectively, of the payable amount of relevant turnover taxes.

6 OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group's operating segments represents a strategic business engaged in the following activities, which are subject to risks and returns that are different from the other operating segments.

Investment Banking — Securities placement and underwriting activities, and financial advisory services;

Brokerage — Securities and futures dealing and brokerage, as well as the sale of financial products as agent;

Trading — Equity, fixed income and derivatives trading and market-making, margin financing and securities lending and alternative investment activities;

Asset Management — Asset management services to collective assets management, directive assets management, special assets management, fund management and other investment account management; and

Others — Private equity investment, principal investment, bulk commodity trading and other financial activities.

Management monitors the results of the Group's operating segments for the purposes of resource allocation and operating decision-making. Operating segment performance is measured consistently, and on the same basis as, operating profit or loss in the Group's consolidated financial statements.

Income taxes are managed as a whole and are not allocated to operating segments.

2022	Investment banking	Brokerage	Trading	Asset management	Others	Total
Segment revenue and other income						
Fee and commission income	8,914,805	16,140,287	435,334	11,493,259	961,528	37,945,213
Interest income	522	6,014,565	14,183,195	197,901	627,627	21,023,810
Investment income	—	708,348	13,951,550	495,909	2,480,501	17,636,308
Other income	4,759	559,984	376,184	118,910	8,276,092	9,335,929
Subtotal	8,920,086	23,423,184	28,946,263	12,305,979	12,345,748	85,941,260
Operating expenses	4,007,049	19,474,215	18,078,771	6,556,760	9,547,651	57,664,446
Including: Finance costs	—	1,800,021	12,935,037	74,498	408,466	15,218,022
Expected credit losses	(676)	7,589	(728,142)	(10,019)	33,064	(698,184)
Impairment losses on other assets	—	—	—	2,934	511,238	514,172
Operating profit	4,913,037	3,948,969	10,867,492	5,749,219	2,798,097	28,276,814
Share of profits and losses of associates and joint ventures	—	—	—	—	673,390	673,390
Profit before income tax	4,913,037	3,948,969	10,867,492	5,749,219	3,471,487	28,950,204
Income tax expenses						6,781,417
Profit for the year						22,168,787
Other segment information:						
Depreciation and amortisation	80,583	763,898	83,226	205,001	605,593	1,738,301
Capital expenditure	495,531	329,031	131,818	156,728	190,912	1,304,020

2021	Investment banking	Brokerage	Trading	Asset management	Others	Total
Segment revenue and other income						
Fee and commission income	8,112,581	19,622,132	205,274	12,210,764	780,158	40,930,909
Interest income	1	5,108,262	14,934,389	184,812	347,467	20,574,931
Investment income	—	177,804	17,223,142	990,279	4,291,447	22,682,672
Other income	2,892	490,985	(450,426)	198,821	12,893,385	13,135,657
Subtotal	8,115,474	25,399,183	31,912,379	13,584,676	18,312,457	97,324,169
Operating expenses	3,901,806	17,752,954	21,142,894	6,865,575	16,656,869	66,320,098
Including: Finance costs	5	1,442,854	13,327,920	41,506	425,154	15,237,439
Expected credit losses	8,092	66,349	806,799	5,066	12,778	899,084
Impairment losses on other assets	—	—	—	28,741	2,575,891	2,604,632
Operating profit	4,213,668	7,646,229	10,769,485	6,719,101	1,655,588	31,004,071
Share of profits and losses of associates and joint ventures	—	—	—	—	889,724	889,724
Profit before income tax	4,213,668	7,646,229	10,769,485	6,719,101	2,545,312	31,893,795
Income tax expenses						7,888,714
Profit for the year						24,005,081
Other segment information:						
Depreciation and amortisation	75,936	734,358	63,212	189,933	568,545	1,631,984
Capital expenditure	220,890	252,812	91,332	105,476	49,228	719,738

7 INTEREST INCOME

	2022	2021
Interest income on margin and other financing	**10,328,113**	11,788,497
Bank interest income	**8,987,521**	6,705,222
Interest income on debt instruments at fair value through other comprehensive income	**1,491,050**	1,831,222
Others	**217,126**	249,990
Total	**21,023,810**	20,574,931

8 INVESTMENT INCOME

	2022	2021
Net (losses)/gains from financial assets at fair value through profit or loss (Mandatory)	**(27,731,178)**	20,450,953
Net gains from financial assets at fair value through profit or loss (Designated)	**942,362**	265,606
Net gains from disposal of debt instruments at fair value through other comprehensive income	**256,582**	44,074
Dividend income from financial assets at fair value through other comprehensive income	**—**	970,070
Net gains/(losses) from financial liabilities at fair value through profit or loss	**2,417,689**	(4,000,766)
Net gains from derivatives and others	**41,750,853**	4,952,735
Total	**17,636,308**	22,682,672

9 OTHER INCOME

	2022	2021
Lease income	**218,430**	260,372
Foreign exchange gains/(losses)	**883,524**	(138,199)
Government grants	**350,816**	229,572
Others	**510,792**	396,022
Total	**1,963,562**	747,767

10 OPERATING EXPENSES

	2022	2021
Fee and commission expenses:		
— Commission expenses	**5,717,551**	6,089,730
— Others	**284,852**	287,009
Total	**6,002,403**	6,376,739

	2022	2021
Finance costs:		
— Due to banks and other financial institutions	**6,028,752**	5,882,343
— Debt instruments issued and short-term financing instruments payable	**5,862,650**	7,195,367
— Customer brokerage deposits	**1,647,599**	1,280,855
— Others	**1,679,021**	878,874
Total	**15,218,022**	15,237,439

	2022	2021
Staff costs (including directors', supervisors' and senior executives' remuneration):		
— Salaries and bonuses	**17,470,041**	18,100,838
— Staff benefits	**2,116,590**	1,705,608
— Contributions to defined contribution schemes (i)	**1,587,340**	955,627
Total	**21,173,971**	20,762,073

(i) Retirement benefits are included herein and their nature is described below:

Full-time employees of the Group in Mainland China are covered by various government-sponsored retirement plans, under which the employees are entitled to a monthly pension. Relevant government agencies determine the amount of pension benefits and are responsible for the related pension liabilities to eligible retired employees. The Group is required to make monthly contributions to the government related to these government-sponsored retirement plans for active employees. The Group has no obligation for post-retirement benefits beyond these contributions, which are expensed as incurred.

In addition, the Group participates in various defined contribution retirement schemes for its qualified employees in certain countries or regions outside of Mainland China.

	2022	2021
Other operating expenses and costs:		
— Fund distribution and administration	**1,765,610**	1,883,471
— Electronic device operating expenditure	**965,451**	932,190
— Right-of-use asset depreciation	**742,830**	722,030
— Consulting expense	**484,982**	512,198
— Business promotion fee	**476,986**	409,331
— Postal and communication	**368,739**	288,467
— Travel expenses	**291,594**	325,849
— Amortisation of intangible assets	**289,669**	270,670
— Rental	**241,534**	209,444
— Research and development expenses	**187,727**	154,984
— Auditors' remuneration (ii)	**53,510**	39,439
— Others	**1,524,985**	2,085,122
Total	**7,393,617**	7,833,195

(ii) This includes audit service fees of RMB35 million (2021: RMB31 million).

11 DIRECTORS' , SUPERVISORS' REMUNERATION

Details of the directors', supervisors' and senior executives' remuneration before tax, as disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance, are as follows:

		2022				
Name	Position	Salaries and allowances (1)	Discretionary bonuses (2)	Fees (3)	Contribution to retirement benefit schemes (4)	Total remuneration before tax (5)=(1)+(2)+(3)+(4)
Zhang Youjun	Executive Director, Chairman	2,393	2,932	—	289	5,614
Yang Minghui	Executive Director, President and Member of the Executive Committee	2,155	2,250	—	289	4,694
Zhang Lin	Non-executive Director	—	—	—	—	—
Fu Linfang	Non-executive Director	—	—	—	—	—
Zhao Xianxin	Non-executive Director	—	—	—	—	—
Wang Shuhui	Non-executive Director	—	—	—	—	—
Li Qing	Independent non-executive director	—	—	300	—	300
Shi Qingchun	Independent non-executive director	—	—	225	—	225
Zhang Jianhua	Independent non-executive director	—	—	—	—	—
Zhang Changyi	Supervisor and Chairman of the Supervisory Committee	1,555	2,812	—	287	4,654
Guo Zhao	Supervisor	—	—	200	—	200
Rao Geping	Supervisor	—	—	205	—	205
Niu Xuekun	Supervisor representing Employees	858	1,300	—	210	2,368
Yang Liqiang	Supervisor representing Employees	—	—	—	—	—
Song Kangle	Former Non-executive Director	—	—	—	—	—
Liu Ke	Former independent non-executive director	—	—	25	—	25
Zhou Zhonghui	Former independent non-executive director	—	—	300	—	300
Li Ning	Former supervisor representing Employees	2,293	2,370	—	262	4,925
		9,254	11,664	1,255	1,337	23,510

Name	Position	2021				
		Salaries and allowances (1)	Discretionary bonuses (2)	Fees (3)	Contribution to retirement benefit schemes (4)	Total remuneration before tax (5)=(1)+(2)+(3)+(4)
Zhang Youjun	Executive Director, Chairman and Member of the Executive Committee	2,392	2,550	—	163	5,105
Yang Minghui	Executive Director, President and Member of the Executive Committee	2,153	2,120	—	163	4,436
Wang Shuhui	Non-executive Director	—	—	—	—	—
Zhou Zhonghui	Independent non-executive director	—	—	213	—	213
Li Qing	Independent non-executive director	—	—	138	—	138
Zhang Changyi	Chairman of the Supervisory Committee	1,551	2,180	—	163	3,894
Guo Zhao	Supervisor	—	—	142	—	142
Rao Geping	Supervisor	—	—	147	—	147
Li Ning	Supervisor representing Employees	1,874	1,700	—	127	3,701
Niu Xuekun	Supervisor representing Employees	838	720	—	109	1,667
Liu Ke	Former Independent non-executive Director	—	—	221	—	221
He Jia	Former Independent non-executive Director	—	—	53	—	53
		8,808	9,270	914	725	19,717

In 2022, in addition to the remuneration listed above, directors and supervisors also received the following pre-tax deferred bonuses attributable to 2021 and previous years during the reporting period: RMB5.20 million for YANG Minghui (including RMB2.50 million received from the Company and RMB2.70 million received from the Company's holding subsidiary China AMC), RMB0.80 million for ZHANG Changyi.

In 2021, in addition to the remuneration listed above, directors and supervisors also received the following pre-tax deferred bonuses attributable to 2020 and previous years during the reporting period: RMB1.00 million for Niu Xuekun, RMB2.24 million for Li Ning, RMB5.55 million for Yang Minghui (including RMB3.00 million received from the Company and RMB2.55 million received from the Company's holding subsidiary China AMC), RMB0.7485 million for Zhang Youjun.

During the years ended 31 December 2022 and 2021, no special emoluments were paid by the Group to any of the persons who are directors or supervisors as an inducement to join or upon joining the Group or as compensation for loss of office. There were no other retirement benefits for directors or supervisors.

During the years ended 31 December 2022 and 2021, there were no consideration provided to third parties for making available directors' or supervisor's services.

During the years ended 31 December 2022 and 2021, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year. In addition, the Group did not provide any the guarantees or securities to certain controlled body corporates and connected entities of the Directors or Supervisors in respect of their loans, quasi-loans or credit transactions.

12 FIVE HIGHEST PAID EMPLOYEES

The Group's five highest paid employees during the year did not include any directors and supervisors (2021: did not include any directors and supervisors). Details of the remuneration of the five (2021: five) non-director and non-supervisor highest paid employees for the year are as follows:

	2022	2021
Salaries, allowances and other benefits	**16,018**	14,188
Discretionary bonuses	**65,894**	70,998
Termination compensation	**—**	—
Total	**81,912**	85,186

The number of these individuals whose remuneration fell within the following bands is set out below:

	Number of employees	
	2022	2021
RMB14,000,001 to RMB15,000,000	**—**	2
RMB15,000,001 to RMB15,500,000	**2**	1
RMB15,500,001 to RMB16,000,000	**1**	—
RMB16,000,001 to RMB16,500,000	**—**	1
RMB16,500,001 to RMB20,000,000	**2**	—
RMB20,000,001 to RMB25,000,000	**—**	1
Total	**5**	5

Note: during the year of 2022, the emoluments paid by the Group to these non-director and non-supervisor individuals were based on the services provided to the Group by these individuals.

13 EXPECTED CREDIT LOSSES

	2022	2021
Margin accounts	**(822,255)**	1,788,429
Financial assets at fair value through other comprehensive income (debt instruments)	**475,712**	(27,446)
Reverse repurchase agreements	**(262,150)**	(1,194,381)
Other assets	**(32,893)**	109,763
Others	**(56,598)**	222,719
Total	**(698,184)**	899,084

14 IMPAIRMENT LOSSES ON OTHER ASSETS

	2022	2021
Impairment losses on long term equity investment	**—**	56,655
Impairment losses on goodwill (Note 21)	**319,125**	2,068,903
Impairment losses on bulk commodity trading inventory	**192,113**	114,283
Others	**2,934**	364,791
Total	**514,172**	2,604,632

15 INCOME TAX EXPENSE

(a) Income tax

	2022	2021
Current income tax expense		
Mainland China	**8,094,474**	6,668,809
Outside Mainland China	**447,573**	829,940
Deferred income tax expense	**(1,760,630)**	389,965
Total	**6,781,417**	7,888,714

(b) Reconciliation between income tax and accounting profit

The PRC income tax has been provided at the statutory rate of 25%, in accordance with the relevant tax laws in Mainland China. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. The reconciliation of the income tax expense applicable to profit before tax at the PRC statutory income tax rate to income tax expense at the Group's effective income tax rate is as follows:

	2022	2021
Profit before income tax	**28,950,204**	31,893,795
Tax at the PRC statutory income tax rate	**7,237,551**	7,973,449
Effects of different applicable rates of tax prevailing in various regions	**31,222**	142,057
Non-deductible expenses	**156,443**	133,902
Non-taxable income	**(586,424)**	(596,108)
Adjustments in respect of current and deferred income tax of prior years	**(46,721)**	77,438
Others	**(10,654)**	157,976
Tax expense at the Group's effective income tax rate	**6,781,417**	7,888,714

16 PROFIT ATTRIBUTABLE TO THE COMPANY

The profit attributable to the Company for the year ended 31 December 2022 amounted to RMB15,946 million (2021: RMB17,465 million), which has been dealt with in the financial statements of the Company (Note 60).

17 DIVIDENDS

	2022	2021
Dividends on ordinary shares proposed but not paid	**7,262,068**	8,003,095
Dividends on ordinary shares paid	**8,003,095**	5,170,710
Distribution to other equity instrument holders (Note18(1))	**497,209**	157,636

Dividends on ordinary shares proposed for approval were RMB0.49 yuan per share for the year ended 31 December 2022 (2021: RMB0.54 yuan per share).

Dividends proposed by the directors are not deducted from equity, until they have been approved by the shareholders in the general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

18 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculations of basic and diluted earnings per share are based on:

	2022	2021
Earnings:		
Profit attributable to Owners of the Parent	**21,317,422**	23,099,625
Less: Profit for the year attributable to other equity holders of the Company[(1)]	**(497,209)**	(157,636)
Profit attributable to ordinary share holders of the Company	**20,820,213**	22,941,989
Shares:		
Weighted average number of ordinary shares in issue (thousand)	**14,713,385**	13,602,162
Basic and diluted earnings per share (in RMB yuan)	**1.42**	1.69

There were no dilutive shares during the year ended 31 December 2022 (2021: None).

Basic earnings per share was calculated by dividing profit for the year attributable to Owners of the Parent by the weighted average number of ordinary shares outstanding.

(1) Terms of perpetual subordinated bonds are detailed in Note 50 Other Equity Instruments. For the purpose of calculating basic earnings per ordinary share, profit attributable to other equity holders was deducted from the profit attributable to ordinary equity holders of the Company.

(2) In 2022, the Company offered rights issue to its existing A shares and H shares shareholders, respectively, considering the bonus elements for these rights issues, the weighted average number of ordinary shares were adjusted accordingly for both years.

19 PROPERTY, PLANT AND EQUIPMENT

	Properties and buildings	Communication equipment	Office equipment	Vehicles	Security equipment	Electronic devices	Others	Subtotal	Construction in progress	Total
31 December 2022										
Cost										
31 December 2021	5,943,880	65,707	278,175	2,338,532	11,049	2,702,391	29,239	11,368,973	1,178,524	12,547,497
Increases	30,130	9,828	40,210	6,281	108	437,725	—	524,282	520,481	1,044,763
Decreases	(9,176)	(5,226)	(14,478)	(9,226)	(294)	(156,230)	(6,411)	(201,041)	(119,171)	(320,212)
Effect of exchange rate changes	9,560	3,455	2,733	200,585	—	90,502	(7)	306,828	—	306,828
31 December 2022	5,974,394	73,764	306,640	2,536,172	10,863	3,074,388	22,821	11,999,042	1,579,834	13,578,876
Accumulated depreciation										
31 December 2021	1,404,321	60,491	247,006	662,402	8,982	2,253,879	28,456	4,665,537	—	4,665,537
Increases	179,437	3,393	18,590	124,580	727	250,588	237	577,552	—	577,552
Decreases	(8,877)	(4,986)	(14,085)	(9,013)	(281)	(145,535)	(6,742)	(189,519)	—	(189,519)
Effect of exchange rate changes	8,827	3,121	2,260	58,215	—	81,575	(1)	153,997	—	153,997
31 December 2022	1,583,708	62,019	253,771	836,184	9,428	2,440,507	21,950	5,207,567	—	5,207,567
Allowances for impairment										
31 December 2021	1,525	—	—	80,072	—	3	—	81,600	—	81,600
Increases	—	—	—	—	—	—	—	—	—	—
Decreases	—	—	—	—	—	(3)	—	(3)	—	(3)
Effect of exchange rate changes	—	—	—	7,396	—	—	—	7,396	—	7,396
31 December 2022	1,525	—	—	87,468	—	—	—	88,993	—	88,993
Net carrying amount										
31 December 2022	4,389,161	11,745	52,869	1,612,520	1,435	633,881	871	6,702,482	1,579,834	8,282,316
31 December 2021	4,538,034	5,216	31,169	1,596,058	2,067	448,509	783	6,621,836	1,178,524	7,800,360

	Properties and buildings	Communication equipment	Office equipment	Vehicles	Security equipment	Electronic devices	Others	Subtotal	Construction in progress	Total
31 December 2021										
Cost										
31 December 2020	6,109,897	76,366	296,127	2,389,387	10,483	2,604,284	36,675	11,523,219	482,344	12,005,563
Increases	19,924	1,047	19,139	8,013	1,188	300,614	311	350,236	774,862	1,125,098
Decreases	(179,231)	(9,395)	(34,622)	(7,791)	(622)	(169,189)	(7,070)	(407,920)	(78,682)	(486,602)
Effect of exchange rate changes	(6,710)	(2,311)	(2,469)	(51,077)	—	(33,318)	(677)	(96,562)	—	(96,562)
31 December 2021	5,943,880	65,707	278,175	2,338,532	11,049	2,702,391	29,239	11,368,973	1,178,524	12,547,497
Accumulated depreciation										
31 December 2020	1,279,287	69,015	269,243	558,651	8,200	2,253,940	34,705	4,473,041	—	4,473,041
Increases	179,196	2,814	13,831	123,619	1,352	193,516	1,399	515,727	—	515,727
Decreases	(48,794)	(9,216)	(34,035)	(7,271)	(570)	(163,785)	(6,989)	(270,660)	—	(270,660)
Effect of exchange rate changes	(5,368)	(2,122)	(2,033)	(12,597)	—	(29,792)	(659)	(52,571)	—	(52,571)
31 December 2021	1,404,321	60,491	247,006	662,402	8,982	2,253,879	28,456	4,665,537	—	4,665,537
Allowances for impairment										
31 December 2020	1,525	—	106	—	—	250	—	1,881	—	1,881
Increases	—	—	—	80,072	—	—	—	80,072	—	80,072
Decreases	—	—	(106)	—	—	(247)	—	(353)	—	(353)
31 December 2021	1,525	—	—	80,072	—	3	—	81,600	—	81,600
Net carrying amount										
31 December 2021	4,538,034	5,216	31,169	1,596,058	2,067	448,509	783	6,621,836	1,178,524	7,800,360
31 December 2020	4,829,085	7,351	26,778	1,830,736	2,283	350,094	1,970	7,048,297	482,344	7,530,641

20 INVESTMENT PROPERTIES

31 December 2022	Properties and Buildings
Cost	
31 December 2021	**1,354,795**
Increases	**39,238**
Decreases	**—**
Effect of exchange rate changes	**(7,731)**
31 December 2022	**1,386,302**
Accumulated depreciation and amortisation	
31 December 2021	**288,383**
Increases	**34,681**
Decreases	**—**
Effect of exchange rate changes	**(449)**
31 December 2022	**322,615**
Allowances for impairment	
31 December 2021	**109,551**
Increases	**2,934**
Decreases	**—**
Effect of exchange rate changes	**(2,795)**
31 December 2022	**109,690**
Net carrying amount	
31 December 2022	**953,997**
31 December 2021	**956,861**

31 December 2021	Properties and Buildings
Cost	
31 December 2020	1,470,705
Increases	—
Decreases	(102,917)
Effect of exchange rate changes	(12,993)
31 December 2021	1,354,795
Accumulated depreciation and amortisation	
31 December 2020	260,528
Increases	34,208
Decreases	(5,666)
Effect of exchange rate changes	(687)
31 December 2021	288,383
Allowances for impairment	
31 December 2020	149,966
Increases	—
Decreases	(35,615)
Effect of exchange rate changes	(4,800)
31 December 2021	109,551
Net carrying amount	
31 December 2021	956,861
31 December 2020	1,060,211

21 GOODWILL

	31 December 2022	2021
Carrying amount at the beginning of the year:		
Cost	**11,655,647**	11,725,325
Less: Accumulated impairment	**(2,979,674)**	(948,627)
Net carrying amount	**8,675,973**	10,776,698
Movements during the year:		
Additions and effect of exchange rate changes	**237,892**	(69,678)
Impairment and effect of exchange rate changes*	**(482,298)**	(2,031,047)
Carrying amount at the end of the year:		
Cost	**11,893,539**	11,655,647
Less: Accumulated impairment	**(3,461,972)**	(2,979,674)
Net carrying amount	**8,431,567**	8,675,973

* As of 31 December 2022, the balance of impairment provision decreased by RMB163 million due to exchange rate changes (31 December 2021: decreased by RMB38 million).

	31 December 2022	2021
China Asset Management Company Limited	**7,418,587**	7,418,587
CITIC Securities International Company Limited	**595,254**	835,118
CITIC Futures Company Limited	**193,826**	193,826
CITIC Securities South China Company Limited	**91,725**	91,725
CITIC Securities (Shandong) Company Limited	**88,675**	88,675
CITIC Securities Company Limited	**43,500**	43,500
Xinjiang Equity Exchange Centre Limited	**—**	4,542
CITIC Securities Overseas Investment Company Limited	**—**	—
Total	**8,431,567**	8,675,973

The goodwill acquired from business combination is assessed for impairment at each annual financial reporting date. The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of the estimated future cash flow expected to be derived from the asset (value in use, "VIU").

As of 31 December 2022, the net carrying amount of the goodwill arising from CITIC Securities International Co., Ltd.'s acquisition of CLSA was RMB511 million (31 December 2021: RMB751 million), with a cost of RMB2,182 million and an accumulated impairment of RMB1,671 million.

In 2013, CITIC Securities International Co., Ltd. completed the acquisition of 100% shares of CLSA, and the goodwill resulted from CLSA's business value as a whole. The Group regarded CLSA as one CGU prior to 31 December 2020.

In 2021, the Group completed the reorganisation of CLSA to implement global integrated management. This reorganisation changed CLSA's internal management and aligned with the reporting structure of its existing business within the Group. Vertical integrated management of the Group's offshore and onshore business was achieved. The cash flow generated by each business unit is independent from those generated by other business units. Therefore, the Group allocated the goodwill to the groups of CGUs including Equity Derivatives ("EQD"), Fixed Income, Currencies and Commodities ("FICC"), Investment Banking ("IB"), etc., and tested each group of CGUs' impairment separately.

In 2022, when performing the goodwill impairment test, the Group compared the fair value less costs of disposal and the VIU of each group of CGUs, and the recoverable amount of each group of CGUs was determined as its VIU. An impairment loss of RMB300 million was recognised for FICC group of CGUs, and no impairment losses for other groups of CGUs were identified nor recognized (2021: An impairment loss of RMB1,093 million for Institutional Equities group of CGUs).

The above-mentioned recoverable amount of each group of CGUs was determined by its VIU. The Group calculated each group of CGU's VIU through a discounted cash flow model based on approved business plans and discount rates that reflect specific risks of relevant groups CGUs. The cash flow after the forecast period is extrapolated according to a stable growth rate and a terminal value. The forecast period is from 2023 to 2027.

In 2022, taking into consideration the actual financial results of CLSA, the Group applied average income growth rate in forecast period ranging from 5.23% to 32.43% (2021: 2.68%to 24.96%), average cost-to-income in forecast period ranging from 49.88% to 89.90% (2021: 52.99% to 97.08%), pre-tax discount rate ranging from 14.90% to 16.80% (2021: 13.79% to 14.68%), and terminal value growth rate was 2.00% (2021: 2.00%), when performing the goodwill impairment test.

22 LAND-USE RIGHTS AND INTANGIBLE ASSETS

	Intangible assets					
	Seats on stock exchanges	Software development	Customer relationships	Trademarks	Land-use rights	Total
31 December 2022						
Cost						
31 December 2021	**127,752**	**1,740,794**	**1,313,011**	**271,303**	**3,714,574**	**7,167,434**
Increases	**—**	**161,621**	**4,528**	**—**	**—**	**166,149**
Decreases	**—**	**(7,436)**	**—**	**—**	**(24,274)**	**(31,710)**
Effect of exchange rate changes	**3,681**	**51,448**	**109,992**	**25,123**	**—**	**190,244**
31 December 2022	**131,433**	**1,946,427**	**1,427,531**	**296,426**	**3,690,300**	**7,492,117**
Accumulated amortisation						
31 December 2021	**100,824**	**1,430,808**	**1,089,800**	**—**	**672,094**	**3,293,526**
Increases	**327**	**104,226**	**131,685**	**—**	**94,599**	**330,837**
Decreases	**(65)**	**(6,740)**	**—**	**—**	**(3,520)**	**(10,325)**
Effect of exchange rate changes	**1,571**	**51,039**	**96,497**	**—**	**—**	**149,107**
31 December 2022	**102,657**	**1,579,333**	**1,317,982**	**—**	**763,173**	**3,763,145**
Allowance for impairment						
31 December 2021	**—**	**207**	**10,582**	**270,918**	**—**	**281,707**
Increases	**—**	**—**	**—**	**—**	**—**	**—**
Decreases	**—**	**(207)**	**—**	**—**	**—**	**(207)**
Effect of exchange rate changes	**—**	**—**	**981**	**25,123**	**—**	**26,104**
31 December 2022	**—**	**—**	**11,563**	**296,041**	**—**	**307,604**
Net carrying amount						
31 December 2022	**28,776**	**367,094**	**97,986**	**385**	**2,927,127**	**3,421,368**
31 December 2021	**26,928**	**309,779**	**212,629**	**385**	**3,042,480**	**3,592,201**

	Intangible assets					
	Seats on stock exchanges	Software development	Customer relationships	Trademarks	Land-use rights	Total
31 December 2021						
Cost						
31 December 2020	131,594	1,690,768	1,336,613	277,663	2,272,436	5,709,074
Increases	—	177,567	4,143	—	1,462,188	1,643,898
Decreases	(1,501)	(110,598)	—	—	(20,050)	(132,149)
Effect of exchange rate changes	(2,341)	(16,943)	(27,745)	(6,360)	—	(53,389)
31 December 2021	127,752	1,740,794	1,313,011	271,303	3,714,574	7,167,434
Accumulated amortisation						
31 December 2020	102,198	1,406,145	983,909	—	324,918	2,817,170
Increases	342	88,086	128,016	—	351,197	567,641
Decreases	—	(48,483)	—	—	(4,021)	(52,504)
Effect of exchange rate changes	(1,716)	(14,940)	(22,125)	—	—	(38,781)
31 December 2021	100,824	1,430,808	1,089,800	—	672,094	3,293,526
Allowance for impairment						
31 December 2020	1,500	35,401	—	—	—	36,901
Increases	—	—	10,703	274,017	—	284,720
Decreases	(1,501)	(33,269)	—	—	—	(34,770)
Effect of exchange rate changes	1	(1,925)	(121)	(3,099)	—	(5,144)
31 December 2021	—	207	10,582	270,918	—	281,707
Net carrying amount						
31 December 2021	26,928	309,779	212,629	385	3,042,480	3,592,201
31 December 2020	27,896	249,222	352,704	277,663	1,947,518	2,855,003

23 INVESTMENTS IN SUBSIDIARIES

Company

	31 December 2022	2021
Unlisted shares, at cost	**46,074,631**	41,134,631

Particulars of the Company's principal subsidiaries are as follows:

(a) Principal subsidiaries acquired through establishment or investment

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the company	Attributable equity interest	
					Direct	Indirect
GoldStone Investment Co., Ltd. (金石投資有限公司)	Mainland China (Limited liability company)	RMB3 billion	Direct investment, investment advisory and management	RMB1,700 million	100%	—
CITIC Securities International Co., Ltd. (中信証券國際有限公司)	Hong Kong	Not applicable	Holding company	HKD6,516.05 million	100%	—
CITIC Securities Investment Ltd. (中信証券投資有限公司)	Mainland China (Limited liability company)	RMB17 billion	Financial product investment, securities investment, equity investment	RMB17 billion	100%	—
CITIC Securities Finance 2013 Co., Ltd.	The British Virgin Islands	Not applicable	Bond issuance	USD1	—	100%
CITIC Securities Finance MTN Co., Ltd.	The British Virgin Islands	Not applicable	Bond issuance	USD1	—	100%
CS Regal Holding Limited	The British Virgin Islands	Not applicable	Holding company	USD1	—	100%
CITIC Securities Qingdao Training Centre (青島中信証券培訓中心)	Mainland China (Private non-enterprise entity)	RMB1 million	Business training	RMB1 million	70%	30%
CITIC Securities Information and Quantitative Service (Shenzhen) Co., Ltd. (中信証券信息與量化服務(深圳)有限責任公司)	Mainland China (Limited liability company)	RMB10 million	Information technology development, technical consulting	RMB10 million	100%	—
CITIC Securities Overseas Investment Company Limited (中信証券海外投資有限公司)	Hong Kong	Not applicable	Holding, investment	HKD10,000	100%	—
Jintong Securities Co., Ltd. (金通證券有限責任公司)	Mainland China (Limited liability company)	RMB135 million	Securities brokerage	RMB35 million	100%	—
CITICS Investment Services Company Limited (中信中證投資服務有限責任公司)	Mainland China (Limited liability company)	RMB100 million	Investment management, advisory service, finance outsourcing service	RMB100 million	100%	—
Qingdao GoldStone Storm Investment Consulting Company Limited (青島金石暴風投資諮詢有限公司)	Mainland China (Limited liability company)	RMB50.10 million	Investment management, advisory services	RMB50.10 million	—	100%
Qingdao GoldStone Runhui Investment Management Company Limited (青島金石潤匯投資管理有限公司)	Mainland China (Limited liability company)	RMB10.10 million	Investment management, advisory services, investment with self-owned capital	RMB10.10 million	—	100%
Qingdao GoldStone Haorui Investment Company Limited (青島金石灝泱投資有限公司)	Mainland China (Limited liability company)	RMB805 million	Foreign investment and management with its own funds, as well as investment consulting services	RMB2 billion	—	100%

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the company	Attributable equity interest	
					Direct	Indirect
Jinjin Investment (Tianjin) Co., Ltd. (金津投資(天津)有限公司)	Mainland China (Limited liability company)	RMB100 million	Investment	RMB500 million	—	100%
CITIC GoldStone Fund Management Company Limited (中信金石基金管理有限公司)	Mainland China (Limited liability company)	RMB100 million	Investment	RMB100 million	—	100%
GoldStone ZeXin Investment Management Co., Ltd. (金石澤信投資管理有限公司)	Mainland China (Limited liability company)	RMB1 billion	Investment management, investment consulting, entrusted management of equity investment funds, venture capital, venture capital consulting, property management, self-owned property leasing, hotel management, purchase and sale of building decoration materials.	RMB1 billion	—	100%
CITIC Buyout Fund Management Company Limited (中信併購基金管理有限公司)	Mainland China (Limited liability company)	RMB100 million	Investment management, advisory services	RMB100 million	—	100%
Changxia Jinshi (Wuhan) Investment Management Company limited (長峽金石(武漢)私募基金管理有限公司)	Mainland China (Limited liability company)	RMB100 million	Investment management	RMB60 million	—	60%
Jinshi Fengrui Investment Management (Hangzhou) Co., Ltd. (金石灃泩投資管理(杭州)有限公司)	Mainland China (Limited liability company)	RMB30 million	Investment management	—	—	100%
Anhui Transport Control Jinshi Private Fund Management Co., Ltd. (安徽交控金石私募基金管理有限公司)	Mainland China (Limited liability company)	RMB30 million	Investment fund management	RMB10.50 million	—	70%
Anhui Xinan M&A Private Fund Management Co., Ltd. (安徽信安併購私募基金管理有限公司)	Mainland China (Limited liability company)	RMB20 million	Investment management	RMB16 million	—	80%
CITIC Securities Capital Management Co., Ltd. (中信中證資本管理有限公司)	Mainland China (Limited liability company)	RMB2 billion	Investment and asset management	RMB1 billion	—	100%
Yingshi (Shanghai) Asset Management Company Limited. (盈蒔(上海)資產管理有限公司)	Mainland China (Limited liability company)	RMB200 million	Asset management	RMB100 million	—	100%
CITIC Global Trade Company Limited (中信寰球商貿有限公司)	Mainland China (Limited liability company)	RMB1 billion	Engaged in the import and export business of goods and technologies, entrepot trade, trade and trade agency between enterprises in the region, simple commercial processing in the region, domestic cargo transportation agency, business consulting services, self-owned equipment leasing	RMB500 million	—	100%
CF International Financial Holding Company Limited (信期國際金融控股有限公司)	Hong Kong	RMB500 million	Holding company	RMB360 million	—	100%

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the company	Attributable equity interest	
					Direct	Indirect
CSI Corporate Finance (HK) Limited	Hong Kong	Not applicable	Financial Services	HKD2.54 million	—	100%
CLSA Europe B.V.	Netherlands	EUR0.75 million	Investment banking, securities brokerage business	EUR0.75 million	—	100%
CITIC Securities Brokerage (HK) Limited 中信証券經紀(香港)有限公司	Hong Kong	Not applicable	Securities brokers, dealers and securities issuance	HKD4.06 Billion	—	100%
CITIC Securities Futures (HK) Limited (中信証券期貨(香港)有限公司)	Hong Kong	Not applicable	Futures and options brokerage	HKD56.44 Million	—	100%
CLSA Fund Services (Asia) Limited	Hong Kong	Not applicable	Assets management	HKD1	—	100%
CLSA Global Investments Management Limited	The British Virgin Islands	USD1	Investment holding	HKD643.67 million	—	100%
Shanghai Wealth Management Company Limited 上海華夏財富投資管理有限公司	Mainland China (Limited liability company)	RMB20 million	Asset management	RMB20 million	—	62.20%

(b) Principal subsidiaries acquired from business combination

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the company	Attributable equity interest	
					Direct	Indirect
CITIC Securities (Shandong) Co., Ltd. (中信証券(山東)有限責任公司)	Mainland China (Limited liability company)	RMB2,493.8 Million	Securities business	RMB1,145.74 million	100%	—
CITIC Futures Co., Ltd. (中信期貨有限公司)	Mainland China (Limited liability company)	RMB7,600 Million	Futures brokerage, asset management, fund distribution	RMB7,949.23 million	100%	—
China Asset Management Co., Ltd. (華夏基金管理有限公司)	Mainland China (Sino-foreign joint stock limited company)	RMB238 million	Fund investment	RMB2,663.95 million	62.20%	—
Tianjin Jingzheng Property Services Co., Limited (天津京證物業服務有限公司)	Mainland China (Limited liability company)	RMB0.3 million	Property management and leasing service	RMB336.86 million	100%	—
Tianjin Shenzheng Property Services Co., Limited (天津深證物業服務有限公司)	Mainland China (Limited liability company)	RMB0.3 million	Property management and leasing service	RMB244.87 million	100%	—
CITIC Securities South China Company Limited (中信證券華南股份有限公司)	Mainland China (Joint stock limited company)	RMB5,091.14 Million	Securities brokerage	RMB7,159.27 million	99.90%	0.10%
Guangzhou Securities Lingxiu Investment company limited (廣證領秀投資有限公司)	Mainland China (Limited liability company)	RMB680 million	Investment and asset management	RMB470.21 million	100%	—
Guangzhou Guangzheng Hengsheng Market Research Company Limited (廣州廣證恒生市場研究有限公司)	Mainland China (Limited liability company)	RMB44.68 Million	Commercial service industry	RMB29.94 million	—	67%
Guangzhou Securities Innovation Investment Management Co., Ltd. (廣州證券創新投資管理有限公司)	Mainland China (Limited liability company)	RMB140 million	Capital Market Services	RMB134.98 million	—	100%
Jinshang (Tianjin) Investment Management Co., Ltd. (金尚(天津)投資管理有限公司)	Mainland China (Limited liability company)	RMB12.5 million	Investment management, advisory service	RMB18.59 million	—	100%

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the company	Attributable equity interest	
					Direct	Indirect
China Asset Management (Hong Kong) Limited (華夏基金(香港)有限公司)	Hong Kong	HKD600 million	Asset management	HKD600 million	—	62.20%
China AMC Capital Management Limited (華夏資本管理有限公司)	Mainland China (Limited liability company)	RMB350 million	Asset management, financial advisory	RMB350 million	—	62.20%
CLSA B.V. (里昂証券)	Netherlands	Not applicable	Investment, holding	USD1,090.30 million	—	100%
CLSA Australia Holdings Pty Ltd	Australia	AUD105.03 million	Investment holding	AUD105.03 million	—	100%
CITIC Securities (HK) Limited 中信証券(香港)有限公司	Hong Kong	Not applicable	Investment banking	HKD54.38 million	—	100%
CLSA Capital Partners Limited	Hong Kong	Not applicable	Investment holding	HKD215.06 million	—	100%
CLSA Investments Ltd.	Cayman Islands	USD0.05 Million	Private equity fund investment	USD7.45 million	—	100%
XinZheng Operation Management Limited 深圳信証運營服務有限責任公司	Mainland China (Limited liability company)	RMB10 million	Socio-economic advisory services; Enterprise management; Data processing and storage support services; Information consulting services (excluding licensed information consulting services).	RMB3 million	—	100%
CLSA Finance Limited	Hong Kong	Not applicable	Group Financing; Fund management	HKD679.94 million	—	100%
CLSA Premium Limited[1]	Cayman Island	Not applicable	Investment, holding	HKD158.65 million	—	59.03%
CSI Capricornus Limited	The British Virgin Islands	USD0.05 million	Equity investment	—	—	100%

(c) Non-cash financing activities

The Group had no significant non-cash financing activities during the year ended 31 December 2022.

[1] On 17 November 2022, CITIC Securities Company Limited informed CLSA Premium Limited that CITIC Securities Overseas Investment Company Limited would transfer its holding of 59.03% ordinary shares in CLSA Premium Limited to CITIC Securities International Company Limited. The equity transfer has been completed according to announcement issued by CLSA Premium Limited on 22 November 2022.

(d) Structured entities included in the consolidated financial statement

The Group acts as asset manager for or invested in a number of structured entities. Management makes significant judgment on whether the Group controls and therefore should consolidate these structured entities.

Management has determined that the Group had control of certain structured entities based on their assessment of the Group's power over, its exposure to variable returns from its involvement with, and its ability to use its power to affect the amount of its returns from these structured entities. 46 of the structured entities have been consolidated as at 31 December 2022 (25 of the structured entities have been consolidated as at 31 December 2021), considering the variable returns to which the Group is entitled.

As at 31 December 2022, the fair value of total assets of the consolidated structured entities was RMB50,047 million (31 December 2021: RMB50,603 million), and the fair value of total liabilities of the consolidated structured entities was RMB7,787 million (Year ended 31 December 2021: RMB2,814 million).

(e) Details of the Group's subsidiary with material non-controlling interests is set out below:

China Asset Management Co., Ltd.

	31 December	
	2022	2021
Percentage of equity interest held by non-controlling interests	**37.80%**	37.80%
Dividends paid to non-controlling interests	**433,180**	380,080
Ending balances of non-controlling interests	**4,683,064**	4,266,623
Profit for the year attributable to non-controlling interests	**817,735**	873,955

The following tables illustrate the summarised financial information of the above subsidiary:

	2022	2021
Revenue	**7,489,569**	8,026,663
Profit from continuing operations	**2,163,319**	2,312,051
Total comprehensive income for the year	**2,247,674**	2,286,540
Net cash flows from operating activities	**1,114,255**	1,226,918
Net cash flows from investing activities	**(84,622)**	(72,443)
Net cash flows used in financing activities	**(1,257,503)**	(1,125,746)
Net increase in cash and cash equivalents	**(174,194)**	10,682

	31 December 2022	2021
Current assets	**15,696,893**	14,491,148
Non-current assets	**1,952,616**	1,803,461
Current liabilities	**3,891,196**	3,690,974
Non-current liabilities	**1,369,257**	1,316,273

As at 31 December 2022, there were no significant restrictions on the ability of the Group to access or use the assets and settle the liabilities of the Group's subsidiaries (2021: Nil).

24 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	31 December 2022	2021
Associates	**9,695,513**	9,145,745
Joint ventures	**9,860**	38,894
Less: Allowance for impairment	**(56,655)**	(56,655)
Total	**9,648,718**	9,127,984

(a) Particulars of the Group's principal associates and joint ventures are as follows:

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Associates:					
CITIC Private Equity Funds Management Co., Ltd. (中信產業投資基金管理有限公司)	Mainland China (Limited liability company)	RMB1.8 billion	Investment fund management	35%	35%
Qingdao Blue Ocean Equity Exchange Center Co., Ltd. (青島藍海股權交易中心有限責任公司)	Mainland China (Limited liability company)	RMB100 million	Equity trading	40%	40%
CSC Financial Co., Ltd. (中信建投證券股份有限公司)	Mainland China (Joint stock limited company)	RMB7,756.69 million	Securities brokerage, securities investment consulting	4.9357%	4.9357%
Xinjiang Equity Trading Center Co., Ltd.[2] 新疆股權交易中心有限公司	Mainland China (Joint stock limited company	RMB110 million	Finance industry	20%	20%
Beijing Agricultural Investment Fund (Limited Partnership) (北京農業產業投資基金(有限合夥))	Mainland China (Limited Joint Ventures)	RMB620 million	Investment	32.26%	32.26%
Beijing GoldStone Agricultural Investment Fund Management Center (Limited Partnership) (北京金石農業投資基金管理中心 (有限合夥))	Mainland China (Limited Joint Ventures)	RMB30 million	Fund management	33%	33%

[2] The 29th Meeting of the Seventh Session of the Board approved the Resolution on the Transfer of 34.55% Equity Interest in Xinjiang Equity trading center Co., Ltd. held by the Company by way of listing. The transfer and relevant registration was completed in 2022. As of 31 December 2022, the Company held 20.00% equity interest in Xinjiang Equity trading center Co., Ltd. and ceased to consolidate it as a subsidiary. Xinjiang Equity trading center Co., Ltd. became an associate of the Company thereafter.

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Shandong Kunxin Management Co., Ltd. 山東坤信企業管理有限公司	Mainland China (Limited liability company)	RMB110 million	Enterprise management, enterprise management consulting, information consulting services, market research, financial consulting, corporate image planning, marketing planning, technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion.	13%	13%
Xinrong Customer Services Club Co., Ltd. (深圳市信融客戶服務俱樂部有限公司)	Mainland China (Limited liability company)	RMB10 million	Financial services	25%	25%
Qianhai Infrastructure Investments Fund Management Co., Ltd. (深圳前海基礎設施投資基金管理有限公司)	Mainland China (Limited liability company)	RMB300 million	Fund management	11.67%	11.67%(i)
Tibet Xinsheng Equity Investment Partnership (limited partnership) (西藏信昇股權投資合夥企業(有限合夥))	Mainland China (Limited Joint Ventures	RMB5,108.10 million	Private equity investment	9.79%	9.79%
Taifu GoldStone (Tianjin) Fund Management Co., Ltd. (泰富金石(天津)基金管理有限公司)	Mainland China (Limited liability company)	RMB50 million	Entrusted management of equity investment entities, investment management and relevant consulting services	40%	40%
Xi'an Future Aerospace Industry Co., Ltd. (西安明日宇航工業有限責任公司)	Mainland China (Limited liability company)	RMB50 million	Aerospace components and ground equipment manufacturing, sheet metal components manufacturing	35%	35%
Sailing Capital International Investment Fund (Shanghai) Co., Ltd. (賽領國際投資基金(上海)有限公司)	Mainland China (Limited liability company)	RMB3,810 million	Investment, Investment management and investment consulting	11.10%	11.10%(i)
Sailing Capital Management Co., Ltd. (賽領資本管理有限公司)	Mainland China (Limited liability company)	RMB280.50 million	Equity investment management	9.09%	9.09%(i)
CITIC POLY (Tianjin) Private Equity Fund Management Co., Ltd. (信保(天津)股權投資基金管理有限公司)	Mainland China (Limited liability company)	RMB100 million	Entrusted management of equity investment	33%	33%
Tongfang Laishi Pharmaceutical Industry Investment (Guangdong) Co., Ltd. 同方萊士醫藥產業投資(廣東)有限公司	Mainland China (Limited liability company)	RMB2,000 million	Investment of enterprise's own capital, investment advisory services, biomedicine technology investment	15%	15%
Aria Investment Partners III, L.P.	Cayman Islands	Not applicable	Private equity fund	28.10%	100%(i)
Aria Investment Partners IV, L.P.	Cayman Islands	Not applicable	Private equity fund	39.14%	100%(i)
Aria Investment Partners V, L.P.	Cayman Islands	Not applicable	Private equity fund	45.45%	100%(i)
Clean Resources Asia Growth Fund L.P.	Cayman Islands	Not applicable	Hedge fund	3.00%	3%(i)
Fudo Capital II, L.P.	Cayman Islands	Not applicable	Real estate fund	6.13%	100%(i)
Fudo Capital III, L.P.	Cayman Islands	Not applicable	Real estate fund	5%	40%(i)
Fudo Capital IV, L.P.	Cayman Islands	Not applicable	Real estate fund	2.65%	40%
Sunrise Capital II, L.P.	Cayman Islands	Not applicable	Private equity fund	23.99%	100%(i)
Sunrise Capital III, L.P.	Cayman Islands	Not applicable	Private equity fund	6.08%	100%(i)
Sunrise Capital IV, L.P.	Cayman Islands	Not applicable	Private equity fund	5.41%	50%(i)

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Associates:					
CLSA Aviation Private Equity Fund I	Korea	Not applicable	Direct investment fund	6.86%	100%(i)
CLSA Aviation Private Equity Fund II	Korea	Not applicable	Direct investment fund	0.08%	100%
CLSA Aviation II Investments (Cayman) Limited	Cayman Islands	Not applicable	Direct investment fund	12.39%	100%(i)
CT CLSA Holdings Limited	Sri Lanka	LKR500 million	Investment banking and securities brokerage	25%	25%
Holisol Logistics Private Limited.	India	INR10.80 million	Asset management	20.29%	20.29%
CLSA Infrastructure Private Equity Fund I	Korea	Not applicable	Private equity fund	0.14%	100%(i)
CSOBOR Fund L.P.	Cayman Islands	Not applicable	Asset management	24.58%	60%
Alfalah CLSA Securities (Private) Limited	Pakistan	PRK400 million	Investment banking and securities brokerage	24.90%	24.90%
Pine Tree Special Opportunity FMC LLC	Cayman Islands	Not applicable	Fund management	50%	50%
CLSA Real Estate Limited	Cayman Island	USD0.05 million	Real estate investment consulting	40%	40%
Citron PE Holdings Limited	The British Virgin Island	HKD171.60 million	Asset management	35%	Not applicable
MEC Global Partners Asia Ltd.	Cayman Islands	USD10 million	Asset management	30%	30%
Lending Ark Asia Secured Private Debt Fund I (Non-US), LP	Cayman Islands	Not applicable	Asset management	22.16%	30%
Lending Ark Asia Secured Private Debt Holdings Limited	Cayman Islands	USD0.05 million	Asset management	30%	30%
Joint ventures:					
CITIC Standard and Poor's Information Service (Beijing) Co., Ltd. (中信標普指數信息服務(北京)有限公司)	Mainland China (Sino-foreign joint stock limited company)	USD1 million	Financial services	50%	50%
Double Nitrogen Fund GP Limited	Cayman Islands	USD100	Investment management	48%	50%(ii)
Sino-Ocean Land Logistics Investment Management Limited	Cayman Islands	USD0.05 million	Investment management	50%	33.33%
CSOBOR Fund GP Limited	Cayman Islands	USD100	Investment management	49%	60%
Kingvest Limited	Cayman Islands	JPY5,000 million	Asset management	44.85%	44.85%
Sunrise Capital Holdings IV Limited	Cayman Islands	USD0.05 million	Asset management	50%	50%
Bright Lee Capital Limited	The British Virgin Island	USD0.05 million	Asset management	48%	50%

(i) The Group has a significant influence over these funds as it acts as the fund manager of these funds.

(ii) The Group has joint control over this entity with other parties through contractual arrangement.

(b) The following table illustrates the summarised financial information of the Group's material associates:

(i) CITIC Private Equity Funds Management Co., Ltd., as a major associate of the Group, is primarily engaged in investment fund management, and is accounted for using the equity method. The unaudited financial information is as follows:

	31 December	
	2022	2021
Current assets	**6,758,655**	5,355,347
Non-current assets	**622,863**	157,094
Current liabilities	**1,549,288**	76,108
Non-current liabilities	**670,258**	300,082

	2022	2021
Revenue	**1,919,530**	576,073
Profit from continuing operations	**8,645**	184,133
Total comprehensive income	**8,645**	184,133

(ii) CSC Financial Co., Ltd. as a major associate of the Group, is primarily engaged in securities brokerage and investment consulting, and for using the equity method. According to the unaudited financial data for 2022 provided by the management of CSC Financial Co., Ltd., the Group calculated its share of net assets based on its shareholding ratio.

(iii) CITIC POLY (Tianjin) Private Equity Fund Management Co., Ltd. as a major associate of the Group, is primarily engaged in entrusted management of equity investment, and is accounted for using the equity method. The unaudited financial information is as follows:

	31 December	
	2022	2021
Current assets	**1,623,820**	2,226,080
Non-current assets	**4,834,407**	4,561,807
Current liabilities	**2,185,456**	2,961,917
Non-current liabilities	**45,445**	16,432

	2022	2021
Revenue	**190,645**	666,096
Profit from continuing operations	**200,065**	305,314
Total comprehensive income	**200,065**	305,314

(c) The following table illustrates the aggregate unaudited financial information of the Group's associates and joint ventures that are not individually material.

	2022	2021
Profit for the year	**842,878**	585,510
Other comprehensive income	**175,466**	—
Total comprehensive income	**1,018,344**	585,510

(d) As at 31 December 2022, there was no capital commitment to the associates and joint ventures (31 December 2021: Nil).

(e) There were no significant restrictions on the ability of the Group's associates and joint ventures to transfer funds to the Group in form of cash dividends or to repay any liability owed to the Group as at 31 December 2022 and 31 December 2021.

25 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2022	
	Current	**Non-current**
Debt instruments (Mandatory)	**70,115,174**	**—**
Equity instruments (Designated)		
Non-tradable equity instruments	**—**	**162,540**
Total	**70,115,174**	**162,540**
Loss allowance	**764,409**	**—**
Analysed into:		
Listed	**68,601,911**	**—**
Unlisted	**1,513,263**	**162,540**
	70,115,174	**162,540**

	31 December 2021	
	Current	Non-current
Debt instruments (Mandatory)	69,091,928	—
Equity instruments (Designated)		
Non-tradable equity instruments	—	164,813
Total	69,091,928	164,813
Loss allowance	409,959	—
Analysed into:		
Listed	67,891,649	—
Unlisted	1,200,279	164,813
	69,091,928	164,813

26 REFUNDABLE DEPOSITS

	31 December 2022	31 December 2021
Trading deposits	**52,895,340**	40,448,292
Credit deposits	**1,179,988**	1,354,659
Performance deposits	**15,082,787**	13,380,653
Total	**69,158,115**	55,183,604

27 DEFERRED INCOME TAX ASSETS AND LIABILITIES

Deferred income tax assets:	Fair value changes of financial instruments	Allowance for impairment losses	Salaries, bonuses, and allowances payable	Others	Total
At 31 December 2021	**1,656,270**	**3,073,652**	**4,398,090**	**364,902**	**9,492,914**
Credited/(Debited) to the statement of profit or loss	**1,416,266**	**(283,439)**	**159,670**	**453,729**	**1,746,226**
Credited/(Debited) to other comprehensive income	**244**	**—**	**(11,726)**	**28,563**	**17,081**
Others additions	**—**	**(108)**	**—**	**—**	**(108)**
At 31 December 2022	**3,072,780**	**2,790,105**	**4,546,034**	**847,194**	**11,256,113**

Deferred income tax assets:	Fair value changes of financial instruments	Allowance for impairment losses	Salaries, bonuses, and allowances payable	Others	Total
At 31 December 2020	2,362,110	2,933,007	4,067,555	299,248	9,661,920
Credited/(Debited) to the statement of profit or loss	(705,062)	140,645	335,205	63,161	(166,051)
Credited/(Debited) to other comprehensive income	(778)	—	(4,670)	2,493	(2,955)
At 31 December 2021	1,656,270	3,073,652	4,398,090	364,902	9,492,914

Deferred income tax liabilities:	Amortisation allowance	Fair value changes of financial instruments	Others	Total
At 31 December 2021	**62,733**	**2,112,112**	**1,013,463**	**3,188,308**
Debited/(Credited) to the statement of profit or loss	**(41,963)**	**(59,082)**	**86,641**	**(14,404)**
Debited/(Credited) to other comprehensive income	**4,523**	**(6,721)**	**5,310**	**3,112**
Others additions	**—**	**(391)**	**—**	**(391)**
At 31 December 2022	**25,293**	**2,045,918**	**1,105,414**	**3,176,625**

Deferred income tax liabilities:	Amortisation allowance	Fair value changes of financial instruments	Others	Total
At 31 December 2020	197,098	2,117,458	861,636	3,176,192
Debited/(Credited) to the statement of profit or loss	(140,837)	218,161	146,590	223,914
Debited/(Credited) to other comprehensive income	6,472	(223,507)	5,237	(211,798)
At 31 December 2021	62,733	2,112,112	1,013,463	3,188,308

28 RIGHT-OF-USE ASSETS

31 December 2022	Properties and Buildings	Transportation Vehicles	Electronic Devices	Others	Total
Cost					
31 December 2021	**3,213,916**	**1,300**	**686**	**1,973**	**3,217,875**
Increases	**824,016**	**—**	**545**	**—**	**824,561**
Decreases	**(350,127)**	**—**	**—**	**—**	**(350,127)**
Effect of exchange rate change	**92,028**	**31**	**47**	**—**	**92,106**
31 December 2022	**3,779,833**	**1,331**	**1,278**	**1,973**	**3,784,415**
Accumulated depreciation					
31 December 2021	**1,321,831**	**845**	**550**	**925**	**1,324,151**
Increases	**746,934**	**285**	**156**	**477**	**747,852**
Decreases	**(281,883)**	**—**	**—**	**—**	**(281,883)**
Effect of exchange rate change	**51,742**	**39**	**26**	**—**	**51,807**
31 December 2022	**1,838,624**	**1,169**	**732**	**1,402**	**1,841,927**
Allowances for impairment					
31 December 2021	**—**	**—**	**—**	**—**	**—**
Increases	**—**	**—**	**—**	**—**	**—**
Decreases	**—**	**—**	**—**	**—**	**—**
Effect of exchange rate change	**—**	**—**	**—**	**—**	**—**
31 December 2022	**—**	**—**	**—**	**—**	**—**
Net carrying amount					
31 December 2022	**1,941,209**	**162**	**546**	**571**	**1,942,488**
31 December 2021	**1,892,085**	**455**	**136**	**1,048**	**1,893,724**

31 December 2021	Properties and Buildings	Transportation Vehicles	Electronic Devices	Others	Total
Cost					
31 December 2020	2,819,343	1,795	768	1,609	2,823,515
Increases	933,233	124	—	364	933,721
Decreases	(505,853)	(422)	—	—	(506,275)
Effect of exchange rate change	(32,807)	(197)	(82)	—	(33,086)
31 December 2021	3,213,916	1,300	686	1,973	3,217,875
Accumulated depreciation					
31 December 2020	1,055,728	1,059	412	542	1,057,741
Increases	730,932	309	192	383	731,816
Decreases	(450,997)	(390)	—	—	(451,387)
Effect of exchange rate change	(13,832)	(133)	(54)	—	(14,019)
31 December 2021	1,321,831	845	550	925	1,324,151
Allowances for impairment					
31 December 2020	—	—	—	—	—
Increases	—	—	—	—	—
Decreases	—	—	—	—	—
Effect of exchange rate change	—	—	—	—	—
31 December 2021	—	—	—	—	—
Net carrying amount					
31 December 2021	1,892,085	455	136	1,048	1,893,724
31 December 2020	1,763,615	736	356	1,067	1,765,774

29 OTHER NON-CURRENT ASSETS

	31 December 2022	2021
Receivables and others	**507,717**	1,947,104
Total	**507,717**	1,947,104

30 MARGIN ACCOUNTS

	31 December 2022	2021
Margin accounts	**109,477,877**	132,438,405
Less: loss allowance	**(2,501,544)**	(3,319,351)
Total	**106,976,333**	129,119,054

Margin accounts are funds that the Group lends to its customers for margin financing business.

As at 31 December 2022, the Group received collateral with fair value amounted to RMB431,795 million (31 December 2021: RMB604,176 million), in connection with its margin financing business.

31 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2022	
	Current	Non-current
Mandatory		
Debt instruments	**245,517,295**	**150,753**
Equity instruments	**226,614,521**	**24,857,372**
Others	**17,611,183**	**5,116,530**
	489,742,999	**30,124,655**
Designated		
Debt instruments	**210,752**	**—**
Equity instruments	**8,318,724**	**2,099,647**
Others	**19,304**	**406,611**
	8,548,780	**2,506,258**
Total	**498,291,779**	**32,630,913**
Analysed into:		
Mandatory		
Listed	**436,891,841**	**6,053,695**
Unlisted	**52,851,158**	**24,070,960**
	489,742,999	**30,124,655**
Designated		
Listed	**8,317,721**	**186,746**
Unlisted	**231,059**	**2,319,512**
	8,548,780	**2,506,258**
Total	**498,291,779**	**32,630,913**

	31 December 2021	
	Current	Non-current
Mandatory		
Debt instruments	240,167,107	466,449
Equity instruments	196,274,080	23,851,608
Others	67,863,499	3,586,890
	504,304,686	27,904,947
Designated		
Debt instruments	832,754	—
Equity instruments	10,907,100	754,087
Others	57,561	572,625
	11,797,415	1,326,712
Total	516,102,101	29,231,659
Analysed into:		
Mandatory		
Listed	427,939,226	6,018,207
Unlisted	76,365,460	21,886,740
	504,304,686	27,904,947
Designated		
Listed	10,905,999	156,339
Unlisted	891,416	1,170,373
	11,797,415	1,326,712
Total	516,102,101	29,231,659

As of 31 December 2022, financial assets at fair value through profit or loss of RMB212,800 million (31 December 2021: RMB189,906 million) were collateralised for reverse repurchase agreements, amount due to China Securities Finance Corporation Limited (CSF), securities lending and short term loan transactions.

32 DERIVATIVE FINANCIAL INSTRUMENTS

	31 December 2022		
	Notional amounts	Fair value	
		Assets	Liabilities
Interest rate derivatives	**1,853,420,762**	**7,780,104**	**6,463,749**
Currency derivatives	**748,270,446**	**5,070,611**	**5,536,488**
Equity derivatives	**507,787,735**	**19,695,668**	**11,610,629**
Credit derivatives	**12,080,451**	**77,982**	**151,622**
Others	**831,431,631**	**3,764,362**	**4,360,010**
Total	**3,952,991,025**	**36,388,727**	**28,122,498**

	31 December 2021		
	Notional amounts	Fair value	
		Assets	Liabilities
Interest rate derivatives	1,480,778,754	6,734,730	7,042,396
Currency derivatives	184,764,645	2,311,987	1,070,496
Equity derivatives	450,713,282	16,596,726	22,585,514
Credit derivatives	8,132,484	137,525	339,840
Others	489,988,642	5,219,608	3,079,520
Total	2,614,377,807	31,000,576	34,117,766

Under the daily mark-to-market and settlement arrangement, the Group's future contracts were settled on a daily basis and the amount of mark-to-market gain or loss of those unexpired future contracts is reflected in profit or loss and not included in derivative financial instruments above. The corresponding payments or receipts are reflected in "cash and bank balances". As at 31 December 2022, the fair value of those unexpired daily settled future contracts was a gain of RMB607 million (31 December 2021: loss of RMB47 million).

33 REVERSE REPURCHASE AGREEMENTS

	31 December 2022	2021
Analysed by collateral:		
Stocks	**29,396,206**	22,033,509
Debts	**5,974,265**	29,699,294
Others	**2,694,996**	1,505,059
	38,065,467	53,237,862
Less: loss allowance	**(6,582,408)**	(6,844,558)
Total	**31,483,059**	46,393,304
Analysed by business:		
Pledged repo	**32,777,512**	48,961,875
Debt securities outright repo	**2,592,960**	2,770,928
Others	**2,694,995**	1,505,059
	38,065,467	53,237,862
Less: loss allowance	**(6,582,408)**	(6,844,558)
Total	**31,483,059**	46,393,304
Analysed by counterparty:		
Banks	**4,010,462**	2,719,672
Non-bank financial institutions	**426,924**	7,115,787
Others	**33,628,081**	43,402,403
	38,065,467	53,237,862
Less: loss allowance	**(6,582,408)**	(6,844,558)
Total	**31,483,059**	46,393,304

As at 31 December 2022, stock-pledged repo under reverse repurchase agreements totalled RMB29,396 million (31 December 2021: RMB22,034 million) with credit impairment loss allowance of RMB6,582 million (31 December 2021: RMB6,845 million).

As at 31 December 2022, the Group received collateral amounted to RMB88,182 million (31 December 2021: RMB94,895 million), in connection with its reverse repurchase agreements.

As part of the reverse repurchase agreements, the Group received securities allowed to be re-pledged in the absence of default by counterparties. If the collateral received declines in value, the Group may, in certain circumstances, require additional collateral. The Group had an obligation to return the collateral to its counterparties at the maturity of the contracts.

As at 31 December 2022, the amount of the above collateral allowed to be re-pledged was RMB5,747 million (31 December 2021: RMB4,840 million), and the amount of the collateral re-pledged was RMB4,832 million (31 December 2021: RMB2,389 million).

34 OTHER CURRENT ASSETS

	31 December 2022	2021
Brokerage accounts due from clients	**7,660,160**	8,138,283
Interest receivable	**359,765**	374,159
Accounts due from brokers	**26,731,357**	10,566,199
Settlement deposits receivable	**10,984,816**	7,905,333
Deferred expenses	**77,010**	75,773
Dividends receivable	**446**	2,465
Bulk commodity trading inventory	**619,914**	2,301,404
Others	**14,043,906**	9,195,054
Subtotal	**60,477,374**	38,558,670
Less: Impairment allowance	**(2,153,553)**	(2,147,799)
Total	**58,323,821**	36,410,871

35 CASH HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated deposit accounts with banks and authorised institutions to hold cash on behalf of customers arising from its normal course of business. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as customer brokerage deposits (Note 37). In the PRC, the use of cash held on behalf of customers for security and the settlement of their transactions is restricted and governed by relevant third-party deposit regulations issued by the CSRC. In Hong Kong, the "Securities and Futures (Client Money) Rules" together with the related provisions of the Securities and Futures Ordinance impose similar restrictions. In other countries and regions, cash held on behalf of customers is supervised by relevant authorities.

36 CASH AND BANK BALANCES

	31 December 2022	2021
Cash on hand	**236**	195
Deposits in banks	**112,401,728**	97,610,508
Total	**112,401,964**	97,610,703

As at 31 December 2022, the Group had restricted funds of RMB7,824 million (31 December 2021: RMB6,569 million).

37 CUSTOMER BROKERAGE DEPOSITS

	31 December 2022	2021
Customer brokerage deposits	**279,402,254**	251,164,466

Customer brokerage deposits represent the amounts received from and repayable to clients arising from the ordinary course of the Group's securities brokerage activities. For more details, please refer to Note 35 "Cash held on behalf of customers".

38 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2022	
	Current	**Non-current**
Financial liabilities held for trading		
Debt instruments	**7,793,729**	**—**
Equity investments	**8,939,163**	**—**
Other	**1,194,116**	**—**
Subtotal	**17,927,008**	**—**
Financial liabilities designated as at fair value through profit or loss		
Beneficiary certificates and structured notes	**43,945,799**	**20,503,989**
Minority interests in consolidated structured entities and others	**531,527**	**8,207,272**
Subtotal	**44,477,326**	**28,711,261**
Total	**62,404,334**	**28,711,261**

	31 December 2021	
	Current	Non-current
Financial liabilities held for trading		
Debt instruments	2,105,086	—
Equity investments	3,354,631	—
Other	617,600	—
Subtotal	6,077,317	—
Financial liabilities designated as at fair value through profit or loss		
Beneficiary certificates and structured notes	42,321,036	15,429,529
Minority interests in consolidated structured entities and others	1,015,124	10,800,590
Subtotal	43,336,160	26,230,119
Total	49,413,477	26,230,119

As at 31 December 2022 and 2021, there were no significance fair value changes related to the changes in the credit risk of the Group.

39 REPURCHASE AGREEMENTS

	31 December 2022	2021
Analysed by collateral:		
Equity	**30,588,477**	30,185,502
Debts	**122,002,749**	154,402,507
Precious metal	**14,953,993**	11,834,085
Others	**46,737,876**	38,864,382
Total	**214,283,095**	235,286,476
Analysed by counterparty:		
Banks	**66,749,325**	83,547,103
Non-bank financial institutions	**27,699,736**	21,904,630
Others	**119,834,034**	129,834,743
Total	**214,283,095**	235,286,476

As at 31 December 2022, the Group's pledged collateral in connection with its repurchase financing business amounted to RMB239,414 million (31 December 2021: RMB257,925 million).

40 DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	31 December 2022	2021
Due to banks	**24,569,780**	50,683,601
Due to China Securities Finance Corporation Limited (Note 31)	**5,011,083**	—
Total	**29,580,863**	50,683,601

41 TAXES PAYABLE

	31 December 2022	2021
Enterprise income tax	**4,055,636**	3,864,522
Individual income tax	**1,275,470**	941,336
Value added tax	**201,091**	201,234
Others	**43,964**	59,459
Total	**5,576,161**	5,066,551

42 SHORT-TERM LOANS

	31 December 2022	2021
Analysed by nature:		
Credit loans	**9,092,064**	7,098,889
Collateralised loans	**708,945**	163,098
Total	**9,801,009**	7,261,987
Analysed by maturity:		
Maturity within one year	**9,801,009**	7,261,987

As at 31 December 2022, the annual interest rates on the short-term loans were in the range of 0.00% to 6.50% (31 December 2022: 0.00% to 10.00%). As at 31 December 2022, the book value of the collateral was RMB5,022 million (31 December 2021: RMB3,236 million) (Note 31).

43 SHORT-TERM FINANCING INSTRUMENTS PAYABLE

2022

Name	Issue date	Maturity date	Coupon rate	Opening balance	Increase	Repayment	Ending balance
CITICS MTN ECP16	19/01/2021	18/01/2022	0.75%	321,060	143	321,203	—
CITICS MTN ECP20	25/05/2021	24/05/2022	0.00%	158,952	443	159,395	—
CITICS MTN ECP21	02/06/2021	01/06/2022	0.00%	190,712	562	191,274	—
CITICS MTN ECP22	20/07/2021	19/07/2022	0.00%	325,991	1,077	327,068	—
CITICS MTN ECP23	22/07/2021	21/07/2022	0.00%	244,485	816	245,301	—
CITICS MTN ECP24	10/08/2021	08/03/2022	0.00%	318,517	268	318,785	—
CITICS MTN ECP25	19/08/2021	18/08/2022	0.00%	444,239	2,103	446,342	—
CITICS MTN ECP26	19/08/2021	18/03/2022	0.00%	191,094	177	191,271	—
CITICS MTN ECP27	08/09/2021	07/09/2022	0.00%	325,723	1,359	327,082	—
CITICS MTN ECP28	14/09/2021	14/06/2022	0.00%	317,888	904	318,792	—
CITICS MTN ECP29	17/09/2021	15/09/2022	0.58%	638,025	3,358	641,383	—
CITICS MTN ECP30	17/09/2021	16/09/2022	0.00%	317,173	1,654	318,827	—
CITICS MTN ECP31	29/09/2021	28/09/2022	0.00%	317,121	1,711	318,832	—
CITICS MTN ECP32	10/11/2021	12/05/2022	0.00%	76,336	172	76,508	—
CITICS MTN ECP33	10/11/2021	11/05/2022	0.00%	114,507	256	114,763	—
CITICS MTN ECP34	18/11/2021	18/05/2022	0.00%	1,081,193	2,680	1,083,873	—
CITICS MTN ECP35	18/11/2021	18/05/2022	0.00%	611,761	1,467	613,228	—
CITICS MTN ECP36	23/11/2021	22/11/2022	0.00%	632,434	5,360	637,794	—
CITICS MTN ECP37	02/12/2021	01/12/2022	0.00%	243,355	2,016	245,371	—
CITICS MTN ECP38	14/12/2021	13/12/2022	0.75%	612,707	5,330	618,037	—
CITICS MTN ECP39	20/12/2021	19/12/2022	0.00%	202,651	1,838	204,489	—
CITICS MTN ECP40	21/12/2021	21/09/2022	0.00%	316,749	2,092	318,841	—
CITICS MTN ECP41	28/01/2022	28/01/2023	0.00%	—	556,753	—	556,753
CITICS MTN ECP42	19/04/2022	19/10/2022	0.00%	—	158,797	158,797	—
CITICS MTN ECP43	25/05/2022	23/12/2022	0.00%	—	496,647	496,647	—
CITICS MTN ECP44	27/05/2022	22/05/2023	2.82%	—	212,441	—	212,441
CITICS MTN ECP45	27/05/2022	20/12/2022	0.00%	—	331,094	331,094	—
CITICS MTN ECP46	27/05/2022	27/02/2023	0.00%	—	346,706	—	346,706
CITICS MTN ECP47	27/07/2022	26/07/2023	0.00%	—	272,477	—	272,477
CITICS MTN ECP48	06/07/2022	05/07/2023	0.00%	—	205,165	—	205,165
CITICS MTN ECP49	01/08/2022	31/07/2023	0.00%	—	340,230	—	340,230
CITICS MTN ECP50	08/08/2022	07/08/2023	0.00%	—	340,178	—	340,178
CITICS MTN ECP51	16/08/2022	15/08/2023	0.00%	—	815,824	—	815,824
CITICS MTN ECP52	14/09/2022	16/03/2023	0.00%	—	138,191	—	138,191
CITICS MTN ECP53	22/09/2022	21/09/2023	4.15%	—	845,259	—	845,259
CITICS MTN ECP54	21/10/2022	26/01/2023	0.00%	—	138,860	—	138,860

Name	Issue date	Maturity date	Coupon rate	Opening balance	Increase	Repayment	Ending balance
CITICS MTN ECP55	11/11/2022	10/11/2023	0.00%	—	398,670	—	398,670
CITICSCSI01	25/11/2022	25/02/2023	0.00%	—	690,822	—	690,822
CITICSCSI02	22/09/2022	22/03/2023	3.90%	—	352,036	—	352,036
CITICSCSI03	20/12/2022	20/03/2023	0.00%	—	178,950	—	178,950
	06/07/2021	04/01/2022	1.60%				
Structured notes	~30/12/2022	~21/12/2023	~4.00%	6,627,788	7,568,573	8,169,112	6,027,249
Total				14,630,461	14,423,459	17,194,109	11,859,811

2021

Name	Issue date	Maturity date	Coupon rate	Opening balance	Increase	Repayment	Ending balance
20 CS 08	02/06/2020	02/06/2021	2.08%	1,010,833	9,967	(1,020,800)	—
20 CS S1	28/07/2020	28/04/2021	2.84%	505,475	5,185	(510,660)	—
20 CS S2	07/08/2020	07/08/2021	2.95%	2,828,388	54,212	(2,882,600)	—
CITICS MTN ECP08	26/05/2020	25/05/2021	0.00%	323,672	2,565	(326,237)	—
CITICS MTN ECP10	20/08/2020	19/08/2021	0.00%	194,139	1,596	(195,735)	—
CITICS MTN ECP11	17/09/2020	16/09/2021	0.95%	653,786	4,867	(658,653)	—
CITICS MTN ECP12	16/10/2020	20/01/2021	0.00%	195,667	80	(195,747)	—
CITICS MTN ECP13	19/11/2020	19/05/2021	0.00%	251,606	899	(252,505)	—
CITICS MTN ECP14	25/11/2020	24/11/2021	0.00%	64,662	582	(65,244)	—
CITICS MTN ECP15	15/12/2020	14/12/2021	0.00%	775,512	7,403	(782,915)	—
CITICS MTN ECP16	19/01/2021	18/01/2022	0.75%	—	328,542	(7,482)	321,060
CITICS MTN ECP17	01/02/2021	02/08/2021	0.00%	—	647,089	(647,089)	—
CITICS MTN ECP18	09/02/2021	09/08/2021	0.00%	—	643,853	(643,853)	—
CITICS MTN ECP19	08/03/2021	30/11/2021	0.00%	—	194,137	(194,137)	—
CITICS MTN ECP20	25/05/2021	24/05/2022	0.00%	—	161,229	(2,277)	158,952
CITICS MTN ECP21	02/06/2021	01/06/2022	0.00%	—	190,712	—	190,712
CITICS MTN ECP22	20/07/2021	19/07/2022	0.00%	—	331,641	(5,650)	325,991
CITICS MTN ECP23	22/07/2021	21/07/2022	0.00%	—	248,723	(4,238)	244,485
CITICS MTN ECP24	10/08/2021	08/03/2022	0.00%	—	322,736	(4,219)	318,517
CITICS MTN ECP25	19/08/2021	18/08/2022	0.00%	—	450,122	(5,883)	444,239
CITICS MTN ECP26	19/08/2021	18/03/2022	0.00%	—	193,625	(2,531)	191,094
CITICS MTN ECP27	08/09/2021	07/09/2022	0.00%	—	331,117	(5,394)	325,723
CITICS MTN ECP28	14/09/2021	14/06/2022	0.00%	—	322,481	(4,593)	317,888
CITICS MTN ECP29	17/09/2021	15/09/2022	0.58%	—	647,243	(9,218)	638,025
CITICS MTN ECP30	17/09/2021	16/09/2022	0.00%	—	321,755	(4,582)	317,173
CITICS MTN ECP31	29/09/2021	28/09/2022	0.00%	—	321,703	(4,582)	317,121
CITICS MTN ECP32	10/11/2021	12/05/2022	0.00%	—	76,516	(180)	76,336
CITICS MTN ECP33	10/11/2021	11/05/2022	0.00%	—	114,776	(269)	114,507
CITICS MTN ECP34	18/11/2021	18/05/2022	0.00%	—	1,083,736	(2,543)	1,081,193
CITICS MTN ECP35	18/11/2021	18/05/2022	0.00%	—	614,863	(3,102)	611,761
CITICS MTN ECP36	23/11/2021	22/11/2022	0.00%	—	633,921	(1,487)	632,434
CITICS MTN ECP37	02/12/2021	01/12/2022	0.00%	—	243,496	(141)	243,355
CITICS MTN ECP38	14/12/2021	13/12/2022	0.75%	—	613,063	(356)	612,707
CITICS MTN ECP39	20/12/2021	19/12/2022	0.00%	—	202,769	(118)	202,651
CITICS MTN ECP40	21/12/2021	21/09/2022	0.00%	—	316,933	(184)	316,749
	08/07/2020	04/01/2021	1.70%				
Structured notes	~31/12/2021	~31/10/2022	~4.00%	5,138,131	32,410,687	(30,921,030)	6,627,788
Total				11,941,871	42,054,824	(39,366,234)	14,630,461

As at 31 December 2022, short-term financing instruments payable comprised unsecured short-term corporate bonds and structured notes with an original tenor of less than one year.

As at 31 December 2022, there was no default related to any short-term financing instruments payable issued (31 December 2021: Nil).

44 LEASE LIABILITIES

	31 December 2022	
	Current	Non-current
Lease liabilities	**563,835**	**1,407,947**

	31 December 2021	
	Current	Non-current
Lease liabilities	541,974	1,342,961

As at 31 December 2022, the cash flows of lease contracts signed by the Group but the relevant leases which have not yet commenced are shown as follows:

	31 December	
	2022	2021
Lease term:		
Within one year	**2,900**	7,550
One to two years	**104,891**	10,255
Two to five years	**313,265**	3,520
More than five years	**76,072**	—
	497,128	21,325

45 OTHER CURRENT LIABILITIES

	31 December	
	2022	2021
Settlement deposits payable	**17,450,490**	15,916,019
Salaries, bonuses and allowances payable	**19,819,855**	18,944,850
Debt instruments issued due within one year and others (Notes 46(a)(1)(3)(5)(7)(9)(10)(12)(13)(14)(15)(16)(17))	**52,684,372**	63,327,476
Amounts due to brokers	**27,088,199**	23,741,901
Interest payable	**219,150**	224,302
Accrued liabilities	**949,070**	954,228
Fee and commissions payable	**790,958**	817,418
Funds payable to securities holders	**166,245**	167,393
Funds payable to securities issuers	**15,253,774**	711,227
Dividends payable	**261,494**	159,685
Contract liabilities	**24,952**	172,929
Client deposits payable	**134,916,690**	112,889,865
Others	**28,155,889**	27,340,396
Total	**297,781,138**	265,367,689

46 DEBT INSTRUMENTS ISSUED

By category	31 December 2022	2021
Bonds and medium term notes issued (a)	**74,753,117**	116,593,411
Structured notes issued (b)	**6,070**	1,482,095
	74,759,187	118,075,506

By maturity	31 December 2022	2021
Maturity within five years	**57,519,252**	101,869,947
Maturity over five years	**17,239,935**	16,205,559
	74,759,187	118,075,506

As at 31 December 2022, there was no default related to any issued debt instruments (31 December 2021: Nil).

(a) Bonds and medium term notes issued

Item		31 December 2022	2021
13 CITICS 02	(1)	**—**	12,339,984
15 CITICS 02	(2)	**2,566,106**	2,566,009
18 CS G2	(3)	**—**	616,095
19 CS G2	(4)	**1,011,677**	1,011,662
20 CS G1	(5)	**—**	3,074,558
20 CS G2	(6)	**2,054,410**	2,053,286
20 CS G3	(7)	**—**	2,250,198
20 CS G4	(8)	**2,049,486**	2,048,363
20 CS C1	(9)	**—**	2,049,090
20 CS G6	(10)	**—**	3,355,984
20 CS G7	(11)	**1,020,869**	1,020,294
20 CS 09	(12)	**—**	4,564,604
20 CS 11	(13)	**—**	2,030,380
20 CS 13	(14)	**—**	3,045,688
20 CS 15	(15)	**—**	7,600,910
20 CS 16	(16)	**—**	5,266,108
20 CS 18	(17)	**—**	2,830,146
20 CS 20	(18)	**808,413**	808,209
20 CS 24	(19)	**904,677**	904,450
21 CS C1	(20)	**3,103,282**	3,100,316
21 CS 02	(21)	**4,748,082**	4,743,646
21 CS 03	(22)	**3,314,683**	3,313,877
21 CS 04	(23)	**1,543,515**	1,542,065
21 CS 05	(24)	**3,095,647**	3,094,894
21 CS 06	(25)	**2,574,596**	2,573,967
21 CS 07	(26)	**1,437,123**	1,436,762
21 CS 08	(27)	**1,018,568**	1,018,005
21 CS 09	(28)	**2,549,910**	2,549,288
21 CS 10	(29)	**1,522,946**	1,522,100
21 CS 11	(30)	**1,524,487**	1,524,113

		31 December	
		2022	2021
21 CS 12	(31)	**3,027,529**	3,024,680
21 CS 13	(32)	**1,009,824**	1,009,276
21 CS 14	(33)	**4,533,030**	4,528,772
21 CS 16	(34)	**2,213,902**	2,211,816
21 CS 17	(35)	**1,812,260**	1,811,279
21 CS 18	(36)	**2,511,963**	2,509,573
21 CS 19	(37)	**2,010,049**	2,008,963
21 CS 20	(38)	**3,003,972**	3,001,147
21 CS 21	(39)	**2,998,624**	2,995,801
22 CS 01	(40)	**512,984**	1,273,615
22 CS 02	(41)	**1,030,398**	3,184,612
22 CS 03	(42)	**1,022,407**	3,178,826
22 CS 04	(43)	**512,553**	—
22 CS 05	(44)	**3,018,859**	—
22 CF 01	(45)	**505,425**	—
CITIC SEC N2504	(46)	**2,088,791**	—
CITIC SEC N2410	(47)	**1,394,405**	—
CITIC SEC N2506	(47)	**3,476,796**	—
CITIC SEC N2405	(47)	**1,220,869**	—
Carrying amount		**74,753,117**	116,593,411

(1) The Company issued a 10-year unguaranteed bond with a face value of RMB12.00 billion in June 2013. The coupon rate of the bond is 5.05% and the maturity date is 7 June 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(2) The Company issued a 10-year unguaranteed bond with a face value of RMB2.50 billion in June 2015. The coupon rate of the bond is 5.10% and the maturity date is 25 June 2025.

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(3) The Company issued a 5-year unguaranteed bond with a face value of RMB0.60 billion in June 2018. The coupon rate of the bond is 4.90% and the maturity date is 15 June 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(4) The Company issued a 5-year unguaranteed bond with a face value of RMB1.00 billion on September 2019. The coupon rate of the bond is 3.78% and the maturity date is 10 September 2024.

(5) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in February 2020. The coupon rate of the bond is 3.02% and the maturity date is 21 February 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(6) The Company issued a 5-year unguaranteed bond with a face value of RMB2.00 billion in February 2020. The coupon rate of the bond is 3.31% and the maturity date is 21 February 2025.

(7) The Company issued a 3-year unguaranteed bond with a face value of RMB2.20 billion in March 2020. The coupon rate of the bond is 2.95% and the maturity date is 10 March 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(8) The Company issued a 5-year unguaranteed bond with a face value of RMB2.00 billion in March 2020. The coupon rate of the bond is 3.20% and the maturity date is 10 March 2025.

(9) The Company issued a 3-year unguaranteed bond with a face value of RMB2.00 billion in March 2020. The coupon rate of the bond is 3.32% and the maturity date is 24 March 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(10) The Company issued a 3-year unguaranteed bond with a face value of RMB3.30 billion in April 2020. The coupon rate of the bond is 2.54% and the maturity date is 14 April 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(11) The Company issued a 5-year unguaranteed bond with a face value of RMB1.00 billion in April 2020. The coupon rate of the bond is 3.10% and the maturity date is 14 April 2025.

(12) The Company issued a 3-year unguaranteed bond with a face value of RMB4.50 billion in May 2020. The coupon rate of the bond is 2.70% and the maturity date is 2 June 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(13) The Company issued a 3-year unguaranteed bond with a face value of RMB2.00 billion in June 2020. The coupon rate of the bond is 3.10% and the maturity date is 19 June 2023.As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(14) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in July 2020. The coupon rate of the bond is 3.58% and the maturity date is 14 July 2023. As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(15) The Company issued a 3-year unguaranteed bond with a face value of RMB7.50 billion in July 2020. The coupon rate of the bond is 3.49% and the maturity date is 28 July 2023. As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(16) The Company issued a 3-year unguaranteed bond with a face value of RMB5.20 billion in August 2020. The coupon rate of the bond is 3.55% and the maturity date is 7 August 2023. As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(17) The Company issued a 3-year unguaranteed bond with a face value of RMB2.80 billion in August 2020. The coupon rate of the bond is 3.48% and the maturity date is 24 August 2023. As at 31 December 2022, the bond was presented as debt instruments issued due within one year and others (Note 45).

(18) The Company issued a 10-year unguaranteed bond with a face value of RMB0.80 billion in September 2020. The coupon rate of the bond is 4.20% and the maturity date is 11 September 2030.

(19) The Company issued a 10-year unguaranteed bond with a face value of RMB0.90 billion in October 2020. The coupon rate of the bond is 4.27% and the maturity date is 28 October 2030.

(20) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in February 2021. The coupon rate of the bond is 3.97% and the maturity date is 8 February 2024.

(21) The Company issued a 3-year unguaranteed bond with a face value of RMB4.60 billion in January 2021. The coupon rate of the bond is 3.56% and the maturity date is 25 January 2024.

(22) The Company issued a 10-year unguaranteed bond with a face value of RMB3.20 billion in January 2021. The coupon rate of the bond is 4.10% and the maturity date is 25 January 2031.

(23) The Company issued a 3-year unguaranteed bond with a face value of RMB1.50 billion in March 2021. The coupon rate of the bond is 3.60% and the maturity date is 1 March 2024.

(24) The Company issued a 10-year unguaranteed bond with a face value of RMB3.00 billion in March 2021. The coupon rate of the bond is 4.10% and the maturity date is 1 March 2031.

(25) The Company issued a 10-year unguaranteed bond with a face value of RMB2.50 billion in March 2021. The coupon rate of the bond is 4.10% and the maturity date is 19 March 2031.

(26) The Company issued a 10-year unguaranteed bond with a face value of RMB1.40 billion in April 2021. The coupon rate of the bond is 4.04% and the maturity date is 13 April 2031.

(26) The Company issued a 3-year unguaranteed bond with a face value of RMB7.50 billion in July 2020. The coupon rate of the bond is 3.49% and the maturity date is 28 July 2023.

(27) The Company issued a 5-year unguaranteed bond with a face value of RMB1.00 billion in June 2021. The coupon rate of the bond is 3.70% and the maturity date is 11 June 2026.

(28) The Company issued a 10-year unguaranteed bond with a face value of RMB2.50 billion in June 2021. The coupon rate of the bond is 4.03% and the maturity date is 11 June 2031.

(29) The Company issued a 5-year unguaranteed bond with a face value of RMB1.50 billion in July 2021. The coupon rate of the bond is 3.62% and the maturity date is 9 July 2026.

(30) The Company issued a 10-year unguaranteed bond with a face value of RMB1.50 billion in July 2021. The coupon rate of the bond is 3.92% and the maturity date is 9 July 2031.

(31) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in August 2021. The coupon rate of the bond is 3.01% and the maturity date is 23 August 2024.

(32) The Company issued a 5-year unguaranteed bond with a face value of RMB1.00 billion in August 2021. The coupon rate of the bond is 3.34% and the maturity date is 23 August 2026.

(33) The Company issued a 3-year unguaranteed bond with a face value of RMB4.50 billion in September 2021. The coupon rate of the bond is 3.08% and the maturity date is 16 September 2024.

(34) The Company issued a 1095 days unguaranteed bond with a face value of RMB2.20 billion in September 2021. The coupon rate of the bond is 3.09% and the maturity date is 27 September 2024.

(35) The Company issued a 5-year unguaranteed bond with a face value of RMB1.80 billion in September 2021. The coupon rate of the bond is 3.47% and the maturity date is 28 September 2026.

(36) The Company issued a 3-year unguaranteed bond with a face value of RMB2.50 billion in October 2021. The coupon rate of the bond is 3.25% and the maturity date is 19 October 202.

(37) The Company issued a 5-year unguaranteed bond with a face value of RMB2.00 billion in October 2021. The coupon rate of the bond is 3.59% and the maturity date is 19 October 2026.

(38) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in November 2021. The coupon rate of the bond is 3.07% and the maturity date is 24 November 2024.

(39) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in December 2021. The coupon rate of the bond is 2.97% and the maturity date is 14 December 2024.

(40) The Company issued a 1,808 days unguaranteed bond with a face value of RMB0.50 billion in February 2022. The coupon rate of the bond is 3.20% and the maturity date is 29 January 2027.

(41) The Company issued a 3,642 days unguaranteed bond with a face value of RMB1.00 billion in February 2022. The coupon rate of the bond is 3.69% and the maturity date is 6 February 2032.

(42) The Company issued a 3-year unguaranteed bond with a face value of RMB1.00 billion in March 2022. The coupon rate of the bond is 3.03% and the maturity date is 11 March 2025.

(43) The Company issued a 5-year unguaranteed bond with a face value of RMB0.50 billion in March 2022. The coupon rate of the bond is 3.40% and the maturity date is 11 March 2027.

(44) The Company issued a 3-year unguaranteed bond with a face value of RMB3.00 billion in August 2022. The coupon rate of the bond is 2.50% and the maturity date is 24 August 2025.

(45) CITIC Futures Co.,Ltd. issued a 3-year unguaranteed bond with a face value of RMB5.00 billion in July 2022. The coupon rate of the bond is 3.03% and the maturity date is 22 July 2025.

(46) CITIC Securities International Co Ltd issued a 3-year unguaranteed bond with a face value of USD0.3 billion in April 2022. The coupon rate of the bond is 3.375% and the maturity date is 21 April 2025.

(47) CITIC Securities Finance MTN Co., Ltd. established a USD3.00 billion (or other equivalents) Medium Term Notes Program in October 2014. These medium-term notes programs are guaranteed by the Company with no counter-guarantee arrangement.

(b) Structured notes issued

As at 31 December 2022, the structured notes issued by the Group amounted to RMB6 million (31 December 2021: RMB1,482 million) were with maturity dates over one year and coupon rates 2.50% (31 December 2021: 2.60% to 3.30%).

47 LONG-TERM LOANS

	31 December 2022	2021
Analysed by nature:		
Collateralised loans	**272,299**	457,866
Total	**272,299**	457,866
Analysed by maturity:		
Maturity within five years	**272,299**	457,866
Maturity over five years	**—**	—
Total	**272,299**	457,866

As at 31 December 2022, the interest rates on the long-term loans were in the range of 5.88% to 5.93% (31 December 2022: 1.33% to 3.30%). As at 31 December 2022, the book value of the collateral was RMB983 million (31 December 2021: RMB1,037 million).

48 OTHER NON-CURRENT LIABILITIES

	31 December 2022	2021
Regulatory risk provision	**1,789,046**	1,502,295
Others	**425,880**	525,486
Total	**2,214,926**	2,027,781

49 ISSUED SHARE CAPITAL

	31 December			
	2022		2021	
Ordinary Shares	**Number of shares (Thousand)**	**Nominal value**	Number of shares (Thousand)	Nominal value
Registered, issued and fully paid:				
A shares of RMB1 each	**12,200,470**	**12,200,470**	10,648,448	10,648,448
H shares of RMB1 each	**2,620,077**	**2,620,077**	2,278,328	2,278,328
Total	**14,820,547**	**14,820,547**	12,926,776	12,926,776

Pursuant to the CSRC's Approval in respect of the Rights Issue of CITIC Securities Company Limited (Zheng Jian Xu Ke [2021] No. 3729), the Company has offered A share rights issue on the basis of 1.5 A shares for every 10 existing A shares held to all A Shareholders registered on the registry of the Company at the Shanghai branch of China Securities Depository and Clearing Corporation Limited after the close of trading on the A Shares Record Date (18 January 2022). The actual number of shares placed in this A shares placement is 1,552,021,645 shares. The subscription payment for the A-share rights issue ended on 25 January 2022.

Pursuant to the CSRC's Approval in respect of the Rights Issue of CITIC Securities Company Limited (Zheng Jian Xu Ke [2021] No. 3714), the Company has offered H share rights issue on the basis of 1.5 H shares for every 10 existing H shares held to all H shareholders registered on the registry of the Company at Hong Kong Securities Clearing Company Limited on the H Share Record Date (9 February 2022). The actual number of shares placed in this H shares placement is 341,749,155 shares. The subscription payment for the H-share rights issue ended on 23 February 2022.

The above-mentioned A shares and H shares placement raised a total of net amount of RMB27,202,891,118.60, increasing the share capital by RMB1,893,770,800.00 and increasing the capital reserve by RMB25,309,120,318.60.

50 OTHER EQUITY INSTRUMENTS

Other equity instruments of the Group are as follows:

In July 2021, the Group issued the first tranche of perpetual subordinated bonds of 2021 amounted to RMB3.3 billion.

In August 2021, the Group issued the second tranche of perpetual subordinated bonds of 2021 amounted to RMB6 billion.

In August 2021, the Group issued the third tranche of perpetual subordinated bonds of 2021 amounted to RMB1.5 billion.

In January 2022, the Group issued the first tranche of perpetual subordinated bonds of 2022 amounted to RMB3 billion.

Key terms and conditions relating to the equity instruments that exist at the end of the year are as follows:

— The bonds are repriced every 5 interest-accruing years, and at the end of the repricing cycle, the issuer has the option to extend the bonds for another repricing cycle (another five years) or redeem them in full;

— The bonds offer no redemption option to the investors so that investors cannot require the issuer to redeem their bonds during the duration of the bonds;

— The Group has the option to defer interest payment, except in the event of mandatory interest payments, so that at each interest payment date, the issuer may choose to defer the interest payment to the next payment date for current period as well as all interests and accreted interests already deferred according to the related terms, without any limitation with respect to the number of deferrals. Mandatory interest payment events are limited to dividend distributions to ordinary equity holders and reductions of registered capital;

— The priority over repayment of the 2022 perpetual subordinated bonds (the first tranche), the 2022 perpetual subordinated bonds (the second tranche) and the 2022 perpetual subordinated bonds (the third tranche) is subordinated to the Group's general debts and subordinated bonds, unless in the event of liquidation of the Group, investors of these bonds cannot require the Group to accelerate payment of bonds' principals.

The perpetual subordinated bonds issued by the Group are classified as equity instruments and recognised under equity in the consolidated statement of financial position. As at 31 December 2022, the interest payable by the Company for the perpetual bonds was RMB259 million (31 December 2021: RMB158 million).

51 RESERVES

The amounts of the Group's reserves and the related movements are presented in the consolidated statement of changes in equity.

(a) Capital reserve

Capital reserve primarily includes share premium arising from the issuance of new shares at prices in excess of par value.

(b) Surplus reserves

(i) Statutory surplus reserve

Pursuant to the Company Law of the PRC, the Company is required to appropriate 10% of its profit for the year for the statutory surplus reserve until the reserve balance reaches 50% of its registered capital.

Subject to the approval of the shareholders, the statutory surplus reserve may be used to offset accumulated losses, if any, and may also be converted into capital of the Company, provided that the balance of the statutory surplus reserve after this capitalisation is not less than 25% of the registered capital immediately before capitalisation.

(ii) Discretionary surplus reserve

After making the appropriation to the statutory surplus reserve and other non-discretionary surplus reserves, the Company may also appropriate its after-tax profit for the year, as determined under China Accounting Standards, to its discretionary surplus reserve upon approval by the General Shareholders' Meeting. Subject to the approval of General Shareholders' Meeting, the discretionary surplus reserve may be used to offset accumulated losses, if any, and may be converted into capital of the Company.

(c) General reserves

Pursuant to the requirements of regulatory authorities, including the Ministry of Finance and the CSRC, the Company is required to appropriate 10% of its after-tax profit for the year for the general risk reserve and 10% for the transaction risk reserve. These reserves may be used to offset accumulated losses of the Company but shall not be declared as dividends or converted into share capital. General reserves also include reserves that are established by subsidiaries and branches in certain countries or jurisdictions outside of Mainland China in accordance with the regulatory requirements in their respective territories are also included herein. These regulatory reserves are not available for distribution.

(d) Investment revaluation reserve

Investment revaluation reserve represents the fair value changes of financial assets at fair value through other comprehensive income.

(e) Foreign currency translation reserve

Foreign currency translation reserve represents the exchange difference arising from the translation of the financial statements of the subsidiaries incorporated outside Mainland China with functional currencies other than RMB.

(f) Distributable profits

The Company's distributable profits are based on the retained earnings of the Company as determined under China Accounting Standards and IFRSs, whichever is lower.

52 CASH AND CASH EQUIVALENTS

	31 December 2022	2021
Cash and bank balances	**112,401,964**	97,610,703
Less: Restricted funds (Note 36)	**(7,823,958)**	(6,568,649)
Interest receivable	**(1,349,735)**	(977,428)
Cash and cash equivalents	**103,228,271**	90,064,626

53 INTERESTS IN THE UNCONSOLIDATED STRUCTURED ENTITIES

The Group is involved with structured entities primarily through investments and asset management business. The Group determines whether to consolidate these structured entities depending on whether the Group has control over them. The interests held by the Group in these unconsolidated structured entities are set out as below:

Structured entities sponsored by the Group:

Unconsolidated structured entities sponsored by the Group mainly include investment funds and asset management plans sponsored by the Group. The nature and objective of the structured entities is to manage investors' assets and collect management fees. Financing is sustained through investment products issued to investors. The interests held by the Group in these unconsolidated structured entities mainly involve management fees and performance fees collected from managed structured entities.

In addition, the Group also held certain interests in structured entities sponsored by the Group.

In 2022, the Group obtained management fee, commission and performance fee amounting to RMB8,016 million during the year ended 31 December 2022 from the unconsolidated structured entities sponsored by the Group, for which the Group held no investment as at 31 December 2022 (2021: RMB8,413 million).

The maximum exposure and the book value of relevant balance sheet items of the Group arising from these unconsolidated structured entities sponsored by the Group were set out as below:

	31 December 2022	
	Carrying amount	**Maximum exposure**
Financial assets at fair value through profit or loss (Mandatory)	**12,793,654**	**12,793,654**

	31 December 2021	
	Carrying amount	Maximum exposure
Financial assets at fair value through profit or loss (Mandatory)	13,466,723	13,466,723

Structured entities sponsored by third party financial institutions:

The maximum exposure and the book value of relevant balance sheet items of the Group arising from the interest held in directly invested structured entities that are sponsored by third party financial institutions were set out as below:

	31 December 2022	
	Carrying amount	**Maximum exposure**
Financial assets at fair value through profit or loss (Mandatory)	**51,523,231**	**51,523,231**

	31 December 2021	
	Carrying amount	Maximum exposure
Financial assets at fair value through profit or loss (Mandatory)	70,576,276	70,576,276

54 TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the normal course of business by which it transfers recognised financial assets to third parties or customers. In some cases where these transfers may give rise to full or partial derecognition of the financial assets concerned. In other cases where the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets.

Repurchase transactions

Transferred financial assets that do not qualify for derecognition include debt securities held by counterparties as collateral under repurchase agreements. The counterparties are allowed to repledge those securities sold under repurchase agreements in the absence of default by the Group, but has an obligation to return the securities at the maturity of the contract. If the securities increase or decrease in value, the Group may in certain circumstances require counterparties to return a portion of the collateral or be required to place additional collateral. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore does not derecognise them. A financial liability is recognised for cash received.

Securities lending arrangements

Transferred financial assets that do not qualify for derecognition include securities lent to customers for securities selling transactions, for which the customers provide the Group with collateral that could fully cover the credit risk exposure of the securities lent. The customers have an obligation to return the securities according to the contracts. If the securities increase or decrease in value, the Group may in certain circumstances require customers to return a portion of the collateral or to place additional collateral. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore does not derecognise them.

The following table analyses the carrying amount of the above-mentioned financial assets transferred to third parties or customers that did not qualify for derecognition and their associated financial liabilities:

	31 December 2022		31 December 2021	
	Carrying amount of transferred assets	**Carrying amount of related liabilities**	Carrying amount of transferred assets	Carrying amount of related liabilities
Repurchase agreements	**50,802,761**	**44,157,933**	46,390,326	40,590,962
Securities lending	**4,633,189**	**—**	9,651,626	—
Total	**55,435,950**	**44,157,933**	56,041,952	40,590,962

55 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

	31 December	
	2022	2021
Contracted, but not provided for	**3,446,498**	3,699,104

The above-mentioned capital commitments are mainly in respect of the construction of properties and purchase of equipment of the Group.

(b) Operating lease commitments

(i) Operating lease commitments — as a lessor

At the end of the reporting year, the future minimum lease receivables of the Group as lessor under significant irrevocable operating lease arrangements are summarised below.

	31 December	
	2022	2021
Within one year	**325,790**	285,758
After one year but not more than two years	**303,305**	271,082
After two years but not more than three years	**256,071**	260,991
After three years but not more than four years	**116,949**	230,454
After four years but not more than five years	**16,703**	141,153
After five years	**100,538**	110,628
Total	**1,119,356**	1,300,066

(c) Legal proceedings

From time to time in the ordinary course of business, the Group is subject to claims and are parties to legal and regulatory proceedings. As at 31 December 2022 and 2021, the Group was not involved in any material legal, or arbitration that if adversely determine, would materially and adversely affect the Group's financial position or results of operations.

56 RELATED PARTY DISCLOSURES

(1) CITIC Corporation Limited

CITIC Corporation Limited (formerly CITIC China Limited) is jointly established on 27 December 2011 by CITIC Group Limited (hereinafter referred to as "CITIC Group") and Beijing CITIC Enterprise Management Co., LTD. (a wholly-owned subsidiary of CITIC Group). It is registered in Beijing and has a registered capital of RMB139 billion.

The Company's operating performance and financial position were consolidated into the financial statements of CITIC Corporation Limited from 13 April 2022, as a subsidiary of CITIC Corporation Limited.

Name of the shareholder	Enterprise type	Place of registration	Legal representative	Principal activities	Registered share capital	Percentage of equity interest	Voting rights	Uniform Social Credit Code
CITIC Corporation Limited	State-controlled	Beijing	Zhu Hexin	Financial, industrial and other services	RMB139 billion	15.52%	15.52%	911100007178317092
CITIC Limited[1]	State-controlled	Hong Kong	Zhu Hexin	Financial, industrial and other services	Not applicable	2.93%	2.93%	Not applicable

(2) Related party transactions

(a) Related party transactions with CITIC Corporation Limited

Transactions during the period

	2022	2021
Income from providing services	**202**	2,299
Interest expense	**473**	183

Balances at the end of the year

	2022	2021
Contract liabilities	**2,448**	—

(b) Related party transactions with subsidiaries

Transactions during the period

	2022	2021
Interest income	**863,969**	768,534
Income from providing services	**120,364**	105,300
Investment income	**(218,797)**	(22,864)
Lease income	**13,738**	11,029
Interest expenses	**59,751**	218,226
Depreciation of right-of-use assets	**349,641**	346,332
Expense from receiving services	**1,500**	—
Interest expenses of leasing liabilities	**30,705**	48,480

[1] CITIC Limited is the person acting in concert with CITIC Corporation Limited.

Balances at the end of the year

	31 December	
	2022	2021
Other current assets	**29,993,854**	37,835,462
Financial assets at fair value through other comprehensive income	**7,387,687**	8,011,171
Deposits for investments-stock index futures	**10,157,957**	9,951,736
Derivative financial assets	**1,534,927**	1,429,764
Refundable deposits	**8,911,709**	5,585,913
Financial assets at fair value through profit or loss (Mandatory)	**20,309,515**	18,199,419
Property, plant and equipment	**—**	744
Land use rights and intangible assets	**—**	184
Right-of-use assets	**704,010**	1,038,995
Other current liabilities	**1,157,264**	2,530,610
Debt instruments issued	**4,950,630**	969,094
Derivative financial liabilities	**5,114,582**	4,411,629
Customer brokerage deposits	**737,510**	294,493
Short-term financing instruments payable	**130,276**	123,682
Lease liabilities	**686,585**	1,023,196

Significant balances and transactions between the Parent and subsidiaries set out above have been eliminated in the consolidated financial statements.

As at 31 December 2022, the collective assets management plans managed by the Company and held by the Company and its subsidiaries amounted to RMB602 million (31 December 2021: RMB607 million).

(c) Related party transactions with major related parties of CITIC Corporation Limited[1]

Transactions during the period

	2022	2021
Interest income	**944,741**	951,821
Income from providing services	**421,390**	399,796
Leasing income	**38,510**	31,314
Investment income	**545,578**	(460,663)
Expense from receiving services	**393,950**	240,138
Interest expenses	**57,667**	17,057
Lease payment	**59,295**	52,172
Depreciation of right-of-use assets	**35,324**	27,464
Interest expenses of leasing liabilities	**2,542**	3,059

[1] Major related parties refer to the subsidiaries, joint ventures and associates of CITIC Corporation Limited; the controlling shareholder and ultimate holding controller of CITIC Corporation Limited and its subsidiaries and joint ventures and associates.

Balances at the end of the year

	31 December	
	2022	2021
Cash held on behalf of customers (i)	**31,868,260**	37,903,272
Cash and bank balances (i)	**6,316,028**	4,577,230
Right-of-use assets	**86,415**	94,372
Other current assets	**187,581**	184,242
Lease liabilities	**91,536**	93,556
Other current liabilities	**26,277**	24,239
Short-term loans	**532,272**	168,155

(i) Represented deposits placed with financial institution subsidiaries of CITIC Corporation Limited.

As of 31 December 2022, the Company has not borrowed funds from major related parties of CITIC Corporation Limited (31 December 2021: RMB4 billion).

As of 31 December 2022, the total amount of CITIC Financial Center construction contract paid by the Company to major related parties of CITIC Corporation Limited is RMB659 million (31 December 2021: RMB306 million).

(d) Shareholder who directly and indirectly holds more than 5% shares of the Company — Guangzhou Yuexiu Capital Holdings Group Co., Ltd., Guangzhou Yuexiu Capital Holdings Co., Lrd and Yuexiu Financial International Holding Limited[1].

Transactions during the year

	2022	2021
Interest expenses	**—**	79,920
Income from providing services	**4,051**	4,121
Investment Income (i)	**20,905**	437,262

Balances at the end of the year

	31 December	
	2022	2021
Other current liabilities	**3,544**	3,544

(i) As of 31 December 2022, net investment gains received by the Company from shareholders directly or indirectly holding 5% or more shares of the Company are compensations under the Asset Protection Agreement related to issuance of shares to purchase assets.

[1] As at 31 December 2022, Guangzhou Yuexiu Capital Holdings Group Co., Ltd., Guangzhou Yuexiu Capital Holdings Co., Ltd. and Yuexiu Financial International Holdings Limited, together held a total of 8.1354% of the Company's shares, are persons acting in concert.

(e) Associates

Transactions during the year

	2022	2021
Interest Income	**8,828**	7,063
Investment Income	**(1,288)**	(12,651)
Income from providing services	**784**	—
Expense from receiving services	**10,472**	1,779
Interest expenses	**2,532**	—

Balances at the end of the year

	31 December	
	2022	2021
Refundable deposits and others	**500,759**	499,840
Other current assets	**—**	8,455
Other current liabilities	**94,249**	29,347
Equity investment	**4,539**	4,002

As at 31 December 2022, income certificates issued by the Company held by the Company's associates amounted to RMB18 million (31 December 2021: Nil).

(f) Others

In 2022, the pre-tax immediate compensation and pre-tax deferred compensation paid by the Company to Senior Management was RMB80.21 million and RMB49.49 million, respectively (2021: RMB82.21 million for pre-tax immediate compensation and RMB70.88 million for pre-tax deferred compensation).

57 FAIR VALUE AND FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: Quoted prices (unadjusted) in active markets, in which the Group principally trades, for identical financial assets or financial liabilities at the measurement date.

Level 2: Valuation techniques using inputs other than quoted prices included within level 1 that are observable for the financial asset or financial liability, either directly or indirectly.

Level 3: Valuation techniques using inputs for the financial asset or financial liability that are not based on observable market data (unobservable inputs).

(a) Financial instruments recorded at fair value

31 December 2022	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss (Mandatory)				
— Debt securities	**67,674,811**	**137,313,055**	**40,680,182**	**245,668,048**
— Equity investments	**219,792,129**	**12,507,655**	**19,172,109**	**251,471,893**
— Others	**615,531**	**22,112,182**	**—**	**22,727,713**
Subtotal	**288,082,471**	**171,932,892**	**59,852,291**	**519,867,654**
Financial assets at fair value through profit or loss (Designated)	**2,059**	**734,444**	**10,318,535**	**11,055,038**
Derivative financial assets	**684,416**	**29,163,647**	**6,540,664**	**36,388,727**
Financial assets at fair value through other comprehensive income				
— Debt securities	**6,368,553**	**52,228,929**	**11,517,692**	**70,115,174**
— Equity investments	**—**	**—**	**162,540**	**162,540**
Subtotal	**6,368,553**	**52,228,929**	**11,680,232**	**70,277,714**
Total	**295,137,499**	**254,059,912**	**88,391,722**	**637,589,133**
Financial liabilities:				
Financial liabilities at fair value through profit or loss				
— Financial liabilities held for trading	**17,478,596**	**448,412**	**—**	**17,927,008**
— Financial liabilities designated as at fair value through profit or loss	**—**	**43,122,949**	**30,065,638**	**73,188,587**
Subtotal	**17,478,596**	**43,571,361**	**30,065,638**	**91,115,595**
Derivative financial liabilities	**545,592**	**23,162,996**	**4,413,910**	**28,122,498**
Total	**18,024,188**	**66,734,357**	**34,479,548**	**119,238,093**

31 December 2021	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss (Mandatory)				
— Debt securities	56,721,423	127,254,061	56,658,072	240,633,556
— Equity investments	191,193,489	6,490,378	22,441,821	220,125,688
— Others	7,227,836	63,884,991	337,562	71,450,389
Subtotal	255,142,748	197,629,430	79,437,455	532,209,633
Financial assets at fair value through profit or loss (Designated)	28,997	1,587,307	11,507,823	13,124,127
Derivative financial assets	661,695	27,418,547	2,920,334	31,000,576
Financial assets at fair value through other comprehensive income				
— Debt securities	5,048,472	54,890,002	9,153,454	69,091,928
— Equity investments	—	—	164,813	164,813
Subtotal	5,048,472	54,890,002	9,318,267	69,256,741
Total	260,881,912	281,525,286	103,183,879	645,591,077
Financial liabilities:				
Financial liabilities at fair value through profit or loss				
— Financial liabilities held for trading	4,962,092	1,115,225	—	6,077,317
— Financial liabilities designated as at fair value through profit or loss	—	36,517,620	33,048,659	69,566,279
Subtotal	4,962,092	37,632,845	33,048,659	75,643,596
Derivative financial liabilities	589,625	26,003,911	7,524,230	34,117,766
Total	5,551,717	63,636,756	40,572,889	109,761,362

(b) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurement categorised within Level 2

For debt instruments at fair value through profit or loss and at fair value through other comprehensive income whose value is available on China bond pricing system on the valuation date is measured using the latest valuation results published by China bond pricing system.

For debt instruments at fair value through profit or loss and at fair value through other comprehensive income whose value is not available on China bond pricing system, the fair value is determined by valuation technique. The inputs of those valuation techniques include risk-free interest rate, implied volatility curve, RMB denominated swap yield curve, etc., which are all observable.

For equity instruments at fair value through other comprehensive income, the fair value is determined by the equity investment account report provided by CSF.

For forward contracts in derivative financial instruments, the fair value is measured by discounting the differences between the contract prices and market prices of the underlying financial instruments. Fair value of swap contracts under derivative financial instruments is calculated based on the difference between the quoted prices or discounted cash flows of underlying financial instruments and the fixed income agreed in the contracts.

During the year ended 31 December 2022, there were no changes of valuation techniques for Level 2.

(c) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurements categorised within Level 3

For unlisted equity investments, fund investments, bond investments, stocks instruments without quoted prices in active markets, listed equity instruments with disposal restriction in a specific period, trusts, Over-the-counter options, financial liabilities, etc., the Group adopts significant judgements and applies counterparties' quotations and valuation techniques to determine the fair value. Valuation techniques include a discounted cash flow analysis, the market comparison approach, the option pricing model and the Monte Carlo model etc. The fair value measurement of these financial instruments may involve unobservable inputs such as liquidity discounts, volatility and risk adjusted discount rate and price to book ratios, etc. The fair value of the financial instruments classified under Level 3 is not significantly sensitive to a reasonable change in these unobservable inputs

During the year ended 31 December 2022, there were no changes of valuation techniques for Level 3.

(d) Movements in Level 3 financial instruments measured at fair value

The reconciliations of the opening and closing balances of Level 3 financial assets and liabilities which are recorded at fair value are presented below:

	As at 1 January 2022	Total gains/ (losses) recorded in profit or loss	Total (losses)/ gains recorded in other comprehensive income	Additions	Decreases	Transfers to Level 3 from Level 1	Transfers to Level 3 from Level 2	Transfers to Level 1 from Level 3	Transfers to Level 2 from Level 3	As at 31 December 2022
Financial assets:										
Financial assets at fair value through profit or loss (Mandatory)										
— Debt instruments	56,658,072	1,833,927	55,421	62,894,839	(81,818,225)	—	1,072,739	(16,591)	—	40,680,182
— Equity instruments	22,441,821	603,387	155,403	6,947,924	(7,143,164)	—	114,552	(314,054)	(3,633,760)	19,172,109
— Others	337,562	—	—	—	(337,562)	—	—	—	—	—
Financial assets at fair value through profit or loss (Designated)	11,507,823	1,078,950	28,387	1,443,871	(3,740,496)	—	—	—	—	10,318,535
Derivative financial assets	2,920,334	6,063,584	5,310	3,386,770	(5,835,334)	—	—	—	—	6,540,664
Financial assets at fair value through other comprehensive income	9,318,267	440,977	(194,466)	11,961,043	(9,857,607)	—	73,111	—	(61,093)	11,680,232
Financial liabilities:										
Financial liabilities at fair value through profit or loss										
— Financial liabilities designated as at fair value through profit or loss	33,048,659	(1,883,650)	—	14,064,436	(15,163,807)	—	—	—	—	30,065,638
— Financial liabilities held for trading	—	—	—	—	—	—	—	—	—	—
Derivative financial liabilities	7,524,230	(5,379,830)	—	11,546,243	(9,276,733)	—	—	—	—	4,413,910

	As at 1 January 2021	Total gains/ (losses) recorded in profit or loss	Total (losses)/ gains recorded in other comprehensive income	Additions	Decreases	Transfers to Level 3 from Level 1	Transfers to Level 3 from Level 2	Transfers to Level 1 from Level 3	Transfers to Level 2 from Level 3	As at 31 December 2021
Financial assets:										
Financial assets at fair value through profit or loss (Mandatory)										
— Debt instruments	2,923,915	(1,606,035)	(5,469)	46,645,011	(7,300,497)	—	16,071,916	(30,978)	(39,791)	56,658,072
— Equity instruments	17,551,143	2,707,608	(10,508)	7,926,311	(6,263,844)	—	1,233,832	(97,800)	(604,921)	22,441,821
— Others	344,994	(19,359)	—	—	(192,559)	—	204,486	—	—	337,562
Financial assets at fair value through profit or loss (Designated)	9,855,880	1,632,094	(8,634)	328,021	(595,355)	—	436,633	—	(140,816)	11,507,823
Derivative financial assets	2,365,516	3,349,233	(678)	1,263,060	(4,537,648)	—	635,262	—	(154,411)	2,920,334
Financial assets at fair value through other comprehensive income	836,102	(59,107)	(45,657)	1,002,017	(1,677,400)	—	9,262,312	—	—	9,318,267
Financial liabilities:										
Financial liabilities at fair value through profit or loss										
— Financial liabilities designated as at fair value through profit or loss	23,944,148	3,316,279	—	19,792,818	(14,004,586)	—	—	—	—	33,048,659
— Financial liabilities held for trading	233	(17)	—	—	—	—	—	—	(216)	—
Derivative financial liabilities	8,487,725	4,894,174	—	3,216,722	(11,183,852)	—	2,286,910	—	(177,449)	7,524,230

The amount of realised investment income recognised in profit or loss from Level 3 financial instruments held by the Group was RMB11,604 million in 2022 (2021: RMB2,081 million).

(e) Transfers between Level 1 and Level 2

In 2022, the amount of financial assets held by the Group transferred from Level 1 to Level 2 was RMB30 million (2021: RMB0.30 million) and the amount of financial assets from Level 2 to Level 1 was RMB998 million (2021: RMB2,267 million).

(f) Financial instruments not measured at fair value

At the end of the reporting year, the following financial assets and liabilities of the Group are not measured at fair value:

(i) For refundable deposits, reverse repurchase agreements, cash held on behalf of customers, cash and bank balances, fee and commission receivables, margin accounts, due from banks and other financial institutions, customer brokerage deposits, repurchase agreements, short-term loans, due to banks and other financial institutions, short-term financing instruments payable and lease liabilities, these financial instruments' fair values approximate their carrying amounts.

(ii) The recorded amounts and fair values of debt instruments issued are summarised below.

	Carrying amount		Fair value	
	31 December 2022	31 December 2021	**31 December 2022**	31 December 2021
Debt instruments issued	**74,759,187**	118,075,506	**75,319,762**	120,112,605

58 FINANCIAL INSTRUMENTS RISK MANAGEMENT

Overview

The Company has implemented comprehensive risk management mechanism and internal control processes, through which it monitors, evaluates and manages the financial, operational, compliance and legal risks that it is exposed to in its business activities, and implements vertical risk management of its subsidiaries through different models including business guidance, operational support and decision-making management.

The Company has established a complete and effective governance structure in accordance with relevant laws, regulations and regulatory requirements. The Company's general meeting, the Board and Supervisory Committee perform their duties to oversee and manage the operation of the Company based on the Company Law, Securities Law, and the Articles of Association of the Company. By strengthening the relevant internal control arrangements and improving the Company's internal control environment and internal control structures, the Board has incorporated internal control and risk management as essential elements in the Company's decision-making processes.

Structure of Risk Management

The major organisational framework of the risk management of the Company consists of the Risk Management Committee under the Board, the professional committees under the Operation Management, the relevant internal control departments and business departments/business lines, which formed a relatively comprehensive three-level risk management system featuring collective decision by the respective committees and close cooperation among internal control departments and business departments/business lines, and managing the risks through review, decision, execution and supervision. At the division and business line level, the Company has established three lines of defense in risk management, that is, business departments/business lines to assume the primary responsibility for risk management, internal control departments, including the Risk Management Department and the Compliance Department, to conduct professional management of all types of risks, and the Audit Department to take charge of post-risk supervision and evaluation.

Level 1: The Board

The Risk Management Committee of the Board supervises the overall risk management of the Company with the aim of controlling risks within an acceptable scope and ensuring the Company's smooth implementation of effective risk management schemes over risks relating to the operating activities; prepares overall risk management policies for the Board' review; formulates strategic structure and resources to be allocated for the Company's risk management purposes and keeps them in line with the Company' internal risk management policies; sets boundaries for major risk indicators; performs supervision and review on the relevant risk management policies and makes recommendation to the Board.

Level 2: Operation Management

The Company has established the Assets and Liabilities Management Committee. Within the authority delegated by the Board and the Operation Management of the Company, the committee makes decisions on and reviews major issues and related systems involving application of the Company's proprietary capital. For the purpose of ensuring the Company's capital security, the committee optimises assets allocation and improves the efficiency of the capital application via a scientific, standardized and prudent approach under strict control and management over risk exposures.

The Company has established the Capital Commitment Committee. The committee performs final risk assessment and reviews on capital commitment of the underwriting business within the authority delegated by the Board and the Operation Management of the Company. All corporate finance business involving application of capital of the Company is subject to the approval by the Capital Commitment Committee to ensure an acceptable level of risk exposure of the corporate finance activities and security of capital of the Company.

The Company has established the Risk Management Committee. This committee reports to the Risk Management Committee of the Board and the Operation Management of the Company, and is responsible for monitoring and managing the daily risks of the Company within its designated authority, deciding on and approving material matters related to risk management and relevant system and setting limits for risk. The Risk Management Committee comprises a risk management sub-working group and a reputation risk management sub-working group. The risk management subworking group is the coordinating and decision-making body responsible for the daily monitoring and management of the financial risks over the Company's buy-side business and facilitating the execution of the decisions made by the Risk Management Committee of the Company. The reputation risk management sub-working group is the daily management body of reputation risks and is responsible for establishing relevant rules and management mechanisms, preventing and identifying reputation risks, responding to and tackling reputation events in a proactive and effective manner and mitigating any negative effect to the largest extent. The Risk Management Committee has set up specific working groups focusing on market risks, credit risks, liquidity risks and operational risks, which are led by specific risk management experts with the participation of related business departments/business lines, to respond to pending matters from daily monitoring or decisions made by the higher authorities in a timely manner through the establishment of coordination on the implementation level.

The Company has appointed the Chief Risk Officer to be responsible for coordinating the overall risk management work.

The Company has established the Product Committee. Under the authority of the Board and the Operation Management of the Company, the Product Committee uniformly makes plans, preparation and decisions regarding the products and service business of the Company. It reviews the launch or sales of products and provides related service, and is the decision-making body of the appropriateness management for the launch of financial products of the Company. It is also the decision-making management body of the Company's new product and new business evaluation, guiding the evaluation process and coordinating the promotion of new product and new business development. The Risk Evaluation Group and the Suitability Management Group were established under the Product Committee. The Risk Evaluation Group is responsible for reviewing the qualification of the principal which entrusted the Company to sell products, and is tasked with organizing the specific product evaluation, establishing the classification criteria and methods of risks associated with products or services of the Company, performing risk assessment and risk grading on products or services, as well as supervising the management of product terms. The Suitability Management Group is responsible for formulating the criteria for investor classification and principles and procedures for appropriate matching of investors, supervising departments to implement investor suitability management work, organizing suitability training and suitability self-examination and rectification at the company level, and supervising the establishment and improvement of investor appropriateness evaluation database and other work related to suitability management. The Index Professional Committee is responsible for unified management of the planning, operation and maintenance of the Company's self-developed index business, including formulating the systems and standards for the operation and maintenance of Company's index business, specifying the treatment plan and accountability system for risk events, making plans for the layout of such business, and conducting online review of the Company's self-developed indexes.

Level 3: Division/Business Units

At the division and business line level, the Company has segregated the roles and responsibilities of the front office, middle office and back office to ensure the establishment of a system of "checks and balances", forming three lines of defense in risk management jointly built by business departments/business lines, internal control departments including the Risk Management Department and the Compliance Department, and the Audit Department.

Being the Company's first line of defense in risk management, front-office business departments/business lines of the Company bear the first-line responsibility for risk management. These departments are responsible for the establishment of business management systems and risk management systems for various businesses and performing supervision, assessment and reporting on business risks and maintaining such risks within the approved limits.

Internal control departments, such as the Risk Management Department, Compliance Department, Legal Department, and the Office of the Board of the Company, are the Company' second line of defense in risk management, of which:

The Risk Management Department of the Company performs risk identification, measurement, analysis, monitoring,reporting and management. The department analyzes and assesses the overall risks of the Company and each of its business lines and recommends on optimised allocation of the Company's risk resources; assists the Risk Management Committee of the Company in the preparation of risk management indicators such as risk limits, as well as the supervision and reporting on the execution of the risk limits; establishes and improves the timely reporting and feedback mechanism among the front office, the Risk Management Department and the Operation Management, and regularly discloses the general risk portfolio of the Company to the Operation Management in a comprehensive manner and makes recommendations on risk management of the Company; establishes a comprehensive stress test mechanism as a basis for major decision making and daily operational adjustment of the Company and fulfillment of regulatory requirements; performs pre-risk assessment and control over new products and businesses.

The Compliance Department of the Company organises the establishment and implementation of the basic compliance system of the Company, provides compliance advice and consultation to the Operation Management, departments/business lines and branches of the Company, monitors lawful compliance of management and operating activities; supervises and instructs the departments/business lines and branches of the Company to assess, develop, modify and improve internal management systems and business processes based on changes in laws, regulations and guidelines; performs prior compliance reviews on internal management systems, important decisions, new products, new businesses and key business activities launched by the Company; fulfills the obligations of regular and non-regular reporting to regulatory authorities; organises and performs money laundering risk control in accordance with the anti-money laundering system of the Company, etc. The Compliance Department is responsible for taking the lead in organizing the construction of the Company's integrity practice system and publicity and education, accepting complaints, reports, investigations, inspections, etc., assisting in dealing with employee violations of disciplines and performing the duties of compliance reports.

The Legal Department of the Company is responsible for overseeing the legal risks of the Company and its relevant businesses.

The Company's reputation risk management sub-working group consists of the Office of the Board, the Risk Management Department, the General Manager's Office, the Compliance Department, the Legal Department, the Audit Department, the Human Resources Department, the Information Technology Center, the Wealth Management Committee and relevant departments, to jointly promote the Company's reputation risk management work in accordance with the relevant reputation risk management system. The Office of the Board, as the lead department of the reputation risk management sub-working group, shall set up special positions for reputation risk management and have full-time staff with professional quality to engage in reputation risk management.

The Company's Strategic Planning Department is responsible for managing the Company's strategic risks.

The Company's Information Technology Center is responsible for managing the Company's information technology risks.

The Audit Department of the Company is the third line of defense in risk management and has the overall responsibility for internal audit, planning and implementing internal audit of all departments/business lines of the Company, its subsidiaries and branches, monitoring the implementation of internal control systems, preventing various moral and policy risks, and assisting the Company with the investigation of emergency events.

Other internal control departments exercise their respective risk management functions within the scope of their responsibilities.

(a) Credit risk

Credit risk is the risk in respect of loss arising from the failure to perform obligations by a borrower, counterparty or issuer of financial positions held, or the result of whose credit qualifications deteriorate.

The credit risk of the Group mostly arises from four aspects: firstly, the risk of potential loss arising from securities dealing and futures trading on behalf of clients in brokerage business due to the Group's failure to collect sufficient margin deposits from clients in accordance with laws as the Group may have to undertake the settlement responsibility on behalf of clients if the clients do not have sufficient funds to pay for the transaction, or are short at funds due to other factors on the settlement date; secondly, credit risk relating to the securities financing businesses including margin financing and securities lending, stock-pledged repo, which refers to the Group's exposure to losses caused by clients' failure to perform the contracts; thirdly, default risk from credit product investment, which refers to the risk of the Group's asset losses and change in yield by reason of default or refusal to pay principal and interest on due dates by the financing parties or the issuers of the credit products the Group invested; and fourthly, counterparty default risk in OTC derivative transactions such as interest rate swap, equity swap, OTC option and forwards, i.e. the risk of counterparties failing to perform their payment obligations in accordance with contracts when the contracts reach the mature dates.

The Company assesses the credit ratings of counterparties or issuers through its internal credit rating system, measures its credit risk by means of stress test and sensitivity analysis, and manages such credit risk based on these results through credit approval mechanism. Meanwhile, the Company uses its information management system to monitor its credit risk on a real time basis, keeps track of the credit risk of its business products and transaction counterparties, provides analysis and pre-warning reports, and adjusts its credit limits in a timely manner.

Securities brokerage business transactions in Mainland China are all required to be settled in full by security deposit, as a result of which the settlement risk associated with brokerage business has been largely controlled.

Credit risk arising from the securities financing business primarily includes clients' provision of false information, failure to make full repayment in a timely manner, contractual breach of portfolio limits and compositions, violation of regulatory requirements for trading activities, and provision of collateral encumbered with legal disputes, etc. Credit risk arising from this type of business is mainly controlled through client education, credit reference checks, credit approval, daily mark to market, and risk reminders to clients, forced liquidation of clients' positions, judicial recourse and other means.

For credit products investment, the Company has established the entrance levels and investment caps for its products and will manage its credit risk through risk assessment, risk control and judicial recourse.

The counterparties in OTC derivative transactions are mainly financial institutions and other professional institutions and the main risks are their failure to make payments on time, their failure to cover the security deposits in a timely manner when facing losses in investments, and the discrepancy between the amounts calculated by the parties. The Company sets proportional requirement on the security deposits for the counterparties and limits on the transaction size, controls the credit risk exposure of the counterparties through daily mark to market, margin calls and forced liquidation of clients' positions, and appeals to judicial procedures to make claims on the losses occurs after the forced liquidation of clients' positions.

Expected credit loss (ECL) measurement

The measurement of the ECL allowance for financial instruments, including investments in financial assets measured at amortised cost (including margin accounts, reverse repurchase agreements) , FVOCI and securities lending is an area that requires the use of models and assumptions about the future economic conditions and credit behaviour of the clients (such as the likelihood of customers defaulting and the resulting losses).

The Company has applied a 'three-stage' impairment model for ECL measurement based on changes in credit quality since the initial recognition of financial instruments as summarised below:

— A financial instrument that is not credit-impaired on initial recognition is classified as "Stage 1" and has its credit risk continuously monitored by the Company;

— If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired;

— If the financial instrument is credit-impaired, the financial instrument is moved to "Stage 3".

Stage 1: The Company measures the loss allowance for a financial instrument at an amount equal to the next 12 months ECL. Stage 2 and 3: The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. The ECL is always measured on a lifetime basis.

For Stage 1 and Stage 2, the ECL is measured on a 12-month (12M) and Lifetime basis, respectively, using the risk parameter modelling approach that incorporated key parameters, including Probability of Default ("PD"), Loss Given Default ("LGD") , Exposure at Default ("EAD") and Loss Ratio ("LR") taking into consideration of forward looking factors. For credit-impaired financial assets classified under Stage 3, the management assesses the credit loss allowances by estimating the cash flows expected to arise from the financial assets after taking into consideration of forward looking factors.

Measuring ECL — inputs, assumptions and estimation techniques

The measurement of ECL adopted by the management according to IFRS 9, involves judgements, assumptions and estimations, including:

- Selection of the appropriate models and assumptions;
- Determination of the criteria for significant increase in credit risk ("SICR"), definition of default and credit impairment;
- Establishment of the number and relative weightings of forward-looking scenarios for each type of product.

For debt securities investments, ECL is the discounted product of the PD, LGD and EAD after considering the forward-looking impact. For margin accounts and stock-pledged repo under reverse repurchase agreements ("Financing Assets"), ECL are the discounted product of the LR and EAD after considering the forward-looking impact.

— PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. For debt securities investments, the appropriate external and internal credit ratings are taken into consideration.

— LGD represents the Company's expectation of the extent of loss on a defaulted exposure. For debt securities investments, LGD is determined based on assessed publicly available information.

— EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

— LR represents the Company's expectation of the likelihood of default and extent of loss on exposure. The Company uses historical loss rates and assesses their appropriateness. The Company determines LR based on factors including: the coverage ratio of related loan to underlying collateral value and the volatility of such collateral's valuation, the realised value of collateral upon forced liquidation taking account the estimated volatility over the realisation period.

The criteria of significant increase in credit risk ("SICR")

The Company evaluates the financial instruments at each financial statement date after considering whether a SICR has occurred since initial recognition. An ECL allowance for financial instruments is recognised according to the stage of ECL, which reflects the reasonable information and evidence available about the SICR and is also forward-looking. The Company considers a financial instrument to have experienced SICR when one or more of the following quantitative, qualitative or backstop criteria have been met.

The Company considers debt securities investments to have experienced a SICR if the latest internal ratings of issuers of debt securities or the debt securities themselves underwent two levels of downward migration or more, compared to their ratings on initial recognition; or if the latest external ratings of the debt securities or the issuers of the debt securities were under investment grade.

The Company considers Financing Assets to have experienced a SICR if margin calls are triggered when the threshold of relevant collateral to loan ratios are below a force liquidation level.

A backstop is applied to all relevant financial instruments and they are considered to have experienced a SICR if the borrower, the counterparty, the issuer or the debtor is more than 30 days past due on its contractual payments.

Financial instruments are considered to have a low risk when the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company has not used the low credit risk exemption as 31 December 2022.

Definition of credit-impaired assets

The Company assesses whether a financial instrument is credit-impaired in accordance with IFRS 9, in a manner consistent with its internal credit risk policies for managing financial instruments. The consideration includes quantitative criteria and qualitative criteria. The Company defines a financial instrument as credit-impaired, which is fully aligned with the definition of "in default", when it meets one or more of the following criteria:

- The borrower is more than 90 days past due on its contractual payments;
- Bonds or other bonds of the same issuer have materially defaulted, or extended or triggered cross-protection clauses;
- For Financing Assets, a forced liquidation of a client's position is triggered based on a pre-determined threshold of collateral to loan ratios and the collateral valuation falls short of the related loan or repo amounts;
- The latest external ratings of issuers of debt securities or debt securities themselves are in default grade;
- The debtor, issuer, borrower or counterparty is in significant financial difficulty;
- An active market for that financial instrument has disappeared because of financial difficulties;
- Concessions have been made by the Company relating to the debtor, issuer, borrower or counterparty's financial difficulty;
- It is becoming probable that the debtor, issuer, borrower, or counterparty will enter bankruptcy or undertake a financial restructuring.

When a financial instrument is considered to be credit-impaired, it may be the result of multiple events, not due to a separately identifiable event.

Forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information.

For debt securities investments, the Company has performed historical data analysis and identified the key economic variables impacting credit risk and ECL. Key economic variables mainly include the growth rate of Domestic GDP, producer price index and the total retail sales of consumer goods. The Company makes forward looking adjustments to the ECL of debt securities investments by analyzing the impacts of these economic variables.

For Financing Assets, based on the analysis of the characteristics of these products, the Company has identified the key economic variables impacting credit risk and ECL for these financial instrument portfolio include volatility of Shanghai Composite Index and Shenzhen Composite Index. The Company makes forward looking adjustments to the ECL of Financing Assets by analyzing the impacts of these economic variables.

In addition to the base economic scenario, the Company's expert team also provided other possible scenarios along with scenario weightings. The number of other scenarios used is set based on an analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each financial statement date.

As at 31 December 2022, the Company concluded that three scenarios appropriately captured the non-linearities of key economic variables for all portfolios. The scenario weightings are determined by a combination of statistical analysis and expert judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The probability-weighting of the three scenarios employed by the Company were almost the same.

The Company measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes as at the financial statement date.

Sensitivity analysis

The allowance for credit losses could be sensitive to the inputs used in internally developed models, macroeconomic variables in the forward-looking forecasts, weighting applied to economic scenarios and other factors considered when applying expert judgement. Changes in these inputs, assumptions and judgements are likely to have an impact on the assessment of significant increase in credit risk and the measurement of ECLs. The Company regularly rechecks the model annually and makes appropriate amendments and optimisation to the assumptions and parameters used in the models according to the external economic environment and internal observable data.

A sensitivity analysis is performed on key economic indicators, economic scenarios and weightings assigned used in forward-looking measurement. When the assigned weightings of optimistic scenario and pessimistic scenario change by 10%, the impact on ECL recognised is not significant.

Meanwhile, the Company also uses sensitivity analysis to monitor the impact of changes to the credit risk classification of the financial assets on ECL. As at 31 December 2022, assuming there was no significant increase in credit risk since initial recognition, and all the financial assets in Stage 2 were moved to Stage 1, the decremental impact on ECL recognised in financial statements is not significant.

Collateral and other credit enhancements

The Company employs a range of policies and credit enhancements to mitigate credit risk exposure to an acceptable level. The most common of these is accepting collateral through funds advanced or guarantees. The Company determines the type and amount of collaterals according to the credit risk evaluation of counterparties. The collateral under Financing Assets are primarily stocks, debt securities, funds etc. Management tests the market value of collateral periodically, and makes margin calls according to related agreements. It also monitors the market value fluctuation of collateral when reviewing the measurement of the loss allowance.

Loss Ratio of Financing Assets

Based on the obligors' credit quality, contract maturity date, the related collateral securities information, which including the sector situation, liquidity discount factor, concentration, volatility and related information, the Company sets differentiated collateral to loan ratios (generally no less than 150%) as triggering margin calls and force liquidation thresholds (collateral to loan ratios generally no less than 130%) against different exposures related to these transactions.

— For Financing Assets exposures with collateral to loan ratios above the force liquidation thresholds and no past due; or those past due for no more than 30 days and exposures with collateral to loan ratios above triggering margin calls are classified under Stage 1.

— For Financing Assets exposures with collateral to loan ratios above triggering margin calls and past due for more than 30 days and within 90 days; or those exposures with collateral to loan ratios between force liquidation thresholds and triggering margin calls and past due within 90 days; or those exposures with collateral to loan ratios between 100% and force liquidation thresholds and no past due or past due with 90 days are considered to be with significant increase in credit risks and are classified under Stage 2.

— For Financing Assets exposures with collateral to loan ratios fall below 100%; or those past due for more than 90 days are considered to be credit-impaired and non-performing. These exposures are classified under Stage 3.

Loss ratio applied by the Company on its Financing Assets under the 3 stages were as follows:

Stage 1: 1% to 3% according to different collateral ratios;

Stage 2: No less than 10%;

Stage 3: Discounted cash flow on individual exposure.

The Company considered the credit risk of the Financing Assets was relatively low. As at 31 December 2022, most of the Financing Assets' ratio to underlying collateral value was over force liquidation level. As at 31 December 2022 and 31 December 2021, most of the debt securities investments of the Company were rated at investment grade or above.

The maximum credit risk exposure of the Group after impairment allowance without taking account of any collateral and other credit enhancements is presented below:

	31 December	
	2022	2021
Financial assets at fair value through other comprehensive income (debt instruments)	**70,115,174**	69,091,928
Refundable deposits	**69,158,115**	55,183,604
Margin accounts	**106,976,333**	129,119,054
Financial assets at fair value through profit or loss	**299,913,834**	334,136,558
Derivative financial assets	**36,388,727**	31,000,576
Reverse repurchase agreements	**31,483,059**	46,393,304
Cash held on behalf of customers	**245,723,271**	222,458,910
Bank balances	**112,401,728**	97,610,508
Others	**59,042,452**	37,730,933
Total maximum credit risk exposure	**1,031,202,693**	1,022,725,375

Risk concentrations

The breakdown of the Group's maximum credit risk exposure, without taking account of any collateral or other credit enhancements, as categorised by geographical area are summarised below.

	By geographical area		
31 December 2022	**Mainland China**	**Outside Mainland China**	**Total**
Financial assets at fair value through other comprehensive income (debt instruments)	**65,712,675**	**4,402,499**	**70,115,174**
Refundable deposits	**63,356,907**	**5,801,208**	**69,158,115**
Margin accounts	**102,089,187**	**4,887,146**	**106,976,333**
Financial assets at fair value through profit or loss	**244,825,634**	**55,088,200**	**299,913,834**
Derivative financial assets	**26,841,079**	**9,547,648**	**36,388,727**
Reverse repurchase agreements	**30,758,121**	**724,938**	**31,483,059**
Cash held on behalf of customers	**228,780,297**	**16,942,974**	**245,723,271**
Bank balances	**99,079,484**	**13,322,244**	**112,401,728**
Others	**7,513,036**	**51,529,416**	**59,042,452**
Total maximum credit risk exposure	**868,956,420**	**162,246,273**	**1,031,202,693**

31 December 2021	By geographical area Mainland China	Outside Mainland China	Total
Financial assets at fair value through other comprehensive income (debt instruments)	67,795,614	1,296,314	69,091,928
Refundable deposits	53,319,018	1,864,586	55,183,604
Margin accounts	123,240,896	5,878,158	129,119,054
Financial assets at fair value through profit or loss	300,044,239	34,092,319	334,136,558
Derivative financial assets	20,066,880	10,933,696	31,000,576
Reverse repurchase agreements	45,150,962	1,242,342	46,393,304
Cash held on behalf of customers	208,029,174	14,429,736	222,458,910
Bank balances	76,958,858	20,651,650	97,610,508
Others	8,592,204	29,138,729	37,730,933
Total maximum credit risk exposure	903,197,845	119,527,530	1,022,725,375

The Group's credit risk exposure of financial instruments for which an ECL allowance is recognised as follows according to the stage of ECL:

	31 December 2022 Stage of ECL			
Loss allowance	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3**	**Total**
Reverse repurchase agreements				
Amortised cost	**31,168,263**	**960,000**	**5,937,204**	**38,065,467**
Loss allowance	**481,762**	**260,809**	**5,839,837**	**6,582,408**
Book value	**30,686,501**	**699,191**	**97,367**	**31,483,059**
Margin accounts				
Amortised cost	**107,157,437**	**729,220**	**1,591,220**	**109,477,877**
Loss allowance	**1,088,100**	**189,849**	**1,223,595**	**2,501,544**
Book value	**106,069,337**	**539,371**	**367,625**	**106,976,333**
Financial assets at fair value through other comprehensive income (debt instruments)				
Fair value	**69,987,932**	**—**	**127,242**	**70,115,174**
Loss allowance	**506,632**	**—**	**257,777**	**764,409**
Others				
Amortised cost	**58,716,606**	**104,524**	**1,925,405**	**60,746,535**
Loss allowance	**165,525**	**76,069**	**1,834,535**	**2,076,129**
Book value	**58,551,081**	**28,455**	**90,870**	**58,670,406**

Loss allowance	31 December 2021 Stage of ECL Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3	Total
Reverse repurchase agreements				
Amortised cost	44,237,950	2,446,554	6,553,358	53,237,862
Loss allowance	(289,567)	(516,394)	(6,038,597)	(6,844,558)
Book value	43,948,383	1,930,160	514,761	46,393,304
Margin accounts				
Amortised cost	127,238,656	807,217	4,392,532	132,438,405
Loss allowance	(1,274,829)	(191,920)	(1,852,602)	(3,319,351)
Book value	125,963,827	615,297	2,539,930	129,119,054
Financial assets at fair value through other comprehensive income (debt instruments)				
Fair value	69,091,928	—	—	69,091,928
Loss allowance	365,959	—	44,000	409,959
Others				
Amortised cost	36,810,664	128,407	1,908,093	38,847,164
Loss allowance	(208,160)	(80,160)	(1,803,789)	(2,092,109)
Book value	36,602,504	48,247	104,304	36,755,055

The Group's credit risk exposure of financial instruments for which an ECL allowance is recognised as follows according to the stage of ECL:

(i) Credit loss allowance for reverse repurchase agreements

	Stage of ECL **Stage 1** **12-month ECL**	**Stage 2** **Lifetime ECL**	**Stage 3** **Lifetime ECL (Credit-impaired)**	**Total**
1 January 2022	**289,567**	**516,394**	**6,038,597**	**6,844,558**
Increases	**499,823**	**152,241**	**100,228**	**752,292**
Reversals	**(307,628)**	**(127,382)**	**(579,432)**	**(1,014,442)**
Write-offs	**—**	**—**	**—**	**—**
Transfers between stages				
— Increase	**—**	**—**	**280,444**	**280,444**
— Decrease	**—**	**(280,444)**	**—**	**(280,444)**
Others	**—**	**—**	**—**	**—**
31 December 2022	**481,762**	**260,809**	**5,839,837**	**6,582,408**

	Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
1 January 2021	58,758	1,331,267	6,648,914	8,038,939
Increases	285,814	442,645	215,915	944,374
Reversals	(55,005)	(1,200,761)	(882,989)	(2,138,755)
Write-offs	—	—	—	—
Transfers between stages				
— Increase	—	—	56,757	56,757
— Decrease	—	(56,757)	—	(56,757)
Others	—	—	—	—
31 December 2021	289,567	516,394	6,038,597	6,844,558

Analysed loss allowance for reverse repurchase agreements

	31 December 2022 Stage of ECL			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Book value	**22,499,002**	**960,000**	**5,937,204**	**29,396,206**
Loss allowance	**481,761**	**260,809**	**5,839,838**	**6,582,408**
Collateral	**69,369,955**	**1,931,810**	**7,203,323**	**78,505,088**

	31 December 2021 Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
Book value	13,033,597	2,446,554	6,553,358	22,033,509
Loss allowance	(289,567)	(516,394)	(6,038,597)	(6,844,558)
Collateral	45,236,015	6,661,269	8,901,206	60,798,490

(ii) Credit loss allowance for margin accounts

	Stage of ECL			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL (Credit-impaired)**	
1 January 2022	**1,274,829**	**191,920**	**1,852,602**	**3,319,351**
Increases	**55,448**	**270,229**	**7,502**	**333,179**
Reversals	**(237,486)**	**(189,866)**	**(728,082)**	**(1,155,434)**
Write-offs	**—**	**—**	**—**	**—**
Transfers between stages				
— Increase	**3**	**4,704**	**87,135**	**91,842**
— Decrease	**(4,704)**	**(87,138)**	**—**	**(91,842)**
Other changes	**10**	**—**	**4,438**	**4,448**
31 December 2022	**1,088,100**	**189,849**	**1,223,595**	**2,501,544**

	Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
1 January 2021	344,216	12,547	1,176,770	1,533,533
Increases	946,337	267,284	777,224	1,990,845
Reversals	(8,271)	(55,968)	(138,177)	(202,416)
Write-offs	—	—	—	—
Transfers between stages				
— Increase	354	4,642	39,389	44,385
— Decrease	(7,800)	(36,585)	—	(44,385)
Other changes	(7)	—	(2,604)	(2,611)
31 December 2021	1,274,829	191,920	1,852,602	3,319,351

(iii) Credit loss allowance for financial assets at fair value through other comprehensive income

	Stage of ECL			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL (Credit-impaired)**	
1 January 2022	**365,959**	**—**	**44,000**	**409,959**
Increases	**518,367**	**—**	**—**	**518,367**
Reversals	**(42,655)**	**—**	**—**	**(42,655)**
Write-offs	**(136,053)**	**—**	**—**	**(136,053)**
Transfers between stages				
— Increase	**—**	**—**	**213,777**	**213,777**
— Decrease	**(213,777)**	**—**	**—**	**(213,777)**
Other changes	**14,791**	**—**	**—**	**14,791**
31 December 2022	**506,633**	**—**	**257,777**	**764,409**

	Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
1 January 2021	533,493	—	44,000	577,493
Increases	133,444	—	—	133,444
Reversals	(160,890)	—	—	(160,890)
Write-offs	(138,488)	—	—	(138,488)
Transfers between stages				
— Increase	—	—	—	—
— Decrease	—	—	—	—
Other changes	(1,600)	—	—	(1,600)
31 December 2021	365,959	—	44,000	409,959

(iv) Credit loss allowance for other financial assets measured at amortised cost

	Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
1 January 2022	**208,160**	**80,160**	**1,803,789**	**2,092,109**
Increases	**22,319**	**2,200**	**48,006**	**72,525**
Reversals	**(64,937)**	**(6,247)**	**(34,234)**	**(105,418)**
Write-offs	**—**	**(5)**	**(3,367)**	**(3,372)**
Transfers between stages				
— Increase	**—**	**11**	**—**	**11**
— Decrease	**(11)**	**—**	**—**	**(11)**
Other changes	**(6)**	**(50)**	**20,341**	**20,285**
31 December 2022	**165,525**	**76,069**	**1,834,535**	**2,076,129**

	Stage of ECL			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
1 January 2021	173,932	8,131	1,949,385	2,131,448
Increases	74,590	81,873	22,342	178,805
Reversals	(30,603)	(9,482)	(28,957)	(69,042)
Write-offs	(572)	—	(112,007)	(112,579)
Transfers between stages				
— Increase	—	225	587	812
— Decrease	(225)	(587)	—	(812)
Other changes	(8,962)	—	(27,561)	(36,523)
31 December 2021	208,160	80,160	1,803,789	2,092,109

(b) Liquidity risk

Liquidity risk refers to the risk that the Company fails to obtain sufficient capital with reasonable cost and in a timely manner to pay its overdue debts, perform other payment obligations or satisfy capital requirements for normal business operations. The Company has consistently adhered to the overall operation of capital. The responsibilities for centralised management of fund allocation lie within the Treasury Department. In respect of the domestic stock exchanges and interbank market, the Company has a relatively high credit rating, and has secured stable channels for short-term financing, such as borrowing and repurchases. At the same time, the Company has replenished its long-term working capital through public or private offering of corporate bonds, subordinated bonds, and beneficial certificates, so as to enable the Company to maintain its overall liquidity at a relatively secured level.

In addition, the Risk Management Department independently monitors and assesses the fund and debt positions of the Company over a certain period of future time span on a daily basis. It measures the solvency of the Company via analysis of matching between assets and liabilities on a specified point of time and within a time period, and the measurement of indicators including funding gap ratio. The Company has established a liquidity reserve pool system with sufficient high-liquidity assets to meet its emergency liquidity needs, and the Risk Management Department monitors the size and liquidity of the reserve pool on a daily basis. The Risk Management Department releases a liquidity risk report on a daily basis and reports on the status of the Company's assets and liabilities, the implementation of liquidity risk quota, the situation of the reserve pool and other situations. The Company also sets warning threshold values for liquidity risk indicators, and once exceeded, the Risk Management Department will warn the risk to the Risk Management Committee, the management and relevant departments of the Company in accordance with relevant rules, and appropriate actions will be taken by the relevant competent departments to adjust the liquidity risks exposed to a level within the permitted ranges.

The maturity profile of the Group's financial liabilities as at the end of the reporting year, based on their contractual undiscounted payments, is as follows:

	31 December 2022						
	Overdue/ repayable on demand	Less than three months	Three months to one year	One to five years	More than five years	Undated	Total
Non-derivative financial liabilities:							
Customer brokerage deposits	279,402,254	—	—	—	—	—	279,402,254
Financial liabilities at fair value through profit or loss	185	19,084,791	15,462,406	34,537,537	1,821,963	21,218,713	92,125,595
Repurchase agreements	9,151,788	193,679,273	10,100,696	1,537,872	—	—	214,469,629
Due to banks and other financial institutions	—	23,387,915	6,308,635	—	—	—	29,696,550
Short-term loans	166,262	9,096,667	709,508	—	—	—	9,972,437
Short-term financing instruments payable	—	7,553,236	4,426,503	—	—	—	11,979,739
Debt instruments issued	—	941,350	1,555,710	62,501,879	19,490,819	—	84,489,758
Long-term loans	—	4,513	14,844	294,256	—	—	313,613
Leases	—	180,617	593,946	1,194,179	177,786	—	2,146,528
Others	219,823,923	10,693,118	46,295,429	838,266	—	504,510	278,155,246
Total	508,544,412	264,621,480	85,467,677	100,903,989	21,490,568	21,723,223	1,002,751,349
Cash flows from derivative financial liabilities settled on a net basis	—	3,374,137	7,025,388	7,299,587	5,508,920	—	23,208,032
Gross-settled derivative financial liabilities:							
Contractual amounts receivable	—	(157,754,901)	(90,345,618)	(17,124,757)	—	—	(265,225,276)
Contractual amounts payable	—	160,694,653	92,184,710	17,454,254	—	—	270,333,617
	—	2,939,752	1,839,092	329,497	—	—	5,108,341

	31 December 2021						
	Overdue/ repayable on demand	Less than three months	Three months to one year	One to five years	More than five years	Undated	Total
Non-derivative financial liabilities:							
Customer brokerage deposits	251,164,466	—	—	—	—	—	251,164,466
Financial liabilities at fair value through profit or loss	4,283,109	22,901,197	26,654,023	9,184,156	1,349,491	11,271,619	75,643,595
Repurchase agreements	864,149	222,149,894	8,585,753	4,086,478	—	—	235,686,274
Due to banks and other financial institutions	—	50,691,702	—	—	—	—	50,691,702
Short-term loans	163,329	7,094,010	6,791	—	—	—	7,264,130
Short-term financing instruments payable	—	6,761,724	7,925,823	—	—	—	14,687,547
Debt instruments issued	—	1,045,660	1,470,357	108,778,838	18,952,170	—	130,247,025
Long-term loans	—	27,520	82,351	363,577	—	—	473,448
Leases	267	136,421	550,587	1,205,550	101,953	—	1,994,778
Others	142,603,593	40,461,761	56,728,845	703,898	—	4,868,242	245,366,339
Total	399,078,913	351,269,889	102,004,530	124,322,497	20,403,614	16,139,861	1,013,219,304
Cash flows from derivative financial liabilities settled on a net basis	161,060	5,602,947	9,888,529	12,896,160	5,827,062	—	34,375,758
Gross-settled derivative financial liabilities:							
Contractual amounts receivable	(240,083)	(54,166,884)	(27,604,088)	(11,003,199)	—	—	(93,014,254)
Contractual amounts payable	240,748	54,842,099	28,214,552	11,198,157	—	—	94,495,556
	665	675,215	610,464	194,958	—	—	1,481,302

(C) Market risk

Market risks represent potential losses due to movement in market prices of financial positions held. Financial positions held are derived from the proprietary investment, market-making business and other investment activities. Movements in the financial positions held primarily originated from instructions received from the customers or the relevant strategies of proprietary investment.

Market risks primarily include equity price risk, interest rate risk, commodity price risk and exchange rate risk. Among which, equity price risk arises from fluctuation in the price and volatility of equity products such as stocks, equity portfolio and stock index futures. Interest rate risk primarily arises from movements in the yield curve of fixed income investment, fluctuation in interest rates and credit spreads. Commodity price risk arises from adverse price movements of various commodities. Exchange rate risk are caused by fluctuations in non-local currency rates.

The Company has established a top-down risk limit management system, which strives to keep the overall market risk of the Company within an acceptable level by allocating the overall risk limit of the Company to different business departments/business lines, the monitoring and implementation by the internal control department, and by timely assessing and reporting of significant risk matters.

The Company assesses, monitors and manages its overall market risks in a comprehensive manner through the Risk Management Department, which is independent from the business departments/business lines and reports its assessments and monitoring results to the respective business departments/business lines, the Operation Management and the Risk Management Committee of the Company. In implementing market risk management, the front-office business departments/business lines, as the direct bearer of market risks and the frontline risk management team, dynamically manage the market risks arising from its positions held, and actively take measures including reducing risk exposures or conducting risk hedging when the exposures are relatively high. The relevant monitoring personnel from the Risk Management Department will continuously and directly communicate with the respective business departments/business lines with regard to information on risk exposures, and discuss the status of risk portfolios and the losses in extreme situations.

The Risk Management Department estimates possible losses arising from market risks through a series of measurements, including possible losses under normal market volatility and extreme market conditions. Under normal volatilities, the Risk Management Department measures the possible losses of the Company in the short term mainly via Value at Risk (VaR) and sensitivity analysis. Meanwhile, the Risk Management Department measures the possible losses of the Company in extreme situations via stress test. The risk report sets out the market risk portfolios and its changes in each of the business departments/business lines. The report will be delivered on a daily, weekly, monthly or quarterly basis to the responsible officers of the business departments/business lines and the Operation Management of the Company.

VaR represents the potential losses of investment portfolios held due to movements in market prices over a specified time period and at a given level of confidence. The Company adopts VaR as a major indicator of its market risk measurement. The calculation of specific parameter is based on a holding period of one trading day and a confidence level of 95%. VaR detects exposures such as interest rate risk, equity price risk and exchange rate risk, and measures the movement of market risks such as those arising from changes in interest rate curves, prices of securities and exchange rates. The Risk Management Department constantly inspects the accuracy of VaR through back-testing and improves its calculation in line with the expansion of the Company's businesses. The Company also evaluates the possible losses in its proprietary positions arising from extreme situations through stress tests. The Risk Management Department has established a series of macro and micro market scenarios to calculate the possible losses to the positions and specific business of the Company upon the concurrence of different events under multiple pressure scenario(s). These scenarios include the occurrence of major setbacks in macro-economic conditions, significant and adverse changes in major markets and extraordinary risk events. Stress test constitutes an integral part of the market risk management of the Company. Through stress tests, the Company could focus more on the possible losses to the Company, analyze its risk return and compare its risk resistant capacities, and evaluate whether the overall market risk portfolio of the Company is within its expected limits.

The Company sets limits for its respective business departments/business lines to control fluctuations in profit or loss and market exposures. The risk limits are monitored by the Risk Management Department on a daily basis. When risk level is approaching or exceeds the threshold values, the Risk Management Department will warn the relevant management officers in advance, discuss with the respective business management officers, and in accordance with the opinion reached through discussions, the business departments/business lines will reduce the exposures to comply with the risk limits, or apply for a temporary or permanent upgrade in the limits, and implement the upgraded limits as approved by the corresponding authorised personnel or organisation.

The Company continues to modify the risk limits system, defines unified limit management measures and a hierarchical authorization mechanism, and adjusted the measures for the management system of risk limit indicators on various level, such as the Company level, the business departments/business lines level and the investment accounts level in accordance with the authorisation mechanism.

In respect of foreign assets and assets of subsidiaries, the Company implemented centralized management. The Company keeps track of the exchange risk by closely monitoring the value of the assets in the account on a daily basis, and monitors the exchange risk from different angles, such as assets limit, VaR, sensibility analysis and stress test. In respect of foreign currency assets, the Company takes overall monitoring and management on exchange rate risk, and manages exchange risk exposure through a number of methods such as adjusting foreign currency position, using forward exchange contract/option hedging, currency swap contracts, etc.

(i) VaR

VaR analysis is a statistical technique that estimates the potential maximum losses that could occur on risk positions due to movements in interest rates, stock prices or currency rates over a specified time period and at a given level of confidence.

The calculation is based on the historical data of the Group's VaR (confidence level of 95% and a holding period of one trading day).

The Group's VaR analysis by risk categories is summarised as follows:

	31 December	
	2022	2021
Stock price-sensitive financial instruments	**475,314**	365,079
Interest rate-sensitive financial instruments	**208,275**	86,963
Exchange rate-sensitive financial instruments	**107,979**	31,322
Total portfolio VaR	**422,853**	347,266

(ii) Interest rate risk

The Group's interest rate risk is the risk of fluctuation in the fair value of one or more financial instruments arising from adverse movements in interest rates. The Group's interest rate risk mainly sources from the volatility of fair value of financial instruments held by the Group which are sensitive to the interest rate risk, resulting from market interest rate's negative fluctuation.

The Group uses interest rate sensitivity analysis as the principal tool to monitor interest rate risk. The use of interest rate sensitivity analysis assumes all other variables remain constant, but changes in the fair value of financial instruments held at the end of the measurement period may impact the Group's total income and total equity when interest rates fluctuate reasonably and possibly.

Assuming a parallel shift in the market interest rates and without taking into consideration of the management's activities to reduce interest rate risk, the impact of such a shift on revenue and shareholders' equity based on an interest rate sensitivity analysis of the Group is as follows:

Sensitivity of revenue

	2022	2021
Change in basis points		
+25 basis points	**(1,000,984)**	(794,057)
-25 basis points	**1,012,478**	796,760

Sensitivity of equity

	31 December 2022	2021
Change in basis points		
+25 basis points	**(215,762)**	(157,218)
-25 basis points	**221,458**	164,798

(iii) Currency risk

Currency risk is the risk of fluctuation in the fair value of financial instruments or future cash flows arising from adverse movements in foreign exchange rates. The Group's currency risk primarily relates to the Group's operating activities, whose settlements and payments are denominated in foreign currencies different from the Group's functional currency, and its net investment in foreign subsidiaries.

The tables below indicate a sensitivity analysis of exchange rate changes of the currencies to which the Group had significant exposure. The analysis calculates the effect of a reasonably possible movement in the currency rates against RMB, with all other variables held constant, on revenue and equity. A negative amount in the table reflects a potential net reduction in revenue or equity, while a positive amount reflects a potential net increase.

Sensitivity of revenue

Currency	Change in currency rate	2022	2021
USD	-3%	**1,232,069**	848,324
HKD	-3%	**(673,666)**	(143,098)

Sensitivity of equity

Currency	Change in currency rate	31 December 2022	2021
USD	-3%	**(327,714)**	(245,339)
HKD	-3%	**(3,964)**	8,802

While the table above indicates the effect on revenue and equity of 3% depreciation of USD and HKD, there will be an opposite effect with the same amount if the currencies appreciate by the same percentage.

The tables below summarised the Group's exposure to foreign currency exchange rate risk as at 31 December 2022 and 31 December 2021. The Group's exposure to RMB is provided in the tables below for comparison purposes. Included in the table are the carrying amounts of the assets and liabilities of the Group in RMB equivalent, categorised by the original currencies.

	As at 31 December 2022				
	RMB	USD in RMB equivalent	HKD in RMB equivalent	Other in RMB equivalent	Total
Net on-balance sheet position	**247,104,460**	**(19,322,503)**	**23,403,193**	**7,186,889**	**258,372,039**

	As at 31 December 2021				
	RMB	USD in RMB equivalent	HKD in RMB equivalent	Other in RMB equivalent	Total
Net on-balance sheet position	197,909,127	2,455,664	5,896,250	7,546,745	213,807,786

(iv) Price risk

Price risk is the risk that the fair value of equity instruments decreases due to the variance between the stock index level and individual share values. If this occurs, market price fluctuations of equity instruments at fair value through profit or loss will impact the Group's profit; and market price fluctuations of equity instruments classified as financial assets at fair value through other comprehensive income will impact shareholders' equity for the Group.

As at 31 December 2022, the equity investment accounted for approximately 20.03% of the total assets (as at 31 December 2021: 18.14%).

59 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	31 December 2022	2021
Non-current assets			
Property, plant and equipment		**1,323,434**	897,581
Investment properties		**120,029**	85,116
Goodwill		**43,500**	43,500
Land-use rights and intangible assets		**2,011,280**	2,043,290
Investments in subsidiaries	23	**46,074,631**	41,134,631
Investments in associates		**5,505,090**	5,309,047
Financial assets at fair value through profit or loss (Mandatory)		**606,044**	651,874
Refundable deposits		**25,999,180**	20,911,050
Deferred income tax assets		**7,851,120**	6,894,379
Right-of-use assets		**1,519,254**	1,774,872
Other non-current assets		**216,816**	167,481
Total non-current assets		**91,270,378**	79,912,821

	Notes	31 December 2022	2021
Current assets			
Fee and commission receivables		**891,164**	1,025,757
Margin accounts		**89,361,468**	108,736,026
Financial assets at fair value through other comprehensive income		**75,989,597**	75,882,733
Financial assets as at fair value through profit or loss (Mandatory)		**365,438,858**	373,230,784
Derivative financial assets		**25,488,579**	20,924,031
Reverse repurchase agreements		**30,711,377**	45,102,258
Other current assets		**35,694,075**	42,798,324
Cash held on behalf of customers		**131,622,190**	127,510,727
Cash and bank balances		**78,119,759**	65,741,712
Total current assets		**833,317,067**	860,952,352
Current liabilities			
Customer brokerage deposits		**128,591,958**	123,198,336
Derivative financial liabilities		**22,715,541**	26,438,556
Financial liabilities at fair value through profit or loss		**26,950,813**	18,318,705
Repurchase agreements		**172,725,397**	195,073,038
Due to banks and other financial institutions		**29,580,863**	50,683,601
Tax payable		**2,986,190**	2,308,177
Short-term financing instrument payables		**6,157,528**	6,751,470
Lease liabilities		**685,716**	651,348
Other current liabilities		**232,385,472**	212,889,173
Total current liabilities		**622,779,478**	636,312,404
Net current assets		**210,537,589**	224,639,948
Total assets less current liabilities		**301,807,967**	304,552,769
Non-current liabilities			
Debt instruments issued		**71,023,533**	111,407,548
Deferred income tax liabilities		**2,465,554**	2,638,533
Financial liabilities at fair value through profit or loss		**15,690,365**	15,576,100
Lease liabilities		**803,561**	1,087,259
Total non-current liabilities		**89,983,013**	130,709,440
Net assets		**211,824,954**	173,843,329
Equity			
Issued share capital	49	**14,820,547**	12,926,776
Other equity instruments		**13,761,704**	10,767,729
Reserves		**131,663,322**	101,832,851
Retained earnings		**51,579,381**	48,315,973
Total equity		**211,824,954**	173,843,329

60 STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

	Notes	Share capital	Other equity instruments	Reserves					Retained earnings	Total
				Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Sub-total		
At 1 January 2022		**12,926,776**	**10,767,729**	**65,848,795**	**6,669,818**	**29,001,635**	**312,603**	**101,832,851**	**48,315,973**	**173,843,329**
Profit for the year		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**15,945,949**	**15,945,949**
Other comprehensive income		**—**	**—**	**—**	**—**	**—**	**383,008**	**383,008**	**—**	**383,008**
Total comprehensive income		**—**	**—**	**—**	**—**	**—**	**383,008**	**383,008**	**15,945,949**	**16,328,957**
Dividend — 2021	17	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(8,003,095)**	**(8,003,095)**
Distribution to other equity instrument holders	17	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(497,209)**	**(497,209)**
Appropriation to surplus reserves		**—**	**—**	**—**	**946,885**	**—**	**—**	**946,885**	**(946,885)**	**—**
Appropriation to general reserves		**—**	**—**	**—**	**—**	**3,237,140**	**—**	**3,237,140**	**(3,237,140)**	**—**
Others		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Capital increase/ (decrease) by equity holders										
— Capital increase by equity holders		**1,893,771**	**—**	**25,263,201**	**—**	**—**	**—**	**25,263,201**	**—**	**27,156,972**
— Capital injected by other equity instrument holders	50	**—**	**2,993,975**	**—**	**—**	**—**	**—**	**—**	**—**	**2,993,975**
Others		**—**	**—**	**—**	**237**	**—**	**—**	**237**	**1,788**	**2,025**
At 31 December 2022		**14,820,547**	**13,761,704**	**91,111,996**	**7,616,940**	**32,238,775**	**695,611**	**131,663,322**	**51,579,381**	**211,824,954**

	Notes	Share capital	Other equity instruments	Reserves					Retained earnings	Total
				Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Sub-total		
At 1 January 2021		12,926,776	—	65,848,795	6,669,818	25,401,918	1,079,527	99,000,058	39,778,022	151,704,856
Profit for the year		—	—	—	—	—	—	—	17,465,159	17,465,159
Other comprehensive income		—	—	—	—	—	(766,924)	(766,924)	—	(766,924)
Total comprehensive income		—	—	—	—	—	(766,924)	(766,924)	17,465,159	16,698,235
Dividend — 2020	17	—	—	—	—	—	—	—	(5,170,710)	(5,170,710)
Distribution to other equity instrument holders	17	—	—	—	—	—	—	—	(157,636)	(157,636)
Appropriation to surplus reserves		—	—	—	—	—	—	—	—	—
Appropriation to general reserves		—	—	—	—	3,598,862	—	3,598,862	(3,598,862)	—
Others		—	—	—	—	855	—	855	—	855
Capital increase/ (decrease) by equity holders										
— Capital increase by equity holders		—	—	—	—	—	—	—	—	—
— Capital injected by other equity instrument holders	50	—	10,767,729	—	—	—	—	—	—	10,767,729
At 31 December 2021		12,926,776	10,767,729	65,848,795	6,669,818	29,001,635	312,603	101,832,851	48,315,973	173,843,329

61 EVENTS AFTER THE REPORTING PERIOD

Proposed profit distribution after the reporting period

According to the board resolution passed in the Board of Directors' meeting of the Company held on 30 March 2023, the Company proposes to adopt cash dividend payment method for its 2022 profit distribution and distribute a dividend of RMB4.90 (tax inclusive) for every 10 shares to all shareholders, and based on the total number of issued shares of the Company at 31 December 2022, i.e. 14,820,546,829 shares, the cash dividend proposed to be distributed totals RMB7,262,067,946.21(tax inclusive). In the event of change in total number of issued shares of the Company after the date of the abovementioned Board meeting but before the record date for payment of the cash dividend, the total distribution amount shall remain unchanged while the distribution amount per share will be adjusted accordingly. This proposed dividend is subject to the approval of the General Meeting of Shareholders of the Company.

Establishment of asset management subsidiary

As at 30 December 2022, the Company received CSRC's approval of establishment of asset management subsidiary (Zheng Jian Xu Ke [2022]3254). In March 2023, relevant business registration of CITIC Securities Asset Management Company Limited was completed, and the Company has completed the capital injection of RMB1 billion to CITIC Securities Asset Management Company Limited.

Public Issuance of Short-term Corporate bonds

On 13 January 2023, the Company completed four public issuance of corporate bond in Shanghai Stock Exchange, in the total amount of RMB15 billion, with maturities of 180 days, 270 days, 184 days, 184 days, and coupon rates of 2.58% and 2.70%, respectively.

Public Issuance of Corporate Bonds

On 8 February 2023, the Company completed the public issuance of short-term corporate bond (the first issuance) in Shanghai Stock Exchange, in the amount of RMB3 billion, with a maturity of 2 years and a coupon rate of 2.95%.

On 21 February 2023, the Company completed the public issuance of short-term corporate bond (the second issuance) in Shanghai Stock Exchange, in the total amount of RMB4.5 billion, including 2 tranches with maturities of 2 years and 1101 days, and coupon rates of 2.89% and 3.06%, respectively.

On 13 March 2023, the Company completed the public issuance of short-term corporate bond (the third issuance) in Shanghai Stock Exchange, in the total amount of RMB4 billion, including 2 tranches with maturities of 2 years and 5 years, and coupon rates of 3.01% and 3.32%, respectively.

Issuance of Euro-commercial paper

As at 30 March 2023, CITIC Securities Finance MTN Co., Ltd. issued 2 tranche of Euro-commercial paper with a total issue size of USD 29.9 million during the year of 2023. The Euro-commercial paper was unconditionally and irrevocably guaranteed by the Company with joint and several liability.

As at 30 March 2023, CITIC Securities Finance MTN Co., Ltd. issued 1 tranche of Euro-commercial paper with a total issue size of USD 200 million during the year of 2023. The Euro-commercial paper was unconditionally and irrevocably guaranteed by the Company with joint and several liability.

62 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements was approved and authorised for issue by the Board of Directors on 30 March 2023.

10. DOCUMENTS AVAILABLE FOR INSPECTION

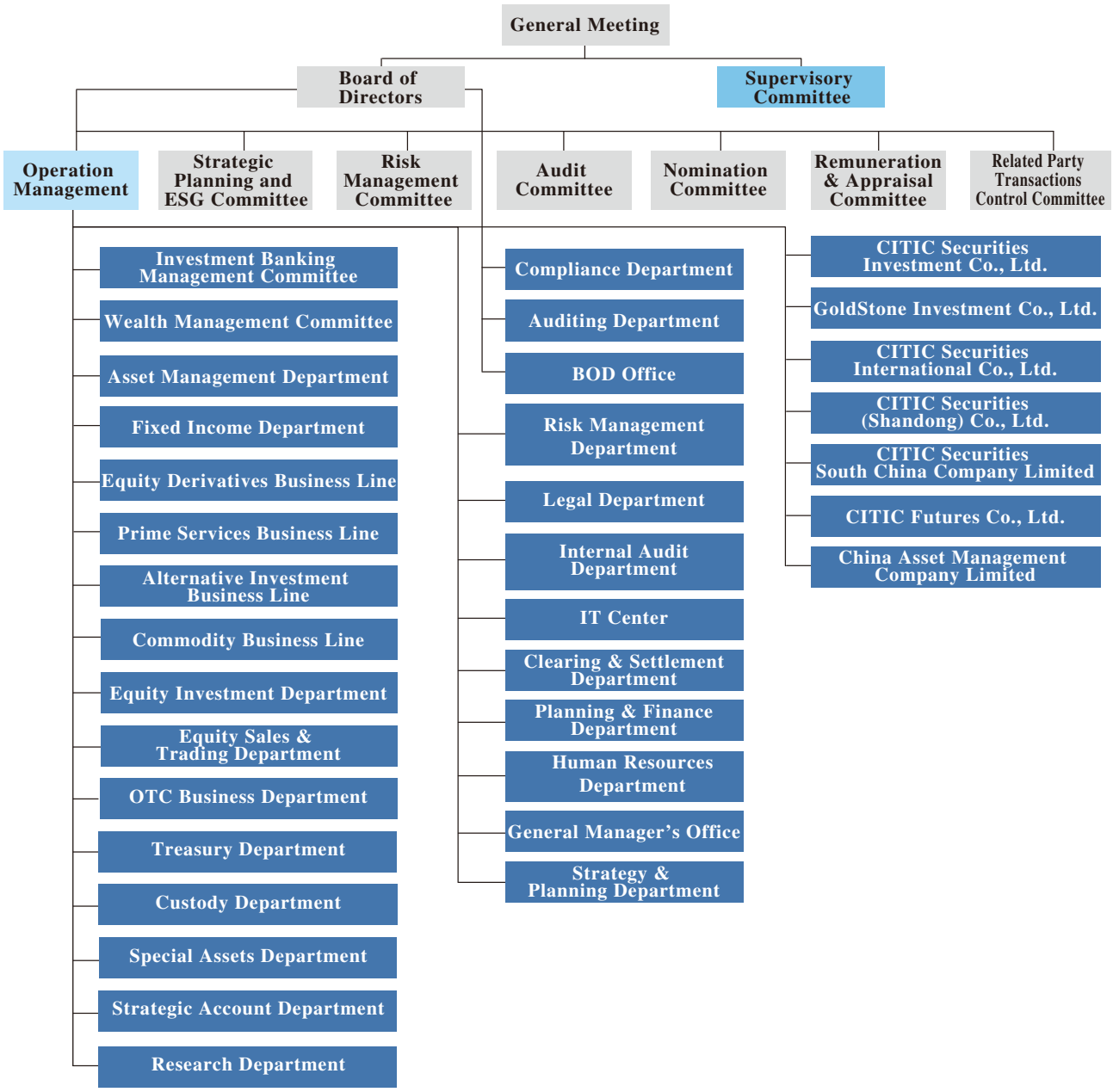
Documents Available for Inspection	Financial statements signed by the head of the Company, the Chief Financial Officer and the head of the Accounting Department and chopped with the official chop of the Company The original copy of the audit report with chops of the accounting firm and signatures and chops of CPAs The originals of all the documents and announcements of the Company published during the Reporting Period in the media designated by the CSRC for information disclosures Annual reports published in other stock exchanges The Articles of Association of the Company

By Order of the Board
CITIC Securities Company Limited
Chairman
ZHANG Youjun

Beijing, the PRC
30 March 2023

As at the date of this announcement, the executive Directors of the Company are Mr. ZHANG Youjun and Mr. YANG Minghui; the non-executive Directors of the Company are Mr. ZHANG Lin, Ms. FU Linfang, Mr. ZHAO Xianxin and Mr. WANG Shuhui; and the independent non-executive Directors of the Company are Mr. LI Qing, Mr. SHI Qingchun and Mr. ZHANG Jianhua.

APPENDIX 1: ORGANIZATION CHART



Note: Only some first-tier subsidiaries of the Company are presented on the above

APPENDIX 2: INDEX OF INFORMATION DISCLOSURE

Information disclosures made by the Company on the website of the SSE (http://www.sse.com.cn) and in China Securities Journal, Shanghai Securities News and Securities Times during the Reporting Period are set out as follows:

No.	Date of Publication	Subject Matter
1	2022-01-05	Preannouncement on Estimated Growth in Profit for the Year 2021 of CITIC Securities
2		Monthly Return on Movements in Securities of CITIC Securities for December 2021
3	2022-01-13	Announcement on the Preliminary Financial Data for the Year 2021 of CITIC Securities
4	2022-01-14	Announcement on Online Roadshow Relating to the A Share Rights Issue of CITIC Securities
5		Indicative Announcement on Suspension and Resumption of Trading for A Shares of CITIC Securities
6		Announcement on the Resolutions Passed at the 33rd Meeting of the Seventh Session of the Board of CITIC Securities
7		Summary of the A Share Rights Issue Prospectus of CITIC Securities
8		A Share Rights Issue Prospectus of CITIC Securities
9		Announcement on the A Share Rights Issue of CITIC Securities
10	2022-01-19	Indicative Announcement on the A Share Rights Issue of CITIC Securities
11		Announcement on Resignation of Independent Director due to Expiry of Term of CITIC Securities
12	2022-01-20	Indicative Announcement on the A Share Rights Issue of CITIC Securities
13	2022-01-21	Indicative Announcement on the A Share Rights Issue of CITIC Securities
14	2022-01-24	Indicative Announcement on the A Share Rights Issue of CITIC Securities
15	2022-01-25	Indicative Announcement on the A Share Rights Issue of CITIC Securities
16		Announcement on Amendments to the Articles of Association of CITIC Securities
17		Rules of Procedures of the Strategic Planning and ESG Committee of the Board of CITIC Securities
18		Announcement on the Resolutions Passed at the 34th Meeting of the Seventh Session of the Board of CITIC Securities
19	2022-01-27	Announcement on Results of the A Share Rights Issue of CITIC Securities
20	2022-02-08	Announcement on Entering into the Tripartite Supervision Agreement for the Deposit of Raised Fund in Designated Account of CITIC Securities
21		Announcement on Preliminary Financial Data of China AMC for the Year 2021 of CITIC Securities
22		Monthly Return on Movements in Securities of CITIC Securities for January 2022
23	2022-02-09	H Share Announcement of CITIC Securities — Proposed H Share Rights Issue of 341,749,155 H Shares on the Basis of 1.5 H Rights Shares for Every 10 Existing H Shares at HK$17.67 per H Rights Share Payable in Full on Acceptance
24		Announcement on the Resolutions Passed at the 13th Meeting of the Seventh Session of the Supervisory Committee of CITIC Securities
25		Announcement on the Resolutions Passed at the 35th Meeting of the Seventh Session of the Board of CITIC Securities
26		Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board of CITIC Securities on Temporary Idle Raised Funds Used for Cash Management
27		Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Temporary Idle A Share Raised Funds Used for Cash Management of CITIC Securities
28		Announcement on Some Temporary Idle Raised Funds Used for Cash Management of CITIC Securities
29	2022-02-10	Listing Sponsorship Letter of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Public Issuance of Securities by Way of the A Share Rights Issue of CITIC Securities
30		Announcement on Changes in Shareholding as a Result of the A Share Rights Issue and Listing of the A Rights Shares of CITIC Securities
31	2022-02-12	Announcement on the Progress of Some Idle Raised Funds Used for Cash Management of CITIC Securities

No.	Date of Publication	Subject Matter
32	2022-02-18	Indicative Announcement on Changes in Shareholders' Equity of CITIC Securities
33	2022-02-23	Announcement on By-election of Independent Non-executive Directors of CITIC Securities
34		Statement of the Candidate for Independent Director
35		Statement of the Nominator of Independent Director of CITIC Securities
36		Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 36th Meeting of the Seventh Session of the Board of CITIC Securities
37		Announcement on the Resolutions Passed at the 36th Meeting of the Seventh Session of the Board of CITIC Securities
38	2022-02-25	Documents of the 2022 First Extraordinary General Meeting of CITIC Securities
39		Notice on Convening of the 2022 First Extraordinary General Meeting of CITIC Securities
40	2022-03-03	Announcement on H Share Rights Issue Results and Changes in Shares of CITIC Securities
41	2022-03-04	H Share Announcement of CITIC Securities — Next Day Disclosure Return
42		Monthly Return on Movements in Securities of CITIC Securities for February 2022
43	2022-03-15	Notification of Board Meeting
44	2022-03-23	Announcement on Convening of the 2021 Annual Results Presentation of CITIC Securities
45	2022-03-29	H Share Announcement of CITIC Securities — Participation in the 2022 First Extraordinary General Meeting through Online Platform and the Supplemental Data of the Related Circular
46		Announcement on the Estimation of Related Party/Continuing Connected Transactions Contemplated in the Ordinary Course of Business of CITIC Securities in 2022
47		Announcement in Relation to Provision for Other Assets Impairment Loss of CITIC Securities
48		Announcement on Profit Distribution Plan of CITIC Securities
49		Announcement on the Resolutions Passed at the 14th Meeting of the Seventh Session of the Supervisory Committee of CITIC Securities
50		Special Remarks and Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 37th Meeting of the Seventh Session of the Board of CITIC Securities
51		Announcement on the Resolutions Passed at the 37th Meeting of the Seventh Session of the Board of CITIC Securities
52		The Status Report and Assurance Report on Internal Funds Pre-invested in the Investment Projects to be Funded by the Proceeds of CITIC Securities as of 27 January 2022
53		Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue by CITIC Securities
54		Announcement on Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue by CITIC Securities
55		Report on the Audit Committee of the Board on the Performance of Duties in 2021 of CITIC Securities
56		Audit Report on the Internal Control of 31 December 2021 of CITIC Securities
57		2021 Social Responsibility Report of CITIC Securities
58		2021 Assessment Report on the Internal Control of CITIC Securities
59		Duty Performance Report of Independent Non-executive Directors for 2021
60		Special Statement Regarding the Appropriation of Funds by Largest Shareholder and Other Related Parties of CITIC Securities
61		2021 Financial Statements and Audit Report of CITIC Securities
62		2021 Annual Report of CITIC Securities
63		Summary of the 2021 Annual Report of CITIC Securities
64	2022-04-01	Documents of the 2022 First Extraordinary General Meeting of CITIC Securities (Supplemental draft)
65		Announcement on Adding Provisional Proposals at the 2022 First Extraordinary General Meeting and Supplemental Notice of the General Meeting of CITIC Securities
66	2022-04-02	Monthly Return on Movements in Securities of CITIC Securities for March 2022
67	2022-04-12	2021 Continuous Supervision Report and Continuous Supervision Summary Report of HUAXI Securities as Independent Financial Adviser on Acquisition of Assets by Issuance of Shares and Related Party Transactions of CITIC Securities
68	2022-04-13	Announcement on the Preliminary Financial Data for the First Quarter of 2022 of CITIC Securities

No.	Date of Publication	Subject Matter
69	2022-04-14	Announcement on the Consolidation of the Company into Its Largest Shareholder of CITIC Securities
70		Announcement on the Resolutions Passed at the 38th Meeting of the Seventh Session of the Board of CITIC Securities
71		Announcement on the Redemption of Part of the Idle Raised Fund for Cash Management Upon Maturity of CITIC Securities
72		Legal Opinions of Beijing Jia Yuan Law Offices on the 2022 First Extraordinary General Meeting of CITIC Securities
73		Announcement on the Resolutions of the 2022 First Extraordinary General Meeting of CITIC Securities
74		The Articles of Association of the Company (2022 First Revision)
75		Announcement on Increase of Registered Capital and Amendments to the Articles of Association of the Company of CITIC Securities
76	2022-04-23	Announcement on the Issuance by Indirect Subsidiary Under the Medium-term Note Scheme and Guarantee by Indirect Wholly-owned Subsidiary of CITIC Securities
77		Notification of Board Meeting
78	2022-04-29	Announcement on the Resolutions Passed at the 39th Meeting of the Seventh Session of the Board of CITIC Securities
79		2022 First Quarterly Results of CITIC Securities
80	2022-05-06	Monthly Return on Movements in Securities of CITIC Securities for April 2022
81	2022-05-13	Announcement on Redemption of Part of Matured Idle Raised Funds Used for Cash Management, Continuing Cash Management and Related Party Transactions of CITIC Securities
82	2022-05-14	Announcement on the Re-appointment of Accounting Firms of CITIC Securities
83		Prior Approval and Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 40th Meeting of the Seventh Session of the Board of CITIC Securities
84		Announcement on the Resolutions Passed at the 40th Meeting of the Seventh Session of the Board of CITIC Securities
85	2022-05-27	The Working Rules of the Executive Committee of CITIC Securities
86		Announcement on the Resolutions Passed at the 41st Meeting of the Seventh Session of the Board of CITIC Securities
87	2022-06-02	Monthly Return on Movements in Securities of CITIC Securities for May 2022
88	2022-06-07	Documents of the 2021 Annual General Meeting of CITIC Securities
89		Notice of the 2021 Annual General Meeting of CITIC Securities
90	2022-06-23	Detailed Report on Changes in Equity of CITIC Securities
91		Indicative Announcement on Entering into the Gratuitous Share Transfer Agreement with the Largest Shareholder and Equity Change of CITIC Securities
92	2022-06-29	Announcement on the Resolutions Passed at the 42nd Meeting of the Seventh Session of the Board of CITIC Securities
93		Legal Opinions of Beijing Jia Yuan Law Offices on the 2021 Annual General Meeting of CITIC Securities
94		Announcement on the Resolutions of the 2021 Annual General Meeting of CITIC Securities
95		Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board of CITIC Securities on the Waiver of the Preemptive Right on the 10% Equity Interest in China Asset Management Company Limited and Related Party Transactions
96		Prior Approval Opinions of the Independent Non-executive Directors of the Seventh Session of the Board of CITIC Securities on the Waiver of the Preemptive Right on the 10% Equity Interest in China Asset Management Company Limited and Related Party Transactions
97		Announcement on the Waiver of Right of First Refusal on the 10% Equity Interest in China Asset Management Company Limited and Related Party Transactions of CITIC Securities
98	2022-07-05	Monthly Return on Movements in Securities of CITIC Securities for June 2022
99	2022-07-08	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited
100	2022-07-09	Announcement on the Resolutions Passed at the 43rd Meeting of the Seventh Session of the Board of CITIC Securities Company Limited
101	2022-07-23	Announcement of Progress of Change in Equity of the Largest Shareholder in CITIC Securities Company Limited
102	2022-07-28	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited

No.	Date of Publication	Subject Matter
103	2022-08-02	Announcement on Preliminary Financial Data of China AMC for the First Half of 2022 of CITIC Securities Company Limited
104		Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited
105		Monthly Return on Movements in Securities of CITIC Securities for July 2022
106	2022-08-11	Notification of Board Meeting
107	2022-08-13	Announcement on the Recovery of Part of the Idle Fund Raised for Cash Management Upon Maturity of CITIC Securities Company Limited
108	2022-08-17	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited
109	2022-08-19	Announcement on the Implementation of Bonus Dividends for A Shares in 2021 of CITIC Securities Company Limited
110	2022-08-23	Announcement on the Convening of 2022 Interim Results Online Presentation of CITIC Securities Company Limited
111		Announcement of Progress of Change in Equity of the Largest Shareholder in CITIC Securities Company Limited
112	2022-08-30	2022 Interim Special Report on the Depository and Actual Use of the Proceeds of CITIC Securities Company Limited
113		Administrative Measures on Related Party Transactions of CITIC Securities Company Limited
114		Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors of CITIC Securities Company Limited on Relevant Matters at the 44th Meeting of the Seventh Session of the Board
115		Announcement on the Resolutions Passed at the 44th Meeting of the Seventh Session of the Board of CITIC Securities Company Limited
116		2022 Interim Report of CITIC Securities Company Limited
117		Summary of the 2022 Interim Report of CITIC Securities Company Limited
118		Announcement on the Resolutions Passed at the 16th Meeting of the Seventh Session of the Supervisory Committee of CITIC Securities Company Limited
119	2022-09-02	Monthly Return on Movements in Securities of CITIC Securities for August 2022
120	2022-09-15	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited
121	2022-09-24	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary's Plan of Issuing Medium-term Notes by CITIC Securities Company Limited
122	2022-10-01	Announcement on H Shares of CITIC Securities Company Limited
123		Monthly Return on Movements in Securities of CITIC Securities for September 2022
124		Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors of CITIC Securities Company Limited on Relevant Matters at the 45th Meeting of the Seventh Session of the Board
125		Prior Approval Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors of CITIC Securities Company Limited on Relevant Matters at the 45th Meeting of the Seventh Session of the Board
126		Announcement on Day-to-day Related Party/Continuing Connected Transactions of CITIC Securities Company Limited
127		Announcement on the Resolutions Passed at the 45th Meeting of the Seventh Session of the Board of CITIC Securities Company Limited
128	2022-10-14	Announcement on the Approval of Qualification of Market-making Business for Listed Securities of CITIC Securities Company Limited
129	2022-10-19	Notification of Board Meeting
130	2022-10-22	Announcement on H Shares of CITIC Securities Company Limited
131	2022-10-24	Announcement on Leveraging Direct Financing Function of the Capital Market to Serve the Real Economy of CITIC Securities Company Limited
132	2022-10-25	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers by CITIC Securities Company Limited
133	2022-10-29	Announcement on the Convening of 2022 Third Quarterly Results Online Presentation of CITIC Securities Company Limited
134		Management System for Investor Relations of CITIC Securities Company Limited
135		Announcement on the Resolutions Passed at the 46th Meeting of the Seventh Session of the Board of CITIC Securities Company Limited
136		2022 Third Quarterly Results of CITIC Securities Company Limited

No.	Date of Publication	Subject Matter
137	2022-11-02	Monthly Return on Movements in Securities of CITIC Securities for October 2022
138	2022-11-12	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Medium-term Notes by CITIC Securities Company Limited
139	2022-11-18	Announcement on the Approval of the China Securities Regulatory Commission for the Registration of Public Issuance of Corporate Bonds to Professional Investors of CITIC Securities Company Limited
140		Announcement on the Approval of the China Securities Regulatory Commission for the Registration of Public Issuance of Secondary Corporate Bonds to Professional Investors of CITIC Securities Company Limited
141	2022-11-26	Announcement on the Issuance of Medium-term Notes by Indirect Subsidiary and Guarantee provided by Wholly-owned Subsidiary of CITIC Securities Company Limited
142	2022-12-01	Announcement on the Resolutions Passed at the 18th Meeting of the Seventh Session of the Supervisory Committee of CITIC Securities Company Limited
143		Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors of CITIC Securities Company Limited on Relevant Matters at the 47th Meeting of the Seventh Session of the Board
144		Statement of the Candidate for Independent Director
145		Statement of the Nominator of Independent Director of CITIC Securities Company Limited
146		Announcement on the Resolutions Passed at the 47th Meeting of the Seventh Session of the Board of CITIC Securities Company Limited
147	2022-12-02	Monthly Return on Movements in Securities of CITIC Securities for November 2022
148	2022-12-07	Announcement on the Election of the Employee Representative Supervisors of the Eighth Session of the Supervisory Committee of CITIC Securities Company Limited
149	2022-12-08	Documents of the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited
150		Notice on Convening of the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited
151	2022-12-13	Announcement on Resignation of Director of CITIC Securities Company Limited
152	2022-12-16	Announcement on the Guarantee for Indirect Wholly-owned Subsidiary's Plan of Issuing Medium-term Notes by CITIC Securities Company Limited
153	2022-12-22	Announcement on the Issuance of Medium-term Notes by Indirect Subsidiary and Guarantee provided by Wholly-owned Subsidiary of CITIC Securities Company Limited
154	2022-12-28	Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors of CITIC Securities Company Limited on Changes to the Special Account for Proceeds from the A-Share Rights Issue
155		Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Changes to the Special Account for Part of the Proceeds from the A-Share Rights Issue of CITIC Securities Company Limited
156		Announcement on Changes to the Special Account for Proceeds from the A-Share Rights Issue of CITIC Securities Company Limited
157		Announcement on Amendments to the Articles of Association of CITIC Securities Company Limited
158		Announcement on the Resolutions Passed at the 19th Meeting of the Seventh Session of the Supervisory Committee of CITIC Securities Company Limited
159		Management Measures on Information Disclosure of CITIC Securities Company Limited
160		Working System for Independent Directors of CITIC Securities Company Limited
161		Announcement on the Resolutions Passed at the 48th Meeting of the Seventh Session of the Board of CITIC Securities Company Limited

No.	Date of Publication	Subject Matter
162	2022-12-31	Legal Opinions of Beijing Jia Yuan Law Offices on the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited (Revised)
163		Legal Opinions of Beijing Jia Yuan Law Offices on the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited
164		Announcement on the Resolutions of the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited
165		Announcement on Approval of the China Securities Regulatory Commission for Establishing Asset Management Subsidiary of CITIC Securities Company Limited
166		Announcement on the Resolutions Passed at the First Meeting of the Eighth Session of the Supervisory Committee of CITIC Securities Company Limited
167		Independent Opinions of Independent Non-executive Directors of the Eighth Session of the Board of Directors of CITIC Securities Company Limited on Appointments of Senior Management
168		Announcement on the Resolutions Passed at the First Meeting of the Eighth Session of the Board of CITIC Securities Company Limited

Note: The "dates" set out in the above table are dates on which the relevant announcements were published in China Securities Journal, Shanghai Securities News and Securities Times and on the website of the SSE. Each of these announcements was published on the HKEXnews website of HKEX in the morning of the above "date" or in the evening on the immediately preceding date

Information disclosures made by the Company on the HKEXnews website of HKEX (http://www.hkexnews.hk) during the Reporting Period are set out as follows:

No.	Date of Publication	Subject Matter
1	2022-01-04	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 December 2021
2		Preannouncement on Estimated Growth in Profit for the Year 2021
3	2022-01-12	Preliminary Financial Data for the Year 2021
4	2022-01-13	Overseas Regulatory Announcement — Announcement on Online Roadshow Relating to the A Share Rights Issue
5		Overseas Regulatory Announcement — Indicative Announcement on Suspension and Resumption of Trading of A Shares
6		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 33rd Meeting of the Seventh Session of the Board
7		Overseas Regulatory Announcement — Summary of the A Share Rights Issue Prospectus
8		Overseas Regulatory Announcement —A Share Rights Issue Prospectus
9		Overseas Regulatory Announcement — Announcement on the A Share Rights Issue
10	2022-01-14	Proposed H Share Rights Issue of 341,749,155 H Shares on the Basis of 1.5 H Rights Shares for Every 10 Existing H Shares at HK$17.67 per H Rights Share Payable in Full on Acceptance; Proposed A Share Rights Issue of 1,597,267,249 A Shares on the Basis of 1.5 A Rights Shares for Every 10 Existing A Shares at RMB14.43 per A Rights Share Payable in Full on Acceptance; Closure of the H Shareholders' Register from Friday, 28 January 2022 to Tuesday, 8 February 2022
11	2022-01-18	Announcement — Resignation of Independent Non-executive Director due to Expiry of Term
12		Overseas Regulatory Announcement — Indicative Announcement on the A Share Rights Issue
13		List of Directors and their Roles and Functions
14	2022-01-19	Overseas Regulatory Announcement — Indicative Announcement on the A Share Rights Issue
15	2022-01-20	Overseas Regulatory Announcement — Indicative Announcement on the A Share Rights Issue
16	2022-01-23	Overseas Regulatory Announcement — Indicative Announcement on the A Share Rights Issue

No.	Date of Publication	Subject Matter
17	2022-01-24	Overseas Regulatory Announcement — Indicative Announcement on the A Share Rights Issue
18		Overseas Regulatory Announcement — Rules of Procedures of the Strategic Planning and ESG Committee of the Board
19		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 34th Meeting of the Seventh Session of the Board
20		Proposed Amendments to the Articles of Association
21	2022-01-26	Announcement on Results of the A Share Rights Issue
22	2022-02-07	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 January 2022
23		Overseas Regulatory Announcement — Announcement on the Entering into the Tripartite Supervision Agreement for the Deposits of Raised Funds in Designated Accounts
24		Announcement — Preliminary Financial Data of China AMC for the Year 2021
25	2022-02-08	Proposed H Share Rights Issue of 341,749,155 H Shares on the Basis of 1.5 H Rights Shares for Every 10 Existing H Shares at HK$17.67 per H Rights Share Payable in Full on Acceptance
26		Provisional Allotment Letter
27		Excess Application Form
28		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 35th Meeting of the Seventh Session of the Board
29		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 13th Meeting of the Seventh Session of the Supervisory Committee
30		Overseas Regulatory Announcement — Announcement on Some Temporary Idle Raised Funds Used for Cash Management
31		Overseas Regulatory Announcement — Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Temporary Idle Raised Funds Used for Cash Management
32		Overseas Regulatory Announcement — Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Temporary Idle A Share Raised Funds Used for Cash Management of CITIC Securities
33	2022-02-09	Overseas Regulatory Announcement — Listing Sponsorship Letter of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Public Issuance of Securities by Way of the A Share Rights Issue of CITIC Securities
34		Next Day Disclosure Return
35		Announcement on Changes in Shareholding as a Result of the A Share Rights Issue and Listing of the A Rights Shares
36	2022-02-11	Overseas Regulatory Announcement — Announcement on the Progress of Some Idle Raised Funds Used for Cash Management
37	2022-02-17	Overseas Regulatory Announcement — Indicative Announcement on Changes in Shareholders' Equity
38	2022-02-22	Proposed Appointment of Independent Non-executive Director and Appointment of Member of the Specialized Committees under the Board
39		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 36th Meeting of the Seventh Session of the Board
40		Overseas Regulatory Announcement — Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 36th Meeting of the Seventh Session of the Board
41		Overseas Regulatory Announcement — Statement of the Candidate for Independent Director
42		Overseas Regulatory Announcement — Statement of the Nominator of Independent Director
43	2022-02-24	Proposed Amendments to the Articles of Association; Proposed Appointment of the Independent Non-executive Director; and Notice of the 2022 First Extraordinary General Meeting
44		Notice of the 2022 First Extraordinary General Meeting
45		Proxy Form
46		Reply Slip — For the 2022 First Extraordinary General Meeting and Any Adjournment thereof to be held by CITIC Securities Company Limited on Wednesday, 13 April 2022
47		Notification Letter to Non-Registered Holders — Notice of Publication of Circular of 2022 First Extraordinary General Meeting and Request Form
48		Notification Letter to Registered Holders — Notice of Publication of Circular, Proxy Form and Reply Form of 2022 First Extraordinary General Meeting and Change Request Form

No.	Date of Publication	Subject Matter
49	2022-03-02	Results of the H Share Rights Issue of 341,749,155 H Shares on the Basis of 1.5 H Rights Shares for Every 10 Existing H Shares at HK$17.67 Per H Rights Share Payable in Full on Acceptance
50	2022-03-03	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 28 February 2022
51		Next Day Disclosure Returns
52	2022-03-14	Notification of Board Meeting
53	2022-03-22	Voluntary Announcement — Convening of the 2021 Annual Results Presentation
54	2022-03-28	Participation in the 2022 First Extraordinary General Meeting Through Online Platform and Supplemental Information to the Related Circular
55		Final Dividend for the Year Ended 31 December 2021
56		Announcement in Relation to the Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue
57		2021 Social Responsibility Report
58		Notification Letter to Shareholders — Notice of Publication of 2021 Social Responsibility Report
59		Announcement in Relation to Provision for Other Asset Impairment Losses
60		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 37th Meeting of the Seventh Session of the Board
61		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 14th Meeting of the Seventh Session of the Supervisory Committee
62		Overseas Regulatory Announcement — Announcement on the Estimation of Related Party/ Continuing Connected Transactions Contemplated in the Ordinary Course of Business in 2022
63		Overseas Regulatory Announcement — 2021 Assessment Report on the Internal Control
64		Overseas Regulatory Announcement — Audit Report on the Internal Control of 31 December 2021
65		Overseas Regulatory Announcement — Special Statement Regarding the Appropriation of Funds by Its Largest Shareholder and Other Related Parties
66		Overseas Regulatory Announcement — Special Remarks and Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 37th Meeting of the Seventh Session of the Board
67		Overseas Regulatory Announcement — Report of the Audit Committee of the Board on the Performance of Duties in 2021
68		Overseas Regulatory Announcement — Duty Performance Report of Independent Non-executive Directors for 2021
69		Overseas Regulatory Announcement — Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on the Replacement of the Pre-invested Internal Funds with the Proceeds from the Rights Issue by CITIC Securities
70		Overseas Regulatory Announcement — The Status Report and Assurance Report on Internal Funds Pre-invested in the Investment Projects to be Funded by the Proceeds as of 27 January 2022
71		2021 Annual Results Announcement
72	2022-03-31	Proposed Appointment of Non-Executive Director; and Supplemental Notice of the 2022 First Extraordinary General Meeting
73		Supplemental Notice of the 2022 First Extraordinary General Meeting
74		Supplemental Proxy Form
75		Notification Letter to Registered Holders — Notice of Publication of Supplemental Circular and Supplemental Proxy Form of 2022 First Extraordinary General Meeting and Change Request Form
76		Notification Letter to Non-Registered Holders — Notice of Publication of Supplemental Circular of 2022 First Extraordinary General Meeting and Request Form
77	2022-04-01	Monthly Return for Equity Issuer on Movements in Securities for the Month Ended 31 March 2022
78	2022-04-11	Overseas Regulatory Announcement — 2021 Continuous Supervision Report and Continuous Supervision Summary Report of HUAXI Securities Co., Ltd. as Independent Financial Adviser on Acquisition of Assets by Issuance of Shares and Related Party Transactions of CITIC Securities
79	2022-04-12	Preliminary Financial Data for the First Quarter of 2022

No.	Date of Publication	Subject Matter
80	2022-04-13	Amendments to the Articles of Association of the Company
81		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 38th Meeting of the Seventh Session of the Board
82		Overseas Regulatory Announcement — Announcement on Increased Registered Capital and Amendments to the Articles of Association of the Company
83		Overseas Regulatory Announcement — Announcement on the Redemption of Part of the Idle Fund Raised for Cash Management Upon Maturity
84		Announcement — Poll Results of the 2022 First Extraordinary General Meeting
85		List of Directors and their Roles and Functions
86		Consolidation of the Company into Its Largest Shareholder's Financial Statements
87		The Articles of Association of the Company
88	2022-04-22	Notification of Board Meeting
89		Overseas Regulatory Announcement — Announcement on the Issuance and Guarantee by Indirect Wholly-owned Subsidiary Under the Medium-Term Note Scheme
90	2022-04-25	2021 Annual Report
91		Notification Letter to Registered Holders — Notice of Publication of 2021 Annual Report and Change Request Form
92		Notification Letter to Non-Registered Holders — Notice of Publication of 2021 Annual Report and Request Form
93	2022-04-28	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 39th Meeting of the Seventh Session of the Board
94		Appointment of Members of Special Committees of the Board
95		List of Directors and their Roles and Functions
96		2022 First Quarterly Results
97	2022-05-05	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 30 April 2022
98	2022-05-12	Overseas Regulatory Announcement — Announcement on Redemption of Part of Matured Idle Raised Funds Used for Cash Management, Continuing Cash Management and Related Party Transactions
99	2022-05-13	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 40th Meeting of the Seventh Session of the Board
100		Overseas Regulatory Announcement — Prior Approval and Independent Opinions of the Independent Non-executive Directors of the Seventh Session of the Board on Relevant Matters at the 40th Meeting of the Seventh Session of the Board
101		Overseas Regulatory Announcement — Announcement on the Re-appointment of Accounting Firms
102	2022-05-26	Overseas Regulatory Announcement — Detailed Rules for the Work of the Executive Committee
103		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 41st Meeting of the Seventh Session of the Board
104	2022-06-01	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 May 2022
105	2022-06-06	Work Report of the Board; Work Report of the Supervisory Committee; 2021 Annual Report; 2021 Profit Distribution Plan; Resolution on Re-appointment of Accounting Firms; Resolution on the Estimated Investment Amount for the Proprietary Business of the Company for 2022; Resolution on Considering the Total Remuneration of the Directors and the Supervisors of the Company for 2021; Resolution on Estimation of Related Party/ Continuing Connected Transactions Contemplated in the Ordinary Course of Business of the Company in 2022; and Notice of the Annual General Meeting
106		Notice of the Annual General Meeting
107		Proxy Form
108		Notification Letter to Registered Holders — Notice of publication of Circular, Proxy Form and Reply Slip of 2021 Annual General Meeting
109		Notification Letter to Non-Registered Holders — Notice of Publication of Circular of 2021 Annual General Meeting
110		Notification Letter to Registered Holders — Joining the AGM through Online Webcast
111		Final Dividend for the Year Ended 31 December 2021
112	2022-06-22	Voluntary Announcement — Gratuitous Transfer of Shares of the Company
113		Overseas Regulatory Announcement — Detailed Report on Changes in Equity
114		Overseas Regulatory Announcement — Indicative Announcement on the Signing of the Gratuitous Transfer of Shares Agreement and Changes in Equity by the Largest Shareholder

No.	Date of Publication	Subject Matter
115	2022-06-28	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 42nd Meeting of the Seventh Session of the Board
116		Overseas Regulatory Announcement — Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board on the Waiver of the Preemptive Right of 10% Equity of China Asset Management Company Limited and Related Party Transactions
117		Overseas Regulatory Announcement — Announcement of the Independent Non-executive Director of the Seventh Session of the Board on the Waiver of the Preemptive Right of 10% Equity of China Asset Management Company Limited and Related Party Transactions
118		Overseas Regulatory Announcement — Prior Approval Opinion of the Independent Non-executive Director of the Seventh Session of the Board on the Waiver of the Preemptive Right of 10% Equity of China Asset Management Company Limited and Related Party Transactions
119		Overseas Regulatory Announcement — Legal Opinions of Beijing Jia Yuan Law Offices on the 2021 Annual General Meeting of CITIC Securities
120		Announcement — Change of Senior Management
121		Announcement — Poll Results of the 2021 Annual General Meeting and Payment of the 2021 Final Dividend
122		Final Dividend for the Year Ended 31 December 2021 (updated)
123	2022-07-04	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 30 June 2022
124	2022-07-07	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers
125	2022-07-08	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 43rd Meeting of the Seventh Session of the Board
126	2022-07-22	Overseas Regulatory Announcement — Announcement on the Progress of Changes in Equity by the Largest Shareholder
127	2022-07-27	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers
128	2022-08-01	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 July 2022
129		Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers
130		Voluntary Announcement — Preliminary Financial Data of China AMC for the First Half of 2022
131	2022-08-10	Notification of Board Meeting
132	2022-08-12	Overseas Regulatory Announcement — Announcement on Recovery of Part of Matured Idle Raised Funds Used for Cash Management
133	2022-08-16	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers
134	2022-08-18	Overseas Regulatory Announcement — Announcement on the Implementation of Bonus Dividends for A Shares in 2021
135	2022-08-22	Voluntary Announcement — Convening of 2022 Interim Results Online Presentation
136		Overseas Regulatory Announcement — Announcement on the Progress of Changes in Equity by the Largest Shareholder
137	2022-08-29	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 44th Meeting of the Seventh Session of the Board
138		Overseas Regulatory Announcement — 2022 Interim Special Report on the Depository and Actual Use of the Proceeds
139		Overseas Regulatory Announcement — Independent Opinions on Relevant Matters at the 44th Meeting of the Seventh Session of the Board
140		Overseas Regulatory Announcement — Administrative Measures on Related Party Transactions of CITIC Securities Company Limited
141		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 16th Meeting of the Seventh Session of the Supervisory Committee
142		2022 Interim Results Announcement
143	2022-09-01	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 August 2022
144	2022-09-14	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers

No.	Date of Publication	Subject Matter
145	2022-09-23	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary's Plan of Issuing Medium-term Notes
146	2022-09-28	2022 Interim Report
147		Notification Letter to Registered Shareholders — Notice of Publication of 2022 Interim Report and Change Request Form
148		Notification Letter to Non-Registered Holders — Notice of Publication of 2022 Interim Report and Request Form
149	2022-09-30	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 30 September 2022
150		Connected Transaction — Capital Contribution to the Partnership of Suzhou Xinchen
151		Renewal of Continuing Connected Transactions
152		Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 45th Meeting of the Seventh Session of the Board
153		Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors on Relevant Matters at the 45th Meeting of the Seventh Session of the Board
154		Prior Approval Opinions of Independent Non-executive Directors of the Seventh Session of the Board of Directors on Relevant Matters at the 45th Meeting of the Seventh Session of the Board
155	2022-10-13	Overseas Regulatory Announcement — Announcement on the Approval of Qualification of Market-making Business for Listed Securities
156	2022-10-18	Notification of Board Meeting
157	2022-10-21	Delay in Despatch of Circular in relation to the Renewal of Continuing Connected Transactions
158	2022-10-23	Overseas Regulatory Announcement — Announcement on Leveraging Direct Financing Function of the Capital Market to Serve the Real Economy
159	2022-10-24	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary Issuing Euro-commercial Papers
160	2022-10-28	Overseas Regulatory Announcement — Announcement on the Resolutions Passed at the 46th Meeting of the Seventh Session of the Board
161		Overseas Regulatory Announcement — Management System for Investor Relations of CITIC Securities Company Limited
162		Overseas Regulatory Announcement — Announcement on the Convening of 2022 Third Quarterly Results Online Presentation of CITIC Securities Company Limited
163		2022 Third Quarterly Results
164	2022-11-01	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 31 October 2022
165	2022-11-11	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary of Issuing Medium-term Notes
166	2022-11-17	Announcement on the Approval of the China Securities Regulatory Commission for the Registration of Public Issuance of Secondary Corporate Bonds to Professional Investors
167		Announcement on the Approval of the China Securities Regulatory Commission for the Registration of Public Issuance of Corporate Bonds to Professional Investors
168	2022-11-25	Overseas Regulatory Announcement — Announcement on the Issue of Medium-term Notes by Indirect Subsidiary and Guarantee provided by Wholly-owned Subsidiary
169	2022-11-30	Proposed Appointments of Directors of the Eighth Session of the Board; Proposed Appointments of Non-Employee Representative Supervisors of the Eighth Session of the Supervisory Committee; Change of Members of Executive Committee and Change of other Senior Management
170		Announcement on the Resolutions Passed at the 47th Meeting of the Seventh Session of the Board
171		Announcement on the Resolutions Passed at the 18th Meeting of the Seventh Session of the Supervisory Committee
172		Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board on Matters Related to the 47th Meeting of the Seventh Session of the Board
173		Statement of the Nominator of Independent Director
174		Statement of the Candidate for Independent Director
175	2022-12-01	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended 30 November 2022

No.	Date of Publication	Subject Matter
176	2022-12-06	Appointments of Employee Representative Supervisors of the Eighth Session of the Supervisory Committee
177	2022-12-07	Proposed Appointments of Directors of the Eighth Session of the Board; Proposed Appointments of Non-Employee Representative Supervisors of the Eighth Session of the Supervisory Committee; Renewal of Continuing Connected Transactions; and Notice of 2022 Second Extraordinary General Meeting
178		Notice of 2022 Second Extraordinary General Meeting
179		Proxy Form
180		Notification Letter to Registered Shareholders — Notice of Publication of Circular, Notice and Proxy Form and Reply Slip of 2022 Second Extraordinary General Meeting and Change Request Form
181		Notification Letter to Non-Registered Holders — Notice of Publication of Circular and notice of 2022 Second Extraordinary General Meeting and Request Form
182		Notification Letter to Registered Holders — Joining the 2022 Second Extraordinary General Meeting through Online Webcast
183		Proposed Appointments of Directors of the Eighth Session of the Board; Proposed Appointments of Non-Employee Representative Supervisors of the Eighth Session of the Supervisory Committee; Renewal of Continuing Connected Transactions; and Notice of 2022 Second Extraordinary General Meeting (Multiple files)
184	2022-12-12	Resignation of Non-Executive Director
185		List of Directors and their Roles and Functions
186	2022-12-15	Overseas Regulatory Announcement — Announcement on the Guarantee for Indirect Wholly-owned Subsidiary of Issuing Medium-term Notes
187	2022-12-21	Overseas Regulatory Announcement — Announcement on the Issue of Medium-term Notes by Indirect Subsidiary and Guarantee provided by Wholly-owned Subsidiary
188	2022-12-27	Proposed Amendments to the Articles of Association
189		Announcement on the Resolutions Passed at the 48th Meeting of the Seventh Session of the Board
190		Announcement on the Resolutions Passed at the 19th Meeting of the Seventh Session of the Supervisory Committee
191		Overseas Regulatory Announcement — Announcement on the Amendment of the Articles of Association
192		Overseas Regulatory Announcement — Announcement on Changes to the Special Account for Proceeds from the A-Share Rights Issue
193		Overseas Regulatory Announcement — Independent Opinions of Independent Non-executive Directors of the Seventh Session of the Board on Matters Related to Changes to the Special Account for Proceeds from the A-Share Rights Issue
194		Overseas Regulatory Announcement — Verification Opinions of Tianfeng Securities Co., Ltd. and China Post Securities Co., Ltd. on Changes to the Special Account for Part of the Proceeds from the A-Share Rights Issue of CITIC Securities Company Limited
195		Overseas Regulatory Announcement — Management System for Information Disclosure of CITIC Securities Company Limited
196		Overseas Regulatory Announcement — Working System for Independent Directors of CITIC Securities Company Limited
197	2022-12-30	Announcement — Poll Results of the 2022 Second Extraordinary General Meeting
198		List of Directors and their Roles and Functions
199		Announcement — The First Meeting of the Eighth Session of the Board
200		Announcement — The First Meeting of the Eighth Session of the Supervisory Committee
201		Overseas Regulatory Announcement — Legal Opinions of Beijing Jia Yuan Law Offices on the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited
202		Overseas Regulatory Announcement — Legal Opinions of Beijing Jia Yuan Law Offices on the 2022 Second Extraordinary General Meeting of CITIC Securities Company Limited (Revised)