



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)

INTERIM EVALUATION REPORT ON THE IMPLEMENTATION OF 2024 ACTION PLAN OF “IMPROVING QUALITY, INCREASING EFFICIENCY AND ENHANCING RETURNS” OF CITIC SECURITIES COMPANY LIMITED

By closely following the spirit of the Central Financial Work Conference and the Central Economic Work Conference, thoroughly studying “Certain Opinions from the State Council on Strengthening Regulation, Preventing Risks and Promoting High-Quality Development of the Capital Market (《國務院關於加強監管防範風險推動資本市場高質量發展的若干意見》) and the supporting documents (hereinafter referred to as the New “**Nine Guidelines**” (新“國九條”)), and implementing the Guiding Opinions of the CSRC on Accelerating and Promoting the Building of First-class Investment Banks and Institutions (《證監會關於加快推進建設一流投資銀行和投資機構的指導意見》), CITIC Securities Company Limited (hereinafter referred to as the “**Company**”) has formulated the 2024 Action Plan of “Improving Quality, Increasing Efficiency and Enhancing Returns”, which was disclosed after being considered and approved at the Twenty-fourth Meeting of the Eighth Session of the Board of Directors of the Company on 28 June 2024. Over the past six months, the Company has actively implemented the relevant work of the plan and achieved good results in various aspects, details of which are summarized as below:

1. Strive to build the first-class investment banks and institutions and take multiple measures to do a good job of the “Five Major Areas”

The Company places functionality in the first place, implements national strategies, serves the real economy, upholds the development philosophy of serving the country and the people as a financial institution, and strives to build first-class investment banks and institutions by continuously improving its professional service capabilities and core competitiveness. In the first three quarters of 2024, the Company recorded an operating revenue of RMB46.142 billion, representing a year-on-year increase of 0.73%, and a net profit attributable to owners of the parent of RMB16.799 billion, representing a year-on-year increase of 2.35%; as at September 30, 2024, the Company's total assets reached RMB1,731.716 billion, representing an increase of 19.15% from the beginning of the year; and net assets attributable to the parent company reached RMB286.515 billion, representing an increase of 6.57% from the beginning of the year.

The Company took various initiatives and implemented the strategic layout of “five major areas” in technology, green, inclusive, pension and digital finance, and served the building of a nation’s strength in finance through the high quality development. In terms of technology finance, the Company promoted the additional allocation of financial resources to key segments for the self-reliance in science and technology, and realized a virtuous cycle of “science and technology-industry-finance”. In the first three quarters of 2024, the Company served enterprises on the Science and Technology Innovation Board, the Growth Enterprise Market, and Beijing Stock Exchange, with an equity underwriting size of RMB8.4 billion. In terms of green finance, the Company actively participated in the construction of the market system of green finance and continued to improve the concept of responsible investment. In the first three quarters of 2024, the underwriting size of green bonds of the Company amounted to RMB37.7 billion, and the Company assisted a number of new energy and eco-friendly enterprises with equity financing and M&A. In terms of inclusive finance, the Company gave full play to the function of a “manager” of social wealth, and provided all-round, high-quality and multi-level financial management and asset management services. In the first three quarters of 2024, the Company underwrote RMB10.9 billion in agriculture, rural areas and farmers financial bonds (三農債), rural revitalization bonds (鄉村振興債) and revolutionary old area bonds (革命老區債券), fully guided the investment of capital market resources into rural revitalization. In terms of pension finance, the Company continued to provide effective investment management services for basic pension and social security investments, actively expanded the annuity business, and contributed to the innovation and promotion of the third pillar products of pension. In terms of digital finance, the Company focused on the digital transformation needs of new quality productive forces and provided enterprises with entire-life cycle and comprehensive financing services by various financing instruments.

2. Promote high quality development of new quality productive forces and actively leverage the financial services function of the capital market

The Company gave full play to the value discovery function of intermediaries, and put functionality as the top priority, implemented relevant measures and requirements of policy documents such as the “Sixteen Articles of Science and Technology Innovation” (科創十六條) and the “Eight Articles of Science and Technology Innovation Board” (科創板八條) series to help improve the inclusiveness and accuracy of the capital market in supporting technology innovation, better serve the development of new quality productive forces and Chinese-style modernization construction. In the first three quarters of 2024, the Company strengthened its business layout in the fields of new technologies, new industries, and new business formats, provided more efficient financing service support for new quality productive forces, and further gave play to the important role of venture capital and private equity investment in supporting technology innovation.

The Company continued to improve its professional capabilities in sponsorship and underwriting, provided high-level and professional services to support direct financing of physical enterprises and improve financing efficiency. In the first three quarters of 2024, the Company served customers with underwriting size of domestic equity of RMB46.3 billion and underwriting size of bonds of RMB1,449.7 billion, with customers from the fields of high-end manufacturing, infrastructure, TMT, biomedicine, new energy, ecological environmental

protection, and social and people's livelihood, and completed a number of M&A transactions with market influence to support the construction of a modern industrial system. The Company actively promoted the development of strategic emerging industries, and supported high quality enterprises that integrate innovation and creation with new industries, business models and technologies (三創四新), and leading enterprises such as those with the characteristics of professionalization, refinement, specialization and novelization (專精特新) to be listed on the Science and Technology Innovation Board, the Growth Enterprise Market and Beijing Stock Exchange and issue science and technology innovation bonds, and served financing needs of hard technology enterprises. In the first three quarters of 2024, the underwriting size of science and technology innovation bonds by the Company amounted to RMB101.8 billion. As of the end of September 2024, the investment scale in secondary market of technology enterprises by the asset management business of the Company amounted to more than RMB50 billion.

3. Adhere to the people-centered value orientation and provide investors with high quality financial services

The Company thoroughly implemented the major decision deployments of the Central Committee of the Party on finance work and vigorously developed inclusive finance in the development of multiple businesses to guarantee the long-term stable development of the capital market and the preservation and appreciation of residents' wealth and promote the realization of common prosperity by providing all-round, high-quality, multi-level inclusive financial services. Currently, the Company has established a multi-level buyer's service system for investment consultation and allocation including low-starting public fund investment consultation, mid-starting allocation FoF and high-starting allocation special accounts, covering all risk levels from R1 to R5, to better meet the personalized and differentiated allocation needs of customers. As of the end of September 2024, the total asset size of the customers of the Company's wealth management business remained at RMB10 trillion, representing an increase of more than 15% compared with the end of previous year, and the size of public funds remained the industry leader.

The Company has elevated its "customer-oriented" business philosophy and value orientation to a strategic level, implemented the development concept of finance for the people, adhered to the professional, systematic and refined approach to management of investment research, and solidly promoted the construction of investment research capabilities, formed a portfolio management model that matches the attributes of funds to enhance investor experience. As of the end of September 2024, the total assets under management of the Company's asset management business amounted to RMB1,508.915 billion, including CAM, SMA and SAM, with a size of RMB370.9 billion, RMB870.408 billion, and RMB267.607 billion respectively.

4. First interim dividend distribution to continuously enhance investors' returns

The Company has always adhered to the business philosophy of actively giving back to shareholders and creating value for shareholders, and the cash dividend ratio has remained above 30% over the past three years. Following the approval of General Meeting, the Company's 2023 cash dividend was distributed on August 26, 2024, with a total dividend amount of RMB7.04 billion, representing 36.67% of the net profit attributable to Shareholders of ordinary shares of the listed company in the 2023 consolidated financial statements.

In order to further align with the New “Nine Guidelines” and the policy requirements of the CSRC for “distributing dividends more than once a year”, and to continuously enhance the stability, continuity and predictability of dividends distribution, the Company started its first interim dividend distribution in 2024. At present, the Company’s 2024 Interim Profit Distribution Plan has been approved at the 2024 First Extraordinary General Meeting of the Company and the cash dividend proposed to be distributed totals RMB3.557 billion, representing 34.89% of the net profit attributable to Shareholders of ordinary Shares of the listed company in the 2024 interim consolidated financial statements, and the relevant cash dividend will be distributed before 24 December 2024.

5. Build an open, transparent and interactive investor relations management system and protect the rights and interests of small and medium-sized investors

The Company attaches great importance to protecting the legitimate rights and interests of shareholders and investors, especially small and medium-sized shareholders and investors. Through shareholder hotline, IR mailbox, SSE interactive “e-platform” and other network platforms, it adopts the methods of shareholders’ meetings, performance briefings, investor open days, roadshows, analysts’ meetings, receptions, discussions and exchanges, etc., to listen to the opinions and suggestions of investors in an all-round manner and responds to the demands of investors in a timely manner. In 2024, the Company continues to optimize its market value management methods and convened annual, interim, and third quarter performance briefings once periodic reports were released, with over 130,000 investors and media attended the Company’s annual performance briefing online through live streaming in both Chinese and English. The Company successfully held the 2024 Investor Open Day and obtained wide recognition and attention from investors and the media.

Taking the starting point of respecting investors, providing returns to investors and protecting investors, by expanding the communication channels for small and medium-sized investors, increasing the frequency of both domestic and foreign investors activities, optimizing the quality of information disclosure, etc., the Company will effectively protect the legitimate rights and interests of small and medium-sized investors, and convey the Company’s investment value to the capital market. To date, the Company has responded to over 160 questions on SSE interactive “e-platform” in 2024, with a response rate of 100%, total number of covering over 200 domestic and foreign institutional investors and analysts. Over 100 interim announcements and four periodic reports have been disclosed to the public, presenting the business development of the Company to investors timely and protecting the right-to-know of small and medium-sized investors.

6. Continuously improve the quality and effectiveness of corporate governance and optimize the construction of the internal control system of the Company

To date, the Company convened a total of 15 meetings of the Board of Directors in 2024, 4 meetings of the Supervisory Committee, and 3 General Meetings; 8 meetings of the Audit Committee of the Board, 4 meetings of the Risk Management Committee, 2 meetings of Remuneration and Appraisal Committee, 3 meetings of the Connected Transactions Control Committee, 4 meetings of the Strategic Planning and ESG Committee, and 4 meetings of the Nomination Committee, with over a hundred items deliberated and significant events such as transfer between branch offices of the Company, appointment of senior management, distribution of interim profit, and system revision fully discussed and deliberation procedures fulfilled. Meanwhile, the Company continues to improve its comprehensive risk management system, strengthen forward-looking research and judgment on risks, optimize various risk management measures, and deepen the domestic and foreign integrated management mechanisms, which effectively ensure that the overall risks of the Company in 2024 are measurable, controllable, and endurable.

Moving forward, the Company will continue to thoroughly implement the spirit of the New “Nine Guidelines” and a series of supporting policy documents of the CSRC, strive to make significant progress in the construction of first-class investment banks and investment institutions, and make contributions to the construction of a strong financial country and Chinese-style modernization.

It is hereby announced.

By order of the Board
CITIC Securities Company Limited
ZHANG Youjun
Chairman

Beijing, the PRC
12 December 2024

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Youjun and Mr. ZOU Yingguang; 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.