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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)

ANNOUNCEMENT

PROPOSED RIGHTS ISSUE OF A SHARES AND H SHARES

This announcement is made pursuant to the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Hong Kong Listing Rules.

The Board hereby announces that the proposal in relation to the plan of the Rights Issue and other relevant proposals have been considered and approved at a meeting of the Board held on 26 February 2021. The Rights Issue will be subject to the approval by the Shareholders at each of the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting, as well as the approval by the CSRC and other relevant regulatory authorities.

Under the A Share Rights Issue, it is proposed that A Rights Shares are to be allotted and issued to all A Shareholders on the basis of up to 1.5 A Rights Shares for every 10 existing A Shares calculated based on the total number of A Shares in issue at the close of the market on the A Share Record Date. Fractional A Rights Share will be dealt with according to the relevant requirements of the Shanghai Stock Exchange and China Securities Depository and Clearing Corporation Limited, Shanghai Branch. Under the H Share Rights Issue, it is proposed that H Rights Shares are to be allotted and issued to all Qualified H Shareholders on the basis of up to 1.5 H Rights Shares for every 10 existing H Shares calculated based on the total number of H Shares held by the Qualified H Shareholders as determined on the H Share Record Date. The basis for A Share Rights Issue and H Share Rights Issue is the same.

Calculated by the total issued Shares of 12,926,776,029 as at 31 December 2020, the number of Rights Shares to be issued under the Rights Issue will not exceed 1,939,016,404 Shares (comprising not more than 1,597,267,249 A Rights Shares and not more than 341,749,155 H Rights Shares). If there is any change in the total issued Shares prior to the implementation of the Rights Issue due to bonus issue, capitalization issue or other reasons of the Company, the number of the Rights Shares to be issued will be adjusted based on the total issued Shares after such change. It is proposed that authorisation is to be granted by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the Board to make a final decision on the basis of the Rights Issue and the number of the Rights Shares to be issued prior to the issuance of the Rights Shares after taking into consideration the then prevailing market conditions and through consultation with the sponsor(s) (underwriter(s)).

The Subscription Price shall be determined using market discount method after taking into consideration the market conditions of A Shares and H Shares prior to the publication of the Rights Issue announcement. It is proposed that authorisation is to be granted by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the Board to make a final decision on the Subscription Price prior to the issuance of the Rights Shares after taking into consideration the then prevailing market conditions and through consultation with the sponsor(s) (underwriter(s)). The Subscription Price of the A Rights Shares and the H Rights Shares shall be consistent after exchange rate adjustment.

The A Rights Shares will be underwritten on a best efforts basis as required under applicable PRC laws and regulations, and the H Rights Shares will be underwritten in accordance with Rule 7.19(1) of the Hong Kong Listing Rules.

The gross proceeds raised from the Rights Issue is expected to be no more than RMB28 billion. The proceeds raised from the Rights Issue, after deduction of relevant expenses relating to the issuance, will be used for the development of flow-based business, the increase in investments to the subsidiaries of the Company, the strengthening of construction of the information system and the replenishment of other working capital.

A circular containing further details of the Rights Issue, along with the notices convening the General Meeting and the H Shareholders Class Meeting, will be despatched to the H Shareholders in due course.

Prior to the commencement of the H Share Rights Issue, the Company will make a further announcement and publish the H Share Rights Issue Prospectus, which will contain all relevant details of the Rights Issue, including the definitive basis on which the Rights Shares are to be issued, the maximum number of Rights Shares to be issued, the Subscription Price, the period of closure of the register of members for the H Shares and the H Share Record Date, trading arrangements of the H Rights Shares, the arrangements for excess H Rights Shares, the underwriting arrangements and the expected timetable of the Rights Issue.

The H Share Rights Issue is conditional upon the fulfilment of the conditions set out under the section headed “Conditions of the H Share Rights Issue”. If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed. Shareholders and investors are advised to exercise caution when dealing in the H Shares.

I. BACKGROUND

The Board hereby announces that the proposal in relation to the plan of the Rights Issue and other relevant proposals have been considered and approved at a meeting of the Board held on 26 February 2021. The Rights Issue will be subject to the approval by the Shareholders at each of the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting, as well as the approval by the CSRC and other relevant regulatory authorities.

II. RIGHTS ISSUE

The preliminary terms of the plan of the Rights Issue are set out below:

Type and nominal value of the Rights Shares	A Shares and H Shares, each with a nominal value of RMB1.00 per Share.
Method of issuance	The Rights Issue will be conducted by way of issuing Shares to existing Shareholders.
Basis of the Rights Issue and number of the Rights Shares to be issued	Under the A Share Rights Issue, it is proposed that A Rights Shares are to be allotted and issued to all A Shareholders on the basis of up to 1.5 A Rights Shares for every 10 existing A Shares calculated based on the total number of A Shares in issue at the close of the market on the A Share Record Date. Fractional A Rights Share will be dealt with according to the relevant requirements of the Shanghai Stock Exchange and China Securities Depository and Clearing Corporation Limited, Shanghai Branch. Under the H Share Rights Issue, it is proposed that H Rights Shares are to be allotted and issued to all Qualified H Shareholders on the basis of up to 1.5 H Rights Shares for every 10 existing H Shares calculated based on the total number of H Shares held by the Qualified H Shareholders as determined on the H Share Record Date. The basis for A Share Rights Issue and H Share Rights Issue is the same.

Calculated by the total issued Shares of 12,926,776,029 as at 31 December 2020, the number of Rights Shares to be issued under the Rights Issue will not exceed 1,939,016,404 Shares (comprising not more than 1,597,267,249 A Rights Shares and not more than 341,749,155 H Rights Shares). If there is any change in the total issued Shares prior to the implementation of the Rights Issue due to bonus issue, capitalization issue or other reasons of the Company, the number of the Rights Shares to be issued will be adjusted based on the total issued Shares after such change. It is proposed that authorisation is to be granted by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the Board to make a final decision on the basis of the Rights Issue and the number of the Rights Shares to be issued prior to the issuance of the Rights Shares after taking into consideration the then prevailing market conditions and through consultation with the sponsor(s) (underwriter(s)).

**Pricing principle and
Subscription Price**

The pricing principle of the Rights Issue is as below:

- (i) To make reference to various valuation indicators of the Shares of the Company in the secondary market including price, price-to-book ratio and price-earnings ratio, and consider the business development of the Company as well as the interests of the Shareholders;
- (ii) To take into consideration the funding requirements of the Relevant Projects (as defined below); and
- (iii) To follow the principle of determination by the Board after consultation with the sponsor (s) (underwriter(s)).

The Subscription Price shall be determined using market discount method after taking into consideration the market conditions of A Shares and H Shares prior to the publication of the Rights Issue announcement. It is proposed that authorisation is to be granted by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the Board to make a final decision on the Subscription Price prior to the issuance of the Rights Shares after taking into consideration the then prevailing market conditions and through consultation with the sponsor(s) (underwriter(s)). The Subscription Price of the A Rights Shares and the H Rights Shares shall be consistent after exchange rate adjustment.

**Target subscribers
for the Rights Issue**

The target subscribers for the A Share Rights Issue shall be all A Shareholders registered on the register of members kept with China Securities Depository and Clearing Corporation Limited, Shanghai Branch at the close of the market on the A Share Record Date. The target subscribers for the H Share Rights Issue shall be all the Qualified H Shareholders as determined on the H Share Record Date. The Record Date(s) in relation to the Rights Issue will be determined after obtaining the approval by the CSRC on the plan of the Rights Issue.

**Arrangement for
accumulated
undistributed profits
of the Company prior
to the Rights Issue**

The accumulated undistributed profits of the Company prior to the completion of the Rights Issue shall be shared by all Shareholders on a pro rata basis after completion of the A Share Rights Issue and H Share Rights Issue.

Time of issuance

Upon obtaining the approval by the CSRC on the Rights Issue, the Rights Shares will be allotted and issued to all Shareholders in due course within the prescribed period.

Underwriting method	The A Rights Shares will be underwritten on a best efforts basis as required under applicable PRC laws and regulations, and the H Rights Shares will be underwritten in accordance with Rule 7.19(1) of the Hong Kong Listing Rules.
Use of proceeds	<p>The gross proceeds raised from the Rights Issue is expected to be no more than RMB28 billion. The proceeds raised from the Rights Issue, after deduction of relevant expenses relating to the issuance, will be used for the development of flow-based business, the increase in investments to the subsidiaries of the Company, the strengthening of construction of the information system and the replenishment of other working capital (the “Relevant Projects”). The proceeds proposed to be invested in the Relevant Projects shall be no more than RMB19 billion, RMB5 billion, RMB3 billion and RMB1 billion, respectively.</p> <p>If the net proceeds raised from the Rights Issue are less than the amount of proceeds proposed to be invested in the Relevant Projects, the shortfall will be funded by the Company itself. On the condition that the Relevant Projects to be invested will not be changed, the Board may make appropriate adjustments to the sequence and amount of proceeds to be invested in the Relevant Projects according to the actual needs of the Relevant Projects. From the date of approval by the Board on the Rights Issue till the date on which the proceeds raised are available for use, the Company shall invest in the Relevant Projects with internal funds according to the operating conditions and development plans, and after the proceeds become available for use, the Company shall replace the internal funds with the proceeds in accordance with the relevant procedures required under relevant laws and regulations.</p>
Effective period of the resolutions	The resolutions on the Rights Issue shall remain valid for a period of 12 months from the date on which the resolutions are considered and approved by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting.
Listing of Rights Shares	<p>Upon completion of the A Share Rights Issue, the A Shares issued under the Rights Issue will be listed on the Shanghai Stock Exchange according to the relevant requirements.</p> <p>Upon completion of the H Share Rights Issue, the H Shares issued under the Rights Issue will be listed on the Hong Kong Stock Exchange according to the relevant requirements.</p>

Qualified H Shareholders

The Company will despatch the H Share Rights Issue Prospectus to the Qualified H Shareholders (and to the extent permitted by the relevant laws, to the Excluded Shareholders for information purposes only). To qualify for the H Share Rights Issue, a H Shareholder must:

- (i) be registered as a H Shareholder of the Company on the H Share Record Date; and
- (ii) not be an Excluded Shareholder.

Before the commencement of the H Share Rights Issue, the Company will announce the date by which the H Shareholders must lodge any transfer documents in relation to the existing H Shares (together with the relevant H Share certificates) with the Company's H Share registrar, in order for the transferee to be registered as a H Shareholder of the Company on or before the H Share Record Date.

H Share Record Date

The H Share Record Date and the trading arrangements for the nil-paid H Rights Shares will be determined by the Board and once determined, a further announcement will be made by the Company. The H Share Rights Issue is conditional upon the fulfillment of the conditions set out under the section headed "Conditions of the H Share Rights Issue" in this announcement. The H Share Record Date will not precede the date of the General Meeting, the date of the A Shareholders Class Meeting, the date of the H Shareholders Class Meeting, or the date on which all relevant approvals of the CSRC and other relevant regulatory authorities are granted to the Company in relation to the Rights Issue.

Trading of the H Rights Shares

Dealings in the H Rights Shares in both their nil-paid and fully-paid forms registered with the H Share registrar of the Company will be subject to the payment of stamp duty in Hong Kong. A further announcement will be made by the Company regarding the trading arrangements for the H Rights Shares (in nil-paid and fully-paid forms) after such arrangements have been finalised by the Board.

Status of the H Rights Shares

The H Rights Shares, when allotted and fully paid, will rank *pari passu* in all respects with the H Shares then in issue. Holders of fully-paid H Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment and issue of the H Rights Shares.

Rights of Overseas Shareholders

The H Share Rights Issue Prospectus will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will make enquiries regarding the feasibility of extending the H Share Rights Issue to the Overseas Shareholders. If, based on the advice received from the relevant legal advisers, the Board considers that it is necessary or expedient not to offer the H Rights Shares to certain Overseas Shareholders (who are thus Excluded Shareholders) on account either of the legal restrictions under the laws of the place of his/her/their registered address(es) or the requirements of the relevant regulatory authority or stock exchange in that place, the H Share Rights Issue will not be made available to the Excluded Shareholders.

The Company will, to the extent permitted by relevant laws, send the H Share Rights Issue Prospectus to the Excluded Shareholders for their information only, but the Company will not send any provisional allotment letters or excess application forms to the Excluded Shareholders.

Arrangements will be made for the H Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in the market in their nil-paid form, as soon as practicable after the commencement of the dealings in the nil-paid H Rights Shares, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid on a pro rata basis to the Excluded Shareholders, and the Company will pay individual amounts of more than HK\$100 to the relevant Excluded Shareholders, provided that the Company will retain individual amounts of HK\$100 or less for its own benefit.

Application for Excess H Rights Shares

Qualified H Shareholders of the Company may apply, by way of excess application, for any H Rights Shares to which unsold entitlements of the Excluded Shareholders relate and for any H Rights Shares provisionally allotted to the Qualified H Shareholders but not accepted.

Application for excess H Rights Shares may be made by completing the excess application form to be despatched to the Qualified H Shareholders together with the H Share Rights Issue Prospectus and lodging the same with a separate remittance for such excess H Rights Shares. Excess H Rights Shares (if available) will, at the sole discretion of the Company, be allocated and allotted on a fair and reasonable basis. All excess H Rights Shares will be allocated to Qualified H Shareholders who have applied for excess H Rights Shares on a pro rata basis with reference to their number of excess H Rights Shares applied for. No reference will be made to H Rights Shares comprised in applications by provisional allotment letter or the existing number of H Shares held by Qualified H Shareholders. If the aggregate number of H Rights Shares not taken up by the Qualified H Shareholders under provisional allotment letters is greater than the aggregate number of excess H Rights Shares applied for through excess application forms, the Company will allocate to each Qualified H Shareholder who applies for excess H Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots. There is no guarantee that Qualified H Shareholders with odd lots of H Rights Shares will be topped up to whole board lots pursuant to their applications for excess H Rights Shares.

Conditions of the H Share Rights Issue

It is expected that the H Share Rights Issue will be conditional upon the fulfilment of the following matters:

- (i) the approval of the Rights Issue by the Shareholders at the General Meeting;
- (ii) the approval of the Rights Issue by the H Shareholders at the H Shareholders Class Meeting and by the A Shareholders at the A Shareholders Class Meeting, respectively;
- (iii) the approval of the Rights Issue by the CSRC and other relevant regulatory authorities;
- (iv) the Listing Committee of the Hong Kong Stock Exchange agreeing to grant the listing of, and permission to deal in, the H Rights Shares in their nil-paid and fully-paid forms, either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any) by no later than the date of the delivery of the H Share Rights Issue Prospectus; and
- (v) the delivery to the Hong Kong Stock Exchange and filing and registration of all documents in relation to the H Share Rights Issue as required by law to be filed by and registered with the Companies Registry in Hong Kong.

None of the above conditions for completion of the H Share Rights Issue may be waived by the Company or has been satisfied as at the date of this announcement. If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed.

Conditions of the A Share Rights Issue

It is expected that the A Share Rights Issue will be conditional upon the fulfilment of the following matters:

- (i) the approval of the Rights Issue by the Shareholders at the General Meeting;
- (ii) the approval of the Rights Issue by the H Shareholders at the H Shareholders Class Meeting and by the A Shareholders at the A Shareholders Class Meeting, respectively;
- (iii) the approval of the Rights Issue by the CSRC and other relevant regulatory authorities; and
- (iv) the subscription level of the A Rights Shares by the A Shareholders being at least 70% of the total A Rights Shares to be issued under the A Share Rights Issue.

None of the above conditions for completion of the A Share Rights Issue may be waived by the Company or has been satisfied as at the date of this announcement. If any of the conditions is not fulfilled, the A Share Rights Issue will not proceed.

Change in Registered Capital and Amendments to the Articles of Association

Upon completion of the Rights Issue, the registered capital of the Company will be increased and certain amendments will be made to the Articles of Association in relation to the increase in the registered capital of the Company due to the Rights Issue. It is proposed that authorisation is to be granted by the General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the Board to make amendments to the Articles of Association in relation to the registered capital and total number of Shares according to the issuance results of the Rights Issue. Upon completion of the Rights Issue, the Company will publish a further announcement in relation to the change in registered capital and the amendments to the Articles of Association in due course, so as to provide details of such amendments to the Shareholders.

Underwriting

The H Share Rights Issue is proposed to be underwritten in accordance with Rule 7.19(1) of the Hong Kong Listing Rules and such underwriting will be conducted in accordance with the requirements of the Hong Kong Listing Rules. Details of the underwriting arrangement in relation to the H Share Rights Issue will be provided to the Shareholders in a further announcement on the H Share Rights Issue to be published by the Company in due course.

However, the A Rights Shares will be underwritten on a best efforts basis as required under the applicable PRC laws and regulations. Under the applicable PRC laws and regulations and as classified by the CSRC, the A Share Rights Issue may only proceed if the subscription level of the A Rights Shares by the A Shareholders is at least 70% of the total A Rights Shares to be issued under the A Share Rights Issue. The rights to subscribe for the A Rights Shares which are not taken up will lapse and no A Shares will be issued or allotted pursuant to such rights.

Publication of Further Announcement in Relation to the H Share Rights Issue and Issuance of H Share Rights Issue Prospectus

Prior to the commencement of the H Share Rights Issue, the Company will make a further announcement and publish the H Share Rights Issue Prospectus, which will contain all relevant details of the Rights Issue, including the definitive basis on which the Rights Shares are to be issued, the maximum number of the Rights Shares to be issued, the Subscription Price, the period of closure of the register of members for the H Shares and the H Share Record Date, trading arrangements of the H Rights Shares, the arrangements for excess H Rights Shares, the underwriting arrangements and the expected timetable of the Rights Issue.

Reasons for the Rights Issue and Use of Proceeds

The reasons for the Rights Issue are as follows:

- (i) Under the new era background that China's economy has entered the New Normal and the macro economy has transformed from high-speed growth to high-quality development, the deepening reform of capital market and the supply-side reform of securities industry provide historic opportunities for the development of the securities industry. As a leading enterprise in the securities industry, the Company shall actively respond to the national strategy, constantly consolidate its own capital strength, seize the development opportunities of the capital market and the securities industry to further grow bigger, better and stronger;
- (ii) With the opening of China's financial market and the deepening reform of the capital market, competition in the securities industry has become increasingly fierce. In recent years, the operation and management work of the Company have progressed steadily, and the Company has been consistently ranked first among domestic securities companies in terms of principal businesses and financial indicators. The Rights Issue will help the Company further enhance its capital strength and its capital advantage in the new round of industry competition;
- (iii) 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. It strives to maintain the leading position in China and amongst the top in Asia for its principal businesses, while fully optimizing and enhancing its business layout, management structure, operation mechanism and appraisal system. Due to the capital-intensive nature of securities industry, the business development of securities companies is closely related to their capital strength, and the capital scale directly determines the business scale. The Rights Issue will further consolidate the Company's capital strength, optimize the capital structure, expand the business scale, and effectively seize market opportunities, which will provide solid capital guarantee for the achievement of strategic goals; and
- (iv) Risk management and internal control are critical to the successful operation of securities companies. Since its establishment, the Company has always attached great importance to the construction of risk control mechanism, and achieved standardized operation, stable and healthy development, and high asset quality. Its various financial and business risk supervision indicators meet the regulatory requirements. By increasing the long-term capital and optimizing the capital structure, the Company can enhance its long-term competitiveness and anti-risk ability. Under the background that the current regulatory policies have tightened control on the risk management capabilities of securities companies, the Company needs to maintain long-term capital matching with its asset scale to continuously meet the regulatory requirements. The funds raised from the Rights Issue will help reduce liquidity risk and improve risk resistance of the Company.

In view of the above reasons, the proceeds to be raised from the Rights Issue, after deduction of relevant expenses relating to the issuance, will be used for the following purposes: (i) up to RMB19 billion will be used for the development of flow-based business; (ii) up to RMB5 billion will be used for the increase in investments to the subsidiaries of the Company; (iii) up to RMB3 billion will be used for the strengthening of the construction of the information system; and (iv) up to RMB1 billion will be used for the replenishment of other working capital. The Directors are of the view that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

Shareholding Structure of the Company

The following table sets out the Company's shareholding structure as at the date of this announcement and its shareholding structure immediately following completion of the Rights Issue (assuming the Rights Issue is conducted on the basis of 1.5 Rights Shares for every 10 existing Shares with full subscription for the Rights Shares and assuming no change in the issued share capital of the Company during the period from the date of this announcement to the Record Date):

Class of Shares	Number of issued Shares as at the date of this announcement (before the Rights Issue)	Approximate percentage of the total number of issued Shares	Number of Shares to be issued under the Rights Issue	Number of issued Shares immediately following completion of the Rights Issue	Approximate percentage of the total number of issued Shares immediately following completion of the Rights Issue
A Shares	10,648,448,329	82.38%	1,597,267,249	12,245,715,578	82.38%
H Shares	2,278,327,700	17.62%	341,749,155	2,620,076,855	17.62%
Total	12,926,776,029	100.00%	1,939,016,404	14,865,792,433	100.00%

The following table sets out the Company's shareholding structure as at the date of this announcement and its shareholding structure immediately following completion of the Rights Issue (assuming the Rights Issue is conducted on the basis of 1.5 Rights Shares for every 10 existing Shares with 70% subscription level for the A Rights Shares and full subscription for the H Rights Shares and assuming no change in the issued share capital of the Company during the period from the date of this announcement to the Record Date):

Class of Shares	Number of issued Shares as at the date of this announcement (before the Rights Issue)	Approximate percentage of the total number of issued Shares	Number of Shares to be issued under the Rights Issue	Number of issued Shares immediately following completion of the Rights Issue	Approximate percentage of the total number of issued Shares immediately following completion of the Rights Issue
A Shares	10,648,448,329	82.38%	1,118,087,074	11,766,535,403	81.79%
H Shares	2,278,327,700	17.62%	341,749,155	2,620,076,855	18.21%
Total	12,926,776,029	100.00%	1,459,836,229	14,386,612,258	100.00%

III. CIRCULAR

A circular containing further details of the Rights Issue, along with the notices convening the General Meeting and the H Shareholders Class Meeting, will be despatched to the H Shareholders in due course.

The H Share Rights Issue is conditional upon the fulfilment of the conditions set out under the section headed “Conditions of the H Share Rights Issue”. If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed. Shareholders and investors are advised to exercise caution when dealing in the H Shares.

IV. DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms and expressions shall have the following meanings:

“A Rights Shares”	the new A Shares proposed to be allotted and issued to the A Shareholders under the A Share Rights Issue (less any A Shares not taken up by the A Shareholders)
“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 Shanghai Stock Exchange (stock code: 600030)
“A Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the A Share Rights Issue are to be determined
“A Share Rights Issue”	the proposed issue of up to 1,597,267,249 A Rights Shares at the Subscription Price on the basis of up to 1.5 A Rights Shares for every 10 existing A Shares held on the relevant A Share Record Date
“A Shareholder(s)”	holder(s) of A Shares
“A Shareholders Class Meeting”	the class meeting of the A Shareholders of the Company to be convened to consider and, if thought fit, approve, among other matters, the Rights Issue
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	CITIC Securities Company Limited (中信証券股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares and A Shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively

“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the Board, based on legal opinions provided by legal advisers, considers it necessary or expedient to exclude any such Overseas Shareholder(s) from participating in the Rights Issue on account either of the legal restrictions under the laws of the place of his/her/their registered address(es) or the requirements of the relevant regulatory authority or stock exchange in that place
“General Meeting”	the Shareholders’ general meeting of the Company to be convened to consider and, if thought fit, approve, among other matters, the Rights Issue
“H Rights Shares”	the new H Shares proposed to be allotted and issued to the Qualified H Shareholders under the H Share Rights Issue
“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 Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the H Share Rights Issue are to be determined
“H Share Rights Issue”	the proposed issue of up to 341,749,155 H Rights Shares at the Subscription Price on the basis of up to 1.5 H Rights Shares for every 10 existing H Shares held on the relevant H Share Record Date
“H Share Rights Issue Prospectus	the prospectus in relation to the H Share Rights Issue to be issued by the Company and despatched to the H Shareholders, which contains further details of the H Share Rights Issue
“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders Class Meeting”	the class meeting of the H Shareholders of the Company to be convened to consider and, if thought fit, approve, among other matters, the Rights Issue
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Overseas Shareholder(s)”	H Shareholders whose name(s) appear on the register of members of the Company on the H Share Record Date and whose registered address(es) is/are in a place outside Hong Kong
“PRC”	the People’s Republic of China
“Qualified H Shareholder(s)”	H Shareholders whose name(s) appear(s) on the register of members of the Company on the H Share Record Date and who are not Excluded Shareholders
“Record Date(s)”	the A Share Record Date and/or the H Share Record Date
“Rights Issue”	the A Share Rights Issue and/or the H Share Rights Issue
“Rights Share(s)”	the A Rights Share(s) and/or the H Rights Share(s)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of the Company with a nominal value of RMB1.00 each, including A Share(s) and H Share(s)
“Shareholder(s)”	the registered holder(s) of the Shares of the Company
“Subscription Price”	the final subscription price for the A Rights Shares and the H Rights Shares to be offered under the Rights Issue

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

Beijing, the PRC
26 February 2021

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Youjun and Mr. YANG Minghui; the non-executive director is Mr. WANG Shuhui; and the independent non-executive directors are Mr. LIU Ke, Mr. HE Jia and Mr. ZHOU Zhonghui.