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**If you have sold or otherwise transferred** all your shares in **China Merchants Securities Co., Ltd.**, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



**招商证券股份有限公司**  
**China Merchants Securities Co., Ltd.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 6099)

**ANNUAL REPORT OF THE COMPANY FOR THE YEAR 2021,  
THE PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR 2021,  
THE BUDGET FOR THE PROPRIETARY INVESTMENT  
OF THE COMPANY FOR 2022,  
THE ENGAGEMENT OF THE AUDITORS OF THE COMPANY FOR 2022,  
CONTEMPLATED ORDINARY RELATED PARTY TRANSACTIONS  
OF THE COMPANY FOR 2022,  
THE PROVISION OF GUARANTEES BY CMS INTERNATIONAL AND  
ITS WHOLLY-OWNED SUBSIDIARIES,  
GRANT OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES  
AND  
NOTICE OF 2021 ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 10 of this circular.

The AGM is to be held on Thursday, June 30, 2022 at 2:00 p.m. at China Merchants Securities Building, 111 Fuhua Yi Road, Futian Street, Futian District, Shenzhen, the PRC. The notice of the AGM is set out on pages N-1 to N-5 of this circular.

The form of proxy for use at the AGM is enclosed with this circular for despatch to the Shareholders. If you are not able to attend the AGM, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time stipulated for the holding of the AGM and deposit it together with the notarized power of attorney or other document of authorization with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Shares). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person should you so desire.

May 30, 2022

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## DEFINITIONS

*In this circular, the following expressions shall have the following meanings unless the context otherwise requires:*

“A Share(s)”	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: 600999)
“AGM”	the annual general meeting of 2021 to be held by the Company at China Merchants Securities Building, 111 Fuhua Yi Road, Futian Street, Futian District, Shenzhen, the PRC on Thursday, June 30, 2022 at 2:00 p.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“Company”	China Merchants Securities Co., Ltd., a joint stock limited company incorporated in the PRC under the laws of the PRC in August 1993; the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 6099) and the A Shares of which are listed on the SSE (stock code: 600999)
“Company Law”	the Company Law of the PRC (《中華人民共和國公司法》)
“CSRC”	the China Securities Regulatory Commission
“CMS International”	China Merchants Securities International Company Limited, a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate proposed to be granted to the Board at the AGM to issue, allot and deal with additional H Shares, representing up to the limit of 20% of the respective amount of the H Shares in issue as at the date of passing the relevant resolution at the AGM
“H Share(s)”	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: 6099)
“HKSCC”	Hong Kong Securities Clearing Company Limited

## DEFINITIONS

“HK dollar(s)”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	May 27, 2022, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, and for the purposes of this circular only, except where the context requires otherwise, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》)
“Share(s)”	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
“Shareholders(s)”	holder(s) of the Share(s)
“SSE”	the Shanghai Stock Exchange
“Supervisor(s)”	members of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“%”	per cent.

*Unless the context otherwise requires, all amounts are stated in RMB.*

## LETTER FROM THE BOARD



**招商证券股份有限公司**  
**China Merchants Securities Co., Ltd.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6099)**

*Executive Directors:*

Mr. HUO Da (*Chairman of the Board*)

Mr. WU Zongmin (*President*)

*Non-executive Directors:*

Mr. LIU Weiwu

Mr. DENG Weidong

Ms. SU Min

Ms. PENG Lei

Mr. GAO Hong

Mr. HUANG Jian

Mr. WANG Wen

*Registered Office:*

No.111, Fuhua Yi Road

Futian Street

Futian District

Shenzhen

the PRC

*Principal Place of Business in Hong Kong:*

48/F, One Exchange Square

8 Connaught Place

Central

Hong Kong

*Independent Non-executive Directors:*

Mr. XIANG Hua

Mr. XIAO Houfa

Mr. XIONG Wei

Mr. HU Honggao

Mr. WONG Ti

May 30, 2022

*To the Shareholders*

Dear Sir or Madam,

**ANNUAL REPORT OF THE COMPANY FOR THE YEAR 2021,  
THE PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR 2021,  
THE BUDGET FOR THE PROPRIETARY INVESTMENT  
OF THE COMPANY FOR 2022,  
THE ENGAGEMENT OF THE AUDITORS OF THE COMPANY FOR 2022,  
CONTEMPLATED ORDINARY RELATED PARTY TRANSACTIONS  
OF THE COMPANY FOR 2022,  
THE PROVISION OF GUARANTEES BY CMS INTERNATIONAL AND  
ITS WHOLLY-OWNED SUBSIDIARIES,  
GRANT OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES  
AND  
NOTICE OF 2021 ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you, as holders of H Shares, with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

## LETTER FROM THE BOARD

At the AGM, ordinary resolutions will be proposed to consider and approve (i) the annual report of the Company for the year 2021; (ii) the profit distribution plan of the Company for 2021; (iii) the resolution on the budget for the proprietary investment of the Company for 2022; (iv) the resolution on the engagement of the auditors of the Company for 2022; (v) the resolution on the contemplated ordinary related party transactions of the Company for 2022; (vi) the resolution on the guarantee authorization scheme for the year 2022 of CMS International and its wholly-owned subsidiaries; and (vii) other matters contained in the notice of the AGM. Special resolution will be proposed to consider and approve (viii) the grant of the general mandate to the Board to issue additional H Shares.

### **1. ANNUAL REPORT OF THE COMPANY FOR THE YEAR 2021**

An ordinary resolution will be proposed at the AGM to approve the annual report of the Company for the year 2021, which has been despatched to the Shareholders on Saturday, April 30, 2022, and has been published on the websites of the SSE ([www.sse.com.cn](http://www.sse.com.cn)), the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cmschina.com](http://www.cmschina.com)).

The annual report of the Company for the year 2021 has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

### **2. THE PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR 2021**

An ordinary resolution will be proposed at the AGM to approve the profit distribution plan of the Company for 2021, the full text of which is as below:

The Company will not accrue the statutory surplus reserve fund for 2021. Based on the total number of issued Shares as of the record date for this profit distribution, a cash dividend of RMB5.40 (tax inclusive) for every 10 Shares will be distributed to all Shareholders. No bonus Shares will be distributed, and no capital reserve will be converted to share capital. Based on the total number of issued Shares of the Company of 8,696,526,806 Shares as of December 31, 2021, the total cash dividend proposed to be distributed is RMB4,696,124,475.24. In the event of change in the total number of issued Shares before the record date for this profit distribution, the Company will keep the total distribution amount unchanged and adjust the distribution amount per Share accordingly.

Such cash dividend shall be denominated and declared in RMB and paid to holders of A Shares in RMB and to holders of H Shares in HK dollar. The actual amount of dividend to be paid in HK dollar shall be determined based on the average exchange rate of RMB to HK dollar published by the People's Bank of China for the five business days immediately before the date of the AGM.

## LETTER FROM THE BOARD

In view of the procedure for the distribution of dividend of H Shares, it is hereby proposed at the AGM to agree that Computershare Hong Kong Trustees Limited was appointed as the trustee in respect of the distribution of dividend to holders of H Shares of the Company. Mr. WU Huifeng was authorized as the authorizer to exercise the rights on behalf of the Company to execute all instructions, guidelines, decisions, notices and approvals to nominees in relation to the nominee agreement, etc.

Upon consideration and approval of the profit distribution plan of the Company for 2021 at the AGM, the Company is expected to distribute the 2021 annual cash dividend before August 30, 2022.

The profit distribution plan of the Company for 2021 has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

### **3. THE RESOLUTION ON THE BUDGET FOR THE PROPRIETARY INVESTMENT OF THE COMPANY FOR 2022**

An ordinary resolution will be proposed at the AGM to approve the budget for the proprietary investment of the Company for 2022, the full text of which is as below:

Article 6 of the Provisions on Strengthening the Supervision and Administration of Listed Securities Companies (CSRC Announcement [2020] No. 62) (《關於加強上市證券公司監管的規定》(證監會公告[2020]62號)) promulgated by the CSRC stipulates that in case that the significant external investment, including securities proprietary investment, by listed securities companies exceed certain amount and may require timely disclosure and resolution by shareholders' general meeting, listed securities companies may review and consider the total amount of proprietary investment by shareholders' general meeting and disclose such amount annually.

## LETTER FROM THE BOARD

Given the fact that proprietary investment is an essential part of the principal business of the Company which requires prompt judgement and decision based on the market condition in order to capture the market opportunities, it is hereby proposed to authorize the management of the Company to determine the total amount of proprietary investment of the Company for 2022 within the budget set forth below on the condition that the relevant requirements by the CSRC regarding proprietary business management and risk management are satisfied:

- (1) The aggregate amount of proprietary investment in equity securities and its derivatives of the Company shall not exceed 100% of the net capital as at the relevant times;
- (2) The aggregate amount of proprietary investment in non-equity securities and its derivatives of the Company shall not exceed 500% of the net capital as at the relevant times.

*Note:* The budget as set out above does not include long-term equity investment of the Company, which shall adhere to the Company's relevant procedures for confirmation and execution.

The budget set out above is the maximum amount of proprietary investment based on the characteristics of market fluctuation, which does not represent the judgement of the management and the Board of the Company regarding the market. The actual amount of proprietary investment shall be solely subject to the then prevailing market condition when the proprietary investment is made.

The above resolution has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

#### **4. THE RESOLUTION ON THE ENGAGEMENT OF THE AUDITORS OF THE COMPANY FOR 2022**

An ordinary resolution will be proposed at the AGM to approve the engagement of the auditors of the Company for 2022, the full text of which is as below:

The Company proposes to continue to engage Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) and Deloitte Touche Tohmatsu (collectively "**Deloitte**") as the auditors of the Company for the financial report and internal control of 2022. The annual audit fees charged by Deloitte to the Company for 2022 shall not exceed RMB4.25 million, including meal and traveling expenses, etc. (tax inclusive). It is also proposed to the Shareholders' general meeting to authorize the Board to determine the adjustment in the auditing fees if there is any increase to the auditing fees due to the change in the scope of services.



## LETTER FROM THE BOARD

The above resolution has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

### 5. THE RESOLUTION ON THE CONTEMPLATED ORDINARY RELATED PARTY TRANSACTIONS OF THE COMPANY FOR 2022

An ordinary resolution will be proposed at the AGM to approve the following contemplated ordinary related party transactions of the Company for 2022, the full text of which is set out in Appendix I of this circular.

- 5.01 Contemplated ordinary related party transactions with China Merchants Bank Co., Ltd. ("**China Merchants Bank**") and its subsidiaries;
- 5.02 Contemplated ordinary related party transactions with China Merchants Group and its related parties (including major upstream and downstream enterprises, but excluding China Merchants Bank and its subsidiaries);
- 5.03 Contemplated ordinary related party transactions with China COSCO Shipping Corporation Limited and its related parties;
- 5.04 Contemplated ordinary related party transactions with PICC Life Insurance Company Limited and related parties;
- 5.05 Contemplated ordinary related party transactions with the Directors, Supervisors and senior management of the Company;
- 5.06 Contemplated ordinary related party transactions with other related parties.

The above resolution has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

## LETTER FROM THE BOARD

### 6. THE RESOLUTION ON THE GUARANTEE AUTHORIZATION SCHEME FOR THE YEAR 2022 OF CMS INTERNATIONAL AND ITS WHOLLY-OWNED SUBSIDIARIES

An ordinary resolution will be proposed at the AGM to approve the provision of guarantees by CMS International and its wholly-owned subsidiaries, the full text of which is as below:

As business operation requires, CMS International or its wholly-owned subsidiaries, because of the assessment by correspondent banks or counterparties based on the entities to the transactions, need to act as guarantors when they obtain finance or enter into transactions, in order to enhance their capacity of external business operation and financing. Based on the business development plan and the needs of providing guarantees, the Company has formulated the annual guarantee authorization scheme for CMS International and its wholly-owned subsidiaries, details of which are as below:

1. CMS International or its wholly-owned subsidiaries providing guarantees for entities that are to obtain finance or enter into transactions, including financing guarantees (including but not limited to bank credit, syndicated loans, bond issuance or bills, etc.), transaction guarantees (including but not limited to International Swaps and Derivatives Association (ISDA) Agreement, Master Clearing Agreement, The Bond Market Association (TBMA)/International Securities Market Association (ISMA) Global Master Repurchase Agreement (GMRA), Global Master Securities Lending Agreement (GMSLA), Prime Brokerage Agreement, physical precious metals trading, etc.) and other types of guarantees (including but not limited to leasing guarantees, etc.).
2. Guarantee limit: within the authorization period, the total amount of guarantees provided by CMS International and its wholly-owned subsidiaries to warrantees shall not exceed HK dollar 84 billion or equivalent, among which the total amount of financing guarantees provided shall not exceed HK dollar 12.9 billion or equivalent.
3. Guarantee types: types which are prescribed in relevant laws and regulations including guarantee, mortgage guarantee and hypothecation, etc.
4. Guarantee entities: China Merchants Securities International Company Limited, China Merchants Securities (HK) Co., Limited (招商證券(香港)有限公司), China Merchants Futures (HK) Co., Limited (招商期貨(香港)有限公司), China Merchants Securities Investment Management (HK) Co., Limited (招商證券投資管理(香港)有限公司), China Merchants Securities (UK) Limited, China Merchants Securities (HK) Financing Co., Limited (招商證券(香港)融資有限公司), China Merchants Securities Capital (HK) Co., Limited (招商資本(香港)有限公司), China Merchants Securities (HK) Fund Services Co., Limited (招商證券(香港)基金服務有限公司), China Merchants Securities (HK) Asset Management Co., Limited (招商證券資產管理(香港)有限公司) and CMS International Gemstone Limited.

## LETTER FROM THE BOARD

5. Authorization period: the term of validity of the aforementioned guarantees shall be from the date on which this resolution is considered and approved at the AGM until the date of the 2022 annual general meeting of the Company.
6. To grant relevant authorization to the Board and the Board in turn delegates its authorization to the chairman of CMS International for determining specific guarantee matter and relevant amounts.

The above resolution has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for the Shareholders' consideration and approval by way of an ordinary resolution.

In case of any inconsistency or conflict between the above authorization and the requirements under the Listing Rules or other requirements of the Stock Exchange, the requirements under the Listing Rules or other requirements of the Stock Exchange shall prevail.

### **7. GRANT OF GENERAL MANDATE TO THE BOARD TO ISSUE ADDITIONAL H SHARES**

A special resolution will be proposed at the AGM to approve the grant of General Mandate to the Board to issue additional H Shares, the full text of which is set out in Appendix II of this circular.

The above resolution has been considered and approved by the Board on March 27, 2022, and is hereby proposed at the AGM for Shareholders' consideration and approval by way of a special resolution.

### **8. OTHERS**

In addition, the Shareholders will consider and approve each of the following by way of an ordinary resolution: (i) working report of the Board of the Company for 2021; (ii) working report of the Supervisory Committee of the Company for 2021; (iii) duty report of Independent Directors of the Company for 2021; and (iv) final accounts report of the Company for 2021. The text of the above reports have been substantially included in the annual report of the Company for the year 2021, which has been despatched to the Shareholders on Saturday, April 30, 2022, and has been published on the websites of the SSE ([www.sse.com.cn](http://www.sse.com.cn)), the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cmschina.com](http://www.cmschina.com)).

## LETTER FROM THE BOARD

### AGM

The AGM will be held at China Merchants Securities Building, 111 Fuhua Yi Road, Futian Street, Futian District, Shenzhen, the PRC on Thursday, June 30, 2022 at 2:00 p.m.

The summary of the important dates for holders of H Shares is as follows:

<b>Last Registration Date</b>	:	4:30 p.m. on Thursday, June 23, 2022
<b>Closure of Register of Members for H Shareholders</b>	:	Friday, June 24, 2022 to Thursday, June 30, 2022 (both days inclusive)
<b>Submission of Proxy Form</b>	:	not less than 24 hours before the time appointed for the AGM (i.e. 2:00 p.m. on Wednesday, June 29, 2022)

For the purpose of determining the H Shareholders who are entitled to attend the AGM, the register of members of H shares of the Company will be closed from Friday, June 24, 2022 to Thursday, June 30, 2022 (both days inclusive), during which period no transfer of H Shares will be registered. All transfer documents accompanied by the relevant share certificates shall be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, June 23, 2022. H Shareholders whose names appear on the register of members of H shares of the Company on Thursday, June 30, 2022 are entitled to attend and vote at the AGM.

To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person should you so desire.

### PROCEDURES FOR VOTING AT THE AGM

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a Shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM in accordance with Article 128 of the Articles of Association.

## LETTER FROM THE BOARD

Pursuant to Rule 2.15 of the Listing Rules, where shareholders' approval is required with regard to a transaction, any shareholder that has a material interest in such transaction shall abstain from voting on the resolution(s) approving such transaction at the shareholders' general meeting. As such, the abovementioned resolution regarding the contemplated ordinary related party transactions of the Company for 2022 will be taken by poll by Shareholders who do not hold any interest in relation to such resolution. Shareholders controlled by China Merchants Group Limited are required to abstain from voting on ordinary resolution No. 9.01 and 9.02 set out in the notice of the AGM. Shareholders controlled by China COSCO Shipping Corporation Limited are required to abstain from voting on ordinary resolution No. 9.03 set out in the notice of the AGM. PICC Life Insurance Company Limited is required to abstain from voting on ordinary resolution No. 9.04 set out in the notice of the AGM. Shareholders who have a controlling relationship with or are controlled by the same entity that controls any of such other related parties mentioned in ordinary resolution No. 9.06 set out in the notice of the AGM are required to abstain from voting on ordinary resolution No. 9.06.

Save as disclosed above, none of the Shareholders shall abstain from voting in respect of any other resolutions to be proposed at the AGM.

### RECOMMENDATION

The Board believes that all the resolutions mentioned above are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,  
By Order of the Board  
**HUO Da**  
*Chairman*

APPENDIX I	CONTEMPLATED ORDINARY RELATED PARTY TRANSACTIONS OF THE COMPANY FOR 2022
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**I. CONTEMPLATED ORDINARY RELATED PARTY TRANSACTIONS FOR 2022**

**1. Contemplated ordinary related party transactions with China Merchants Bank Co., Ltd. and its subsidiaries**

**1.1 *Contemplated transactions with China Merchants Bank Co., Ltd. and its subsidiaries (excluding China Merchants Fund and its subsidiaries)***

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Interest income from deposit, income from provision of underwriting, distribution, financial advisory, custody, asset management, securities agency trading services, etc.	51,082.83	3.31%
		Expenses on wealth management products custody and agency sale, third-party depository and custody services for clients' funds, interest expenses for loans and placements from other financial institutions, expenses on investment banking business such as underwriting fees, bank service charge, settlement fees, etc.	22,555.97	3.56%
Securities and financial products and transactions <i>(Note)</i>	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from interbank lending, bond trading, bond repurchase, bond lending, foreign exchange transactions, interest rate swaps, over-the-counter derivative transactions, mutual purchase or redemption of products managed or financing products issued by the other party, etc.	46,646,235.30	–
		Total capital outflow for interbank lending, bond trading, bond repurchase, bond lending, foreign exchange transactions, interest rate swaps, over-the-counter derivative transactions, mutual purchase or redemption of products managed or financing products issued by the other party, etc.	52,605,394.36	–
Others		Lease expenses, property management fees, etc.	7,092.88	16.34%

*Note:* Securities and financial products and transactions mainly represent fixed-income products or transactions, equity products or transactions, financing transactions, other securities and financial products and derivative products or transactions, sic passim.

**1.2 Contemplated transactions with China Merchants Fund Management Co., Ltd. and its subsidiaries**

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of trading seats leasing, financial products agency sale, securities agency trading services, etc.	15,081.74	1.61%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from our purchase or redemption of products managed by related parties, over-the-counter derivative transactions and equity swaps with related parties, etc.	175,154.26	–
		Total capital outflow for our purchase or redemption of products managed by related parties, over-the-counter derivative transactions and equity swaps with related parties, etc.	317,126.80	–
Equity/asset transactions and joint investment	Not more than RMB500 million	Nil	0	–
Others	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Income from lease of server rooms	157.5	1.94%

2. Contemplated ordinary related party transactions with China Merchants Group Limited and its related parties (including major upstream and downstream enterprises, but excluding China Merchants Bank and its subsidiaries)

2.1 *Contemplated transactions with China Merchants Group Limited and its holding subsidiaries*

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of underwriting, financial advisory, securities agency trading services, etc.	3,669.08	0.35%
		Investment bank service charge and commission expenses, etc.	5.42	0.09%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from related parties' purchase or redemption of products managed by us, our purchase or redemption of financing products issued by related parties, etc.	179,308.37 (Note)	–
		Total capital outflow for related parties' purchase or redemption of products managed by us, our purchase or redemption of financing products issued by related parties, etc.	117,411.64 (Note)	–
Equity/asset transactions and joint investment	Not more than RMB3 billion	Joint investment with related parties	64,540.00	–
Others	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Lease expenses, property management fees, administrative procurement expenses, IT services fees, etc.	8,345.84	8.51%

*Note:* Among which, the total capital inflow from and total capital outflow for the Company and its holding subsidiaries' purchase or redemption of financing products issued by China Merchants Commerce Leasing Co., Ltd. amounted to RMB1,475.54 million and RMB629 million, respectively.



**2.2 *Contemplated transactions with other related parties of China Merchants Group (including major upstream and downstream enterprises)***

**2.2.1 Contemplated transactions with Bosera Asset Management Co., Limited and its subsidiaries**

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of financial advisory, trading seats leasing, financial products agency sale, custody, securities agency trading services, etc.	14,083.23	1.34%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from our purchase or redemption of products managed by related parties, bond repurchase, related parties' purchase or redemption of financing products issued by us, etc.	1,074,840.68	–
		Total capital outflow for our purchase or redemption of products managed by related parties, bond repurchase, related parties' purchase or redemption of financing products issued by us, etc.	132,553.87	–
Equity/asset transactions and joint investment	Not more than RMB500 million	Joint investment with related parties	13,100.00	–

## 2.2.2 Contemplated transactions with China Great Wall Securities Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from bond trading, bond repurchase, our purchase or redemption of financing products issued by related parties, etc.	227,751.45
		Total capital outflow for bond trading, bond repurchase, our purchase or redemption of financing products issued by related parties, etc.	243,062.58

## 2.2.3 Contemplated transactions with Zheshang Securities Co., Ltd. and its subsidiaries

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of custody services	88.73	0.09%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from bond trading, bond repurchase, related parties' purchase or redemption of financing products issued by us, our purchase or redemption of products managed or financing products issued by related parties, equity swaps and over-the-counter derivative transactions with related parties, etc.	3,563,133.70	–
		Total capital outflow for bond trading, bond repurchase, related parties' purchase or redemption of financing products issued by us, our purchase or redemption of products managed or financing products issued by related parties, equity swaps and over-the-counter derivative transactions with related parties, etc.	3,345,745.41	–

## 2.2.4 Contemplated transactions with subsidiaries of China State Construction Engineering Corporation (major upstream and downstream enterprises of subsidiaries of China Merchants Group)

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from our purchase or redemption of financing products issued by related parties	7,024.07
		Total capital outflow for our purchase or redemption of financing products issued by related parties	103,616.55

## 2.2.5 Contemplated transactions with subsidiaries of China Communications Construction Company Limited (major upstream and downstream enterprises of subsidiaries of China Merchants Group)

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of underwriting services	202.75	0.09%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from our purchase or redemption of financing products issued by related parties, etc.	0	–
		Total capital outflow for our purchase or redemption of financing products issued by related parties, etc.	76,200.00 (Note)	–

*Note:* Among which, the total capital outflow for the Company and its subsidiaries' purchase or redemption of financing products issued by CCCC First Harbor Engineering Co., Ltd. amounted to RMB552 million.

**3. Contemplated ordinary related party transactions with China COSCO Shipping Corporation Limited and its related parties**

**3.1 *Contemplated transactions with China COSCO Shipping Corporation Limited and its holding subsidiaries***

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of underwriting, financial advisory, securities agency trading services	387.52	0.04%
	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount			
Securities and financial products and transactions		Total capital inflow from related parties' purchase or redemption of products managed by us, etc.	15,680.22	–
		Total capital outflow for our purchase of financing products issued by related parties, etc.	31,974.95	–
Equity/asset transactions and joint investment	Not more than RMB500 million	Nil	0	–

### 3.2 *Contemplated transactions with other related parties of China COSCO Shipping Corporation Limited*

#### 3.2.1 Contemplated transactions with Shanghai Rural Commercial Bank Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of distribution services	0.59	0.00026%
		Interest expenses for interbank lending	15.71	0.03%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from interbank lending, bond trading, bond lending, bond repurchase, mutual purchase or redemption of products managed or financing products issued by the other party, over-the-counter derivative transactions with related parties, etc.	14,261,261.15	-
		Total capital outflow for interbank lending, bond trading, bond lending, bond repurchase, mutual purchase or redemption of products managed or financing products issued by the other party, over-the-counter derivative transactions with related parties, etc.	13,766,656.59	-

#### 3.2.2 Contemplated transactions with Bank of Kunlun Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Bond repurchase	9,294,780.00
		Total capital outflow for mutual purchase or redemption of financing products issued by the other party, etc.	9,153,202.28

## 3.2.3 Contemplated transactions with China Everbright Bank Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Interest income from deposit, income from provision of financial advisory, distribution services	2,136.79	0.48%
		Expenses on third-party depository and custody services for clients' funds, interest expenses for interbank lending, bank service charge	97.84	0.12%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from interbank lending, bond trading, bond repurchase, mutual purchase or redemption of financing products issued by the other party, etc.	5,361,738.71	–
		Total capital outflow for interbank lending, bond trading, bond repurchase, mutual purchase or redemption of financing products issued by the other party, etc.	14,827,530.94	–

## 3.2.4 Contemplated transactions with China Bohai Bank Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of distribution services	12.88	0.0056%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from bond trading, bond repurchase, interest rate swaps, etc.	3,826,554.53	–
		Total capital outflow for bond trading, bond repurchase, interest rate swaps, our purchase of financing products issued by related parties, etc.	3,919,137.08	–

## 3.2.5 Contemplated transactions with CIB Fund Management Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services		Income from provision of trading seats leasing services	119.98	0.11%
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from bond trading, bond repurchase, related parties' purchase or redemption of financing products issued by us, our purchase or redemption of products managed by related parties, etc.	2,435,104.12	–
		Total capital outflow for bond trading, bond repurchase, related parties' purchase or redemption of financing products issued by us, our purchase or redemption of products managed by related parties, etc.	2,170,143.77	–

## 3.2.6 Contemplated transactions with Shanghai Life Insurance Co., Ltd.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)
Securities and financial products and transactions	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Total capital inflow from bond trading, bond reverse repo, etc.	63,280.17
		Total capital outflow for bond trading, bond reverse repo, etc.	47,350.16

#### 4. Contemplated ordinary related party transactions with PICC Life Insurance Company Limited and related parties

Pursuant to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, companies in which Mr. WANG Wen (a director of the Company) serves as a director or senior management (including PICC Life Insurance Company Limited and China-US Insurance Advisory Co., Ltd.) and companies in which he will serve as a director or senior management in the next twelve months (if any) are related parties of the Company.

Type of related party transaction	Estimated amount for the year	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)	Percentage in the same type of business
Financial services	The actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount	Commission income from fund trading, income from financial products agency sale	248.05	0.13%
Securities and financial products and transactions		Total capital inflow from bond trading, related parties' purchase or redemption of financing products issued by us, etc.	15,137.69 (Note)	–
		Total capital outflow for bond trading, related parties' purchase or redemption of financing products issued by us, etc.	66,375.89 (Note)	–

*Note:* The related parties that entered into transactions with the Company in 2021 include The People's Insurance Company (Group) of China Limited (a company listed on the Shanghai Stock Exchange (stock code: 601319) and the Hong Kong Stock Exchange (stock code: 01339)), PICC Property and Casualty Company Limited (a company listed on the Hong Kong Stock Exchange (stock code: 02328)), PICC Health Insurance Company Limited and PICC Pension Company Limited. Mr. MIAO Jianmin (the chairman of China Merchants Group, the de facto controller of the Company) served as a director of such companies. Pursuant to the rules of the Shanghai Stock Exchange, such companies were no longer related parties of the Company since July 2021.



**5. Contemplated ordinary related party transactions with the Directors, Supervisors and senior management of the Company**

The Company and its holding subsidiaries are expected to enter into financial services and securities and financial products and transactions with the Directors, Supervisors and senior management of the Company in 2022. The terms of the transactions are equivalent to those with third-party non-related parties and are exempt from disclosure. In addition, the Directors, Supervisors and senior management of the Company receive remuneration or allowances in accordance with the relevant rules of the Company or the resolutions of the Shareholders' general meeting. For details, please refer to the annual report of the Company.

**6. Contemplated ordinary related party transactions with other related parties**

Other related parties include legal persons or other organizations, other than the abovementioned related parties, that are directly or indirectly controlled by the related natural persons of the Company, or where the related natural persons serve as a director or senior management, including those that had or will have a related relationship in the past twelve months and the next twelve months. For transactions between the Company and other related parties, the actual amount shall be disclosed due to the difficulty in the estimation of the actual items and amount.

In 2021, among other related parties of the Company, the transaction amount with Overseas Chinese Town Company Limited and its subsidiaries met the information disclosure threshold. Details are as follows:

Type of related party transaction	Actual transaction items in the previous year	Actual amount for the previous year (RMB10,000)
Securities and financial products and transactions	Total capital inflow from our purchase or redemption of financing products issued by related parties	0
	Total capital outflow for our purchase or redemption of financing products issued by related parties	72,821.63

**II. MAJOR RELATED PARTIES AND THE RELATIONSHIP**

1. China Merchants Group Limited indirectly holds a total of 44.17% of shares of the Company (as of the Latest Practicable Date) and is the de facto controller of the Company. Among China Merchants Group and its related parties, the major related parties that have transactions with the Company include China Merchants Bank Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 600036) and the Hong Kong Stock Exchange (stock code: 03968)), China Merchants Fund Management Co., Ltd. and its subsidiaries, Bosera Asset Management Co., Limited and its subsidiaries, China Great Wall Securities Co., Ltd. (a company listed on the Shenzhen Stock exchange (stock code: 002939)), Zheshang Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 601878)) and its subsidiaries, and China Merchants Commerce Leasing Co., Ltd., etc. SU Min, a Director of the Company, also serves as a director of China Merchants Bank Co., Ltd. and Bosera Asset Management Co., Limited; SU Min and PENG Lei, the Directors of the Company, also serve as directors of China Great Wall Securities Co., Ltd.
2. China COSCO Shipping Corporation Limited indirectly holds a total of 10.02% of shares of the Company (as of the date of submission of this resolution for consideration). Among COSCO Shipping and its related parties, the major related parties that have transactions with the Company include Shanghai Rural Commercial Bank Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 601825)), Bank of Kunlun Co., Ltd., China Everbright Bank Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 601818)), China Bohai Bank Co., Ltd. (a company listed on the Hong Kong Stock Exchange (stock code: 09668)), CIB Fund Management Co., Ltd., and Shanghai Life Insurance Co., Ltd., etc. HUANG Jian, a Director of the Company, also serves as a director of Shanghai Rural Commercial Bank Co., Ltd.

**III. PRICING PRINCIPLES FOR RELATED PARTY TRANSACTIONS**

The pricing of related party transactions of the Company shall be determined with reference to the following principles:

- (1) Where the transaction is subject to government pricing, such price shall be directly applicable;
- (2) Where the transaction is subject to government-guided pricing, the transaction price shall be reasonably determined within the scope of the government-guided pricing;
- (3) In addition to government pricing or government-guided pricing, where the transaction has a comparable independent third-party market price or rate, the transaction price shall be determined with priority reference to such price or rate;
- (4) Where there is no comparable independent third-party market price for the related party transaction, the transaction price shall be determined with reference to the price of non-related party transactions between the related party and a third-party independent of the related party;
- (5) Where there is neither an independent third-party market price nor an independent non-related party transaction price for reference, a reasonable composition of price, i.e. reasonable costs plus reasonable profits, shall be used as the basis for pricing.

**IV. REASONS FOR THE RELATED PARTY TRANSACTIONS AND IMPACT ON THE COMPANY**

The abovementioned ordinary related party transactions are conducted in the ordinary course of business of the Company, and are beneficial to the business development and enhancement of overall competitiveness of the Company.

The relationship between the Company and its related parties is mutually beneficial and fair and equal to both parties. The pricing of the abovementioned related party transactions is determined in accordance with the market rates on a reasonable and fair basis without prejudicing the interests of the non-related Shareholders of the Company. The abovementioned related party transactions do not affect the independence of the Company. The principal business of the Company has not been in reliance on the related parties due to these related party transactions.

Pursuant to the requirements of Rule 19A.38 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, in order to grasp market opportunity and ensure flexibility in issuing new shares and in line with market practices of H share listed companies, it is proposed to the Shareholders' general meeting to approve the grant of an unconditional general mandate to the Board by a special resolution to authorize the Board to decide to, subject to market conditions and the needs of the Company, issue, allot and deal with additional shares not exceeding 20% of the amount of overseas-listed foreign shares (H shares) in issue at the date of the passing of such resolutions and also authorize the Board to approve and execute necessary document(s), submit all necessary application procedures to relevant authorities and take other necessary steps to complete the aforesaid matters.

#### **I. THE CONTENTS OF THE MANDATE**

Details of the contents of the mandate include but are not limited to:

- (1) Granting of an unconditional general mandate to the Board (or the director(s) authorized by the Board) to decide to, subject to market conditions and the needs of the Company, issue, allot and deal with additional shares of the share capital of H shares of the Company and make or grant offers, agreements, or options in relation to such shares during the Relevant Period (as defined below);
- (2) The aggregate nominal value of the H shares approved to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to the exercise of options or otherwise) by the Board (or the director(s) authorized by the Board) shall not exceed 20% of the aggregate nominal value of the H shares in issue at the date of the passing of this resolution at the Shareholders' general meeting;
- (3) The Board (or the director(s) authorized by the Board) be authorized to, upon the exercise of the aforementioned general mandate, formulate and implement detailed issuance plan, including but not limited to the class of new shares to be issued, pricing mechanism and/or issuance price (including price range), number of shares to be issued, allottees and use of proceeds, etc., and to determine the time of issuance, period of issuance and whether to allot shares to existing Shareholders;

- (4) The Board be authorized to engage agents for share issuance related matters under the general mandate; to approve and execute all acts, deeds, documents and other matters necessary, appropriate, required or relevant for share issuance; and to consider, approve, amend, according to the requirements of domestic and overseas regulatory authorities, and execute, on behalf of the Company, agreements related to the issuance, including but not limited to placing underwriting agreement and engagement agreement of agent, etc.;
- (5) The Board be authorized to consider, approve, amend, according to the requirements of domestic and overseas regulatory authorities, and execute, on behalf of the Company, statutory documents in relation to the issuance to be submitted to regulatory authorities; to carry out approval procedures required by regulatory authorities and places in which the Company is listed; and to complete all necessary filings, registrations and records with the relevant governmental authorities of Hong Kong and/or any other regions and jurisdictions (if applicable);
- (6) The Board be authorized to increase the registered capital of the Company after the issuance of new shares, and to make corresponding amendments to the Articles of Association of China Merchants Securities Co., Ltd. (the “**Articles of Association**”) relating to total share capital and shareholdings structure, etc.;
- (7) Upon the grant of the above authorizations, save as provided in relevant laws and regulations and regulatory documents and the Articles of Association, the Board be authorized to in turn authorize the management of the Company to deal with the authorizations under items (4) and (5) above according to relevant systems and work procedures.

**II. VALIDITY OF THE MANDATE**

Except that the Board may make or grant offers, agreements, or options during the Relevant Period in relation to the issuance of H shares, which might require further promotion or implementation after the end of the Relevant Period, the period of the above mandate shall not exceed the Relevant Period. “Relevant Period” represents the period from the passing of this resolution as a special resolution at the Shareholders’ general meeting until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the 12-month period following the passing of this resolution as a special resolution at the Shareholders’ general meeting; or
- (3) the date of the revocation or variation of the authority under this resolution by passing of a special resolution in any Shareholders’ general meeting of the Company.

Should the Board or the authorized persons, during the Relevant Period, sign the necessary documents, complete the necessary formalities or take relevant steps which might require to be performed or carried out upon or after the end of the Relevant Period or continued until the end of the Relevant Period, the Relevant Period of the authorization will be extended accordingly.

Exercise of the power granted under the aforementioned mandate by the Board is subject to approvals of the competent authorities and in accordance with the Company Law, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and the Articles of Association.

## NOTICE OF 2021 ANNUAL GENERAL MEETING



**招商证券股份有限公司**  
**China Merchants Securities Co., Ltd.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6099)**

## NOTICE OF 2021 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2021 annual general meeting (the “AGM”) of China Merchants Securities Co., Ltd. (the “**Company**”) will be held at China Merchants Securities Building, 111 Fuhua Yi Road, Futian Street, Futian District, Shenzhen, the PRC on Thursday, June 30, 2022 at 2:00 p.m. to consider and approve the following resolutions:

### ORDINARY RESOLUTIONS

1. To consider and approve the working report of the Board of the Company for 2021.
2. To consider and approve the working report of the Supervisory Committee of the Company for 2021.
3. To consider and approve the duty report of Independent Directors of the Company for 2021.
4. To consider and approve the annual report of the Company for the year 2021.
5. To consider and approve the final accounts report of the Company for 2021.
6. To consider and approve the resolution on the profit distribution plan of the Company for 2021.
7. To consider and approve the resolution on the budget for the proprietary investment of the Company for 2022.
8. To consider and approve the resolution on the engagement of the auditors of the Company for 2022.
9. To consider and approve the resolution on the contemplated ordinary related party transactions of the Company for 2022:
  - 9.01 Contemplated ordinary related party transactions with China Merchants Bank Co., Ltd. and its subsidiaries;
  - 9.02 Contemplated ordinary related party transactions with China Merchants Group Limited and its related parties (including major upstream and downstream enterprises, but excluding China Merchants Bank and its subsidiaries);

## NOTICE OF 2021 ANNUAL GENERAL MEETING

- 9.03 Contemplated ordinary related party transactions with China COSCO Shipping Corporation Limited and its related parties;
  - 9.04 Contemplated ordinary related party transactions with PICC Life Insurance Company Limited and related parties;
  - 9.05 Contemplated ordinary related party transactions with the Directors, Supervisors and senior management of the Company; and
  - 9.06 Contemplated ordinary related party transactions with other related parties.
10. To consider and approve the resolution on the guarantee authorization scheme for the year 2022 of China Merchants Securities International Company Limited and its wholly-owned subsidiaries.

### SPECIAL RESOLUTION

11. To consider and approve the resolution on the grant of the general mandate to the Board to issue additional H Shares of the Company.

By Order of the Board  
**China Merchants Securities Co., Ltd.**  
**HUO Da**  
*Chairman*

Shenzhen, the PRC  
May 30, 2022



## NOTICE OF 2021 ANNUAL GENERAL MEETING

### *Notes:*

1. Eligibility for attending the AGM and date of registration of members.
  - (1) For the purpose of determining the H Shareholders who are entitled to attend the AGM, the register of members of H shares of the Company will be closed from Friday, June 24, 2022 to Thursday, June 30, 2022 (both days inclusive), during which period no transfer of H Shares will be registered. All transfer documents accompanied by the relevant share certificates shall be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, June 23, 2022. H Shareholders whose names appear on the register of members of H shares of the Company on Thursday, June 30, 2022 are entitled to attend and vote at the AGM.
  - (2) Further announcement will be made by the Company in the PRC regarding the record date and arrangements for holders of A Shares of the Company who are entitled to attend the AGM.
2. Proxy
  - (1) A Shareholder who is entitled to attend and vote at the AGM may appoint one or more proxy(ies) to attend and vote on his/her behalf. A proxy need not be a Shareholder of the Company. A proxy of a Shareholder who has appointed more than one proxy may only vote by poll.
  - (2) If a Shareholder wishes to appoint his/her proxy(ies) to attend the AGM, the instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or duly authorized attorney. If the instrument is signed by an attorney of the appointor, the power of attorney authorizing the attorney to sign or other document of authorization shall be notarized.
  - (3) In order to be valid, the notarized power of attorney or other document of authorization and the form of proxy shall be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the AGM.

## NOTICE OF 2021 ANNUAL GENERAL MEETING

### 3. Registration procedures for attending the AGM

- (1) A Shareholder attending in person should present valid proof of identity or stock account card when attending the AGM. In the case of attendance by proxy, the proxy should present valid proof of identity and the proxy form(s) of the Shareholder.
- (2) If a Shareholder is a legal person, its legal representative should present his/her proof of identity and valid proof of its capacity as a legal representative. In the case of attendance by proxy of the legal representative, the proxy should present his/her proof of identity and a written letter of authorization duly issued by such legal representative when attending the AGM.

### 4. Voting by poll

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of Shareholders at a Shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM in accordance with Article 128 of the Articles of Association of the Company.

Pursuant to Rule 2.15 of the Listing Rules, where shareholders' approval is required with regard to a transaction, any shareholder that has a material interest in such transaction shall abstain from voting on the resolution(s) approving such transaction at the shareholders' general meeting. As such, the abovementioned ordinary resolution No. 9 will be taken by poll by Shareholders who do not hold any interest in relation to such resolution. Shareholders controlled by China Merchants Group Limited are required to abstain from voting on the abovementioned ordinary resolution No. 9.01 and 9.02. Shareholders controlled by China COSCO Shipping Corporation Limited are required to abstain from voting on the abovementioned ordinary resolution No. 9.03. PICC Life Insurance Company Limited is required to abstain from voting on the abovementioned ordinary resolution No. 9.04. Shareholders who have a controlling relationship with or are controlled by the same entity that controls any of such other related parties mentioned in ordinary resolution No. 9.06 set out in the notice of the AGM are required to abstain from voting on ordinary resolution No. 9.06.

## NOTICE OF 2021 ANNUAL GENERAL MEETING

### 5. Miscellaneous

- (1) Shareholders who attend the AGM in person or by proxy shall bear their own travelling and accommodation expenses.

- (2) The contact details of the AGM are as follows:

Computershare Hong Kong Investor Services Limited

Address: Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for lodging transfer documents)

17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for deposit of proxy form)

Telephone: (852) 2862 8555

Fax: (852) 2865 0990

The Company

Contact address: No. 111, Fuhua Yi Road, Futian Street, Futian District, Shenzhen, Guangdong Province, the PRC  
General office of China Merchants Securities Co., Ltd.

Contact person: SHANG Zhe and SUN Ya

Contact number: (86) 755-8308 1596 and (86) 755-8308 1580

Fax: (86) 755-8294 4669

- (3) For details of the resolutions to be submitted for consideration and approval at the AGM, please refer to the circular of the Company dated May 30, 2022.

*As at the date of this notice, the executive directors of the Company are Mr. HUO Da and Mr. WU Zongmin; the non-executive directors of the Company are Mr. LIU Weiwu, Mr. DENG Weidong, Ms. SU Min, Ms. PENG Lei, Mr. GAO Hong, Mr. HUANG Jian and Mr. WANG Wen; and the independent non-executive directors of the Company are Mr. XIANG Hua, Mr. XIAO Houfa, Mr. XIONG Wei, Mr. HU Honggao and Mr. WONG Ti.*