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中信建投証券股份有限公司 CSC FINANCIAL CO., LTD.

*(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6066)*

2024 FIRST QUARTERLY RESULTS

This announcement is made pursuant to the disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Summary of the unaudited results of the Group for the first quarter ended March 31, 2024:

- In the first quarter of 2024, the Group recorded an operating revenue of RMB4,294,338,313.98. The net profit attributable to the equity holders of the Company amounted to RMB1,227,846,471.91.
- This results report was prepared in accordance with the relevant disclosure requirements applicable to quarterly reports of listed companies issued by the China Securities Regulatory Commission.
- The financial information contained in this results report was prepared in accordance with the PRC GAAP.
- Unless otherwise indicated, Renminbi is the recording currency in this report.

The contents of the results report are consistent with the main contents of the relevant announcement published by CSC Financial Co., Ltd. (the “**Company**”) on the Shanghai Stock Exchange. This announcement is published simultaneously in Hong Kong and Mainland China.

IMPORTANT NOTICE

- (I) The board of directors and the supervisory committee, together with the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of this quarterly report and that there is no false representation, misleading statement contained herein or material omission from this quarterly report, and for which they will assume joint and several legal liabilities.
- (II) WANG Changqing, chairman of the Company and chief financial officer of the Company (acting), and ZHAO Ming, head of the Company's accounting department (accounting officer), warrant that the financial information set out in the quarterly report is true, accurate and complete.
- (III) Whether the first quarterly financial statements are audited
- Yes No

1. KEY FINANCIAL DATA

(I) Principal accounting data and financial indicators

Items			<i>In RMB Yuan</i>
	The Reporting Period		Change as compared to the same period of last year (%)
Operating revenue	4,294,338,313.98		-35.91
Net profit attributable to equity holders of the Company	1,227,846,471.91		-49.39
Net profit attributable to equity holders of the Company excluding extraordinary gains and losses	1,228,081,788.53		-50.23
Net cash flows from operating activities	577,626,820.47		N/A
Basic earnings per share (RMB/share)	0.12		-57.14
Diluted earnings per share (RMB/share)	0.12		-57.14
Return on weighted average equity (%)	1.31		Decreased by 1.83 percentage points
	As at the end of the Reporting Period	As at the end of last year	Change as at the end of the Reporting Period as compared to the end of last year (%)
Total assets	532,225,762,938.30	522,752,188,399.00	1.81
Equity attributable to equity holders of the Company	103,077,351,461.70	97,478,047,065.38	5.74

Note: For the purpose of this announcement, the “Reporting Period” refers to the first quarter of 2024, the period from January to March 2024, the “end of the Reporting Period” refers to March 31, 2024.

(II) Items and amounts of extraordinary gains and losses

In RMB Yuan

Items	Amount for the period
Profits and losses from disposal of non-current assets (including the write-off of the asset impairment provision)	-153,854.95
Government subsidies through profit or loss except for government subsidies closely related to the Company's ordinary business, which are in line with national policies, calculated according to determined standards, and have a lasting impact on the Company's profit or loss	1,256,998.01
Non-operating income/expenses other than the above items	-1,217,593.51
Less: effect on income tax	120,866.17
Effect on non-controlling interests, after tax	—
Total	<u><u>-235,316.62</u></u>

(III) Changes in Major Accounting Data and Financial Indicators and Reasons Thereof

(1) Changes in major accounting data and the reasons thereof

Item	Change in percentage (%)	Main reason
Operating revenue	-35.91	Mainly attributable to the decrease in investment income and net fee and commission income.
Net profit attributable to equity holders of the Company	-49.39	Mainly attributable to the decrease in investment income and net fee and commission income.
Net profit attributable to equity holders of the Company less extraordinary gains and losses	-50.23	Mainly attributable to the decrease in investment income and net fee and commission income.
Basic earnings per share (RMB/share)	-57.14	Mainly attributable to the decrease in net profit attributable to equity holders of the Company for the Reporting Period.
Diluted earnings per share (RMB/share)	-57.14	Mainly attributable to the decrease in net profit attributable to equity holders of the Company for the Reporting Period.
Return on weighted average equity (%)	Decreased by 1.83 percentage points	Mainly attributable to the decrease in net profit attributable to equity holders of the Company for the Reporting Period.

(2) Changes in primary statements of the Company and the reasons

In RMB Yuan

Item	Amount at the end of the Reporting Period (March 31, 2024)	Amount at the end of last year (December 31, 2023)	Change in percentage (%)	Main reason
Settlement deposits	23,932,977,255.65	13,511,933,005.47	77.12	Mainly due to increase in settlement deposits of customers.
Derivative financial assets	5,516,121,574.66	4,185,151,333.75	31.80	Mainly due to the increase in derivative financial assets formed from equity-type derivatives.
Other investments in equity instruments	230,829,321.70	66,988,197.75	244.58	Mainly due to the increase in other investments in equity instruments.
Deferred tax assets	95,648,134.42	428,315,930.97	-77.67	Mainly due to the decrease in deductible temporary differences.
Other assets	2,867,832,235.86	1,557,587,203.74	84.12	Mainly due to the increase in prepaid income tax and inventory commodities.
Short-term financing instruments payable	24,925,352,890.27	37,701,658,572.82	-33.89	Mainly due to the decrease in short-term commercial papers payable.
Placements from banks and other financial institutions	3,866,841,289.98	1,904,047,777.50	103.09	Mainly due to the increase in placements from China Securities Finance Corporation Limited.
Taxes payable	236,840,079.00	363,965,275.41	-34.93	Mainly due to the decrease in individual income tax payable.
Deferred tax liabilities	566,573,744.72	166,831,928.24	239.61	Mainly due to the increase in taxable temporary differences.

Item	From the beginning of the year to the end of the Reporting Period (January to March 2024)	From the beginning of last year to the end of the Reporting Period of last year (January to March 2023)	Change in percentage (%)	Main reason
Net interest income	161,704,831.94	456,998,954.29	-64.62	Mainly due to the decrease in interest income from margin financing and securities lending businesses.
Investment income	-943,034,972.31	1,537,931,128.00	-161.32	Mainly due to the decrease in investment income from financial instruments.
Gain or loss arising from changes in the fair value	2,449,222,062.98	972,926,778.50	151.74	Mainly due to the increase in the gains arising from changes in the fair value of financial instruments.
Gain or loss arising from foreign exchange	48,758,105.15	-3,917,480.09	N/A	Mainly due to the exchange rate changes.
Other operating income	431,052,355.81	821,229,450.18	-47.51	Mainly due to the decrease in sales income of bulk commodity.
Gain or loss from disposal of assets	-153,854.95	94,840.50	-262.22	Mainly due to the increase in losses from disposal of non-current assets.
Other income	37,665,816.81	64,975,854.11	-42.03	Mainly due to the decrease in refund of individual income tax withholding fees.
Tax and surcharges	19,995,909.43	34,564,010.54	-42.15	Mainly due to the decrease in value-added tax payment.
Credit impairment losses	-39,561,101.05	34,418,638.99	-214.94	Mainly due to the reversion of the impairment losses on other debt investments.

Item	From the beginning of the year to the end of the Reporting Period (January to March 2024)	From the beginning of last year to the end of the Reporting Period of last year (January to March 2023)	Change in percentage (%)	Main reason
Impairment losses on other assets	2,556,487.29	1,730,159.91	47.76	Mainly due to the increase in impairment losses on inventories.
Other operating costs	419,733,295.30	801,863,570.74	-47.66	Mainly due to the decrease in sales costs of bulk commodity.
Non-operating income	239,600.45	955,141.38	-74.91	Mainly due to the decrease in other non-operating income.
Non-operating expenses	1,457,193.96	66,260,884.16	-97.80	Mainly due to the decrease in provision for the period.
Income tax expense	91,329,009.18	527,145,858.66	-82.67	Mainly due to the decrease in profit before income tax.
Other comprehensive income, net of tax	142,631,134.54	327,359,722.65	-56.43	Mainly due to the decrease in floating surplus of other debt investments for the period.
Net cash flows from operating activities	577,626,820.47	-9,412,318,174.11	N/A	Mainly due to the increase in cash inflows received from agency trading securities business, repurchase business and margin accounts.
Net cash flows from investing activities	4,318,477,543.54	-1,774,579,915.39	N/A	Mainly due to the increase in cash received from investments.
Net cash flows from financing activities	-2,246,472,058.36	5,941,515,026.48	-137.81	Mainly due to the decrease in cash received from issuing bonds and short-term financing instruments.

2. INFORMATION OF SHAREHOLDERS

Total number of shareholders of ordinary shares and preferred shares with voting rights resumed and information on shareholdings of the top 10 shareholders

Unit: shares

Total number of holders of ordinary shares as at the end of the Reporting Period	138,906	Total number of holders of preferred shares with voting rights resumed as at the end of the Reporting Period (if any)	–
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Shareholdings of Top 10 Shareholders (excluding shares loaned through China Securities Finance Corporation Limited)

Name of shareholder	Nature of shareholder	Number of shares	Percentage of shares held (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status	Number
Beijing Financial Holdings Group Limited (北京金融控股集團有限公司) (Note 1)	State-owned legal person	2,777,389,017	35.81	2,684,309,017	Nil	–
Central Huijin Investment Limited (中央匯金投資有限責任公司)	State	2,386,052,459	30.76	–	Nil	–
Other holding shares of HKSCC Nominees Limited (香港中央結算(代理人)有限公司其他代持股份) (Note 2)	Foreign legal person	816,029,928	10.52	–	Unknown	–
CITIC Securities Co., Ltd. (中信証券股份有限公司)	State-owned legal person	382,849,268	4.94	–	Nil	–
Glasslake Holdings Limited (鏡湖控股有限公司)	Foreign legal person	351,647,000	4.53	–	Nil	–
Xizang Tengyun Investment Management Limited (西藏騰雲投資管理有限公司)	Domestic non-state owned legal person	109,556,553	1.41	–	Pledged	97,000,000
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司) (Note 3)	Foreign legal person	81,489,467	1.05	–	Nil	–
Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. (福建貴安新天地旅遊文化投資有限公司)	Domestic non-state owned legal person	38,861,100	0.50	–	Pledged	24,600,000

Name of shareholder	Nature of shareholder	Number of shares	Percentage of shares held (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status	Number
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－國泰中證全指證券公司交易型開放式指數證券投資基金)	Others	26,954,873	0.35	–	Nil	–
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－華寶中證全指證券公司交易型開放式指數證券投資基金)	Others	18,401,565	0.24		Nil	–

Shareholdings of the top 10 shareholders whose shares are not subject to trading moratorium

Name of shareholder	Number of tradable shares not subject to trading moratoriums	Class and number of shares	
		Class	Number
Central Huijin Investment Limited (中央匯金投資有限責任公司)	2,386,052,459	RMB denominated ordinary shares	2,386,052,459
Other holding shares of HKSCC Nominees Limited (香港中央結算(代理人)有限公司其他代持股份)	816,029,928	Overseas listed foreign shares	816,029,928
CITIC Securities Co., Ltd. (中信証券股份有限公司)	382,849,268	RMB denominated ordinary shares	382,849,268
Glasslake Holdings Limited (鏡湖控股有限公司)	351,647,000	Overseas listed foreign shares	351,647,000
Xizang Tengyun Investment Management Limited (西藏騰雲投資管理有限公司)	109,556,553	RMB denominated ordinary shares	109,556,553
Beijing Financial Holdings Group Limited (北京金融控股集團有限公司)	93,080,000	Overseas listed foreign shares	93,080,000
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	81,489,467	RMB denominated ordinary shares	81,489,467
Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. (福建貴安新天地旅遊文化投資有限公司)	38,861,100	RMB denominated ordinary shares	38,861,100

Name of shareholder	Number of tradable shares not subject to trading moratoriums	Class and number of shares	
		Class	Number
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司 – 國泰中證全指證券公司交易型開放式指數證券投資基金)	26,954,873	RMB denominated ordinary shares	26,954,873
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司 – 華寶中證全指證券公司交易型開放式指數證券投資基金)	18,401,565	RMB denominated ordinary shares	18,401,565

Explanation on related relationship or concerted action among the above shareholders

As of the end of the Reporting Period, the related relationship and/or acting-in-concert relationship among shareholders of the Company are as follows:

Xizang Tengyun Investment Management Limited and Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. are related parties. Saved as the above condition, the Company is not aware of the related relationship as stipulated in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (the “SSE Listing Rules”) among other shareholders or whether they are parties acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.

In addition, CITIC Securities Co., Ltd. and Glasslake Holdings Limited have a connected relationship as stipulated in the Hong Kong Listing Rules.

Note 1: The number of shares involved includes the 2,684,309,017 A Shares and 93,080,000 H Shares held by Beijing Financial Holdings Group Limited.

Note 2: HKSCC Nominees Limited is the nominee holder of the H Shares held by non-registered shareholders, and the shares indicated in the above table are other H Shares held by HKSCC Nominees Limited other than Beijing Financial Holdings Group Limited and Glasslake Holdings.

Note 3: The shares held by Hong Kong Securities Clearing Company Limited are A Shares held by non-registered shareholders of SSE.

Note 4: The identification of the nature of shareholders is mainly based on the types of holders registered in the China Securities Depository and Clearing Corporation Limited Shanghai Branch, with reference to other publicly disclosed information.

3. OTHER IMPORTANT INFORMATION ABOUT THE COMPANY'S OPERATING CONDITIONS DURING THE REPORTING PERIOD THAT INVESTORS NEED TO BE REMINDED OF AND PAY ATTENTION TO

(I) Material litigation and arbitration

In the first quarter of 2024, there were no material litigation and arbitration cases of the Company with an amount involving over RMB10 million and accounting for over 10% of the absolute value of the latest audited net assets of the Company, which were required to be disclosed in accordance with the requirements of the SSE Listing Rules.

(II) Suspected violations of laws and regulations of, sanctions and rectifications imposed on the listed company, and its directors, supervisors, senior management, controlling shareholders and de facto controllers

1. Self-regulatory Measure of Written Warning Imposed on CSC, WANG Haoji and FANG Yingjian by SZSE on January 3, 2024

On January 3, 2024, the Shenzhen Stock Exchange (the "SZSE") issued the Regulatory Letter on CSC Financial Co., Ltd., WANG Haoji and FANG Yingjian (Shen Zheng Han [2024] No. 11), pointing out that the Company (as the sponsor) and WANG Haoji and FANG Yingjian (as the sponsor representatives) had the following illegal behaviors in the process of sponsoring for the initial public offerings and listings of shares on the ChiNext Board of XTX Technology Inc.: failure to pay enough attention to the situation of the market where the issuer was in and the comparable companies in the same industry, failure to adequately verify the sales of the issuer to the end customers, failure to express prudent professional opinions on the expected performance of the issuer, and failure to urge the issuer to improve the quality of its information disclosure. The above behaviors violated the provisions of Article 30 and Article 42 of the Rules for Reviewing Stock Offering and Listing on the ChiNext Board of the Shenzhen Stock Exchange. The SZSE decided to impose the self-regulatory measure of written warning on the Company, WANG Haoji and FANG Yingjian.

In response to such penalty, the Company's rectification measures are as follows: the Company has actively implemented rectification measures, and enhanced the investment banking business practicing ability of its practitioners through issuing business reminders, continuously carrying out training, intensifying industrial knowledge learning and exchange and other methods, so as to further enhance their awareness of fulfilling their duties at the first line of defense, and enhance their risk control awareness at the second and third lines of defense, i.e. quality control and internal audit.

2. *Administrative Supervision Measures of Issuing Warning Letters to CSC Taken by Shandong CSRC on January 24, 2024*

On January 24, 2024, the Shandong Office of the China Securities Regulatory Commission (the "**Shandong CSRC**") issued the Decision on Taking Measures of Issuing Warning Letters to CSC Financial Co., Ltd. ([2024] No. 13), pointing out that the Company had the problem of continuous non-normative supervision: Yunding Technology Co., Ltd. raised funds of RMB868 million through non-public issuance of shares on September 8, 2022. On October 28, 2022, the funds raised which were withdrawn from the dedicated fund-raising account were used to replenish its working capital and repay debts. Shandong CSRC spotted the defects in and the irregular utilization of the relevant systems of the listed company. As a sponsor, the Company failed to perform its obligations of continuously supervising the listed companies in improving their systems and taking measures to regulate the process of using raising funds to replenish working capital and repay debts. The above situations violated the provisions of Article 14 of the Regulatory Guidelines on Listed Companies No. 2 – Regulatory Requirements for the Management and Utilization of Funds Raised by Listed Companies (CSRC Announcement [2022] No. 15), and Article 16 of the Measures for the Administration of the Sponsor Business of Securities Issuance and Listing (CSRC Order No. 170), as a result of which Shandong CSRC decided to take supervision measures of issuing warning letter to the Company and entered the relevant information into the database of integrity profiles in the securities and futures market.

In response to such penalty, the Company's rectification measures are as follows: the Company has actively implemented rectification measures, and enhanced the listed companies' awareness of using the raised funds in a lawful manner and the Company's own sense of responsibility in continuously supervising their behaviors by organizing their staff to deeply study the relevant regulations, intensifying the continuous supervision on and training of relevant personnel of listed companies, further strengthening on-site inspections of the utilization of funds raised by listed companies and other methods.

(III) Issuance of bonds

In the first quarter of 2024, the Company has completed the issuance of one tranche of short-term corporate bonds, one tranche of perpetual subordinated bonds, two tranches of public placement corporate bonds and two tranches of private placement corporate bonds with a total size of RMB16.7 billion. The issuance is as follows:

1. In January 2024, the Company issued a public short-term corporate bond with a face value of RMB1.5 billion to professional investors, “24 Xintou S1”, with a term of 1 year at coupon rate of 2.52%. The bond applies the fixed interest rate and bullet repayment of the principal and interest, and it is not guaranteed.
2. In January 2024, the Company publicly issued “24 Xintou Y1” perpetual subordinated bond to professional investors, with a par value of RMB4.5 billion and every 5 interest-accruing years being a repricing cycle. At the end of each repricing cycle, the Company has the option to extend the term of the bond by a repricing cycle (or five years) or redeem the bond in full. The bond accrues interest at floating rate with an initial fixed annual interest rate of 3.15% in the first 5 interest-accruing years and will be repriced every 5 years from the sixth year. Its simple interest is calculated on an annual basis with interest repayment per annum in case of the Company not exercising the option to defer the interest payment and the perpetual subordinated bond is not guaranteed.
3. In January 2024, the Company issued a public corporate bond with a face value of RMB2.7 billion to professional investors. In particular, “24 Xintou G1” has a face value of RMB0.7 billion, with a term of 3 years at coupon rate of 2.72%; “24 Xintou G2” has a face value of RMB2.0 billion, with a term of 10 years at coupon rate of 2.99%. The bond applies the fixed interest rate and its simple interest is calculated on an annual basis with interest repayment per annum and it is not guaranteed.
4. In February 2024, the Company issued a non-public corporate bond with a face value of RMB4.0 billion to professional investors, “24 Xintou F1”, with a term of 3 years at coupon rate of 2.80%. The bond applies the fixed interest rate and its simple interest is calculated on an annual basis with interest repayment per annum and it is not guaranteed.

5. In March 2024, the Company issued a non-public corporate bond with a face value of RMB3.0 billion to professional investors, “24 Xintou F2”, with a term of 30 months (914 days) at coupon rate of 2.58%. The bond applies the fixed interest rate and its simple interest is calculated on an annual basis with interest repayment per annum and it is not guaranteed.
6. In March 2024, the Company issued a public corporate bond with a face value of RMB1.0 billion to professional investors, “24 Xintou G4”, with a term of 10 years at coupon rate of 2.78%. The bond applies the fixed interest rate and its simple interest is calculated on an annual basis with interest repayment per annum and it is not guaranteed.

4. QUARTERLY FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

March 31, 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	March 31, 2024	December 31, 2023
ASSETS:		
Cash and bank balances	109,483,965,652.17	117,053,699,971.99
Including: cash held on behalf of customers	81,538,273,189.50	88,067,339,615.63
Settlement deposits	23,932,977,255.65	13,511,933,005.47
Including: deposits held on behalf of customers	14,974,360,117.93	5,877,568,286.16
Margin accounts	53,955,055,891.59	56,392,572,412.08
Derivative financial assets	5,516,121,574.66	4,185,151,333.75
Financial assets held under resale agreements	11,046,956,079.66	13,942,296,369.61
Accounts receivable	12,197,714,802.15	9,680,222,469.51
Refundable deposits	11,983,914,569.77	12,741,491,397.91
FINANCIAL INVESTMENT:		
Financial assets held for trading	225,628,948,763.23	214,192,419,130.69
Other debt investments	72,163,226,817.26	75,736,268,049.99
Other investments in equity instruments	230,829,321.70	66,988,197.75
Long-term equity investment	114,255,270.19	114,655,525.23
Investment properties	43,293,488.13	43,823,398.63
Property, plant and equipment	761,966,238.87	799,929,433.89
Intangible assets	774,735,163.41	827,251,468.05
Deferred tax assets	95,648,134.42	428,315,930.97
Right-of-use assets	1,428,321,679.58	1,477,583,099.74
Other assets	2,867,832,235.86	1,557,587,203.74
Total assets	532,225,762,938.30	522,752,188,399.00
LIABILITIES:		
Short-term borrowings	457,556,229.95	473,460,443.11
Short-term financing instruments payable	24,925,352,890.27	37,701,658,572.82
Placements from banks and other financial institutions	3,866,841,289.98	1,904,047,777.50
Financial liabilities held for trading	9,572,776,953.75	10,144,310,074.58
Derivative financial liabilities	4,284,446,869.56	4,360,558,290.89
Financial assets sold under repurchase agreements	131,422,197,883.28	129,461,727,776.99
Accounts payable to brokerage clients	103,765,310,961.72	100,923,674,648.85
Accounts payable to underwriting clients	1,640,504,918.97	1,262,678,616.41

Items	March 31, 2024	December 31, 2023
Salaries, bonuses and allowances payable	4,811,458,786.96	4,505,828,960.92
Taxes payable	236,840,079.00	363,965,275.41
Accounts payable	25,430,050,098.52	23,570,494,300.74
Provision	126,281,379.00	127,423,979.00
Bonds payable	110,789,888,387.57	102,794,444,393.20
Deferred tax liabilities	566,573,744.72	166,831,928.24
Lease liabilities	1,504,356,275.82	1,546,084,226.11
Other liabilities	5,696,637,743.83	5,918,592,552.99
Total liabilities	<u>429,097,074,492.90</u>	<u>425,225,781,817.76</u>
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	7,756,694,797.00	7,756,694,797.00
Other equity instruments	29,406,528,301.90	24,906,528,301.90
Including: perpetual bonds	29,406,528,301.90	24,906,528,301.90
Capital reserve	12,416,744,815.69	12,416,999,532.67
Other comprehensive income	1,054,099,142.86	911,468,008.32
Surplus reserves	7,063,890,965.41	7,063,890,965.41
General risk reserve	15,289,825,598.63	15,273,439,818.76
Retained earnings	30,089,567,840.21	29,149,025,641.32
Equity attributable to the owners (or shareholders) of the Company	<u>103,077,351,461.70</u>	<u>97,478,047,065.38</u>
Non-controlling interests	<u>51,336,983.70</u>	<u>48,359,515.86</u>
Total equity of the owners (or shareholders)	<u>103,128,688,445.40</u>	<u>97,526,406,581.24</u>
Liabilities and total equity of the owners (or shareholders)	<u>532,225,762,938.30</u>	<u>522,752,188,399.00</u>

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:

**WANG Changqing
(acting)**

*Person-in-charge of
accounting department:*

ZHAO Ming

Consolidated Income Statement

From January to March 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2024	First quarter of 2023
I. Total operating revenue	4,294,338,313.98	6,700,378,176.07
Net fee and commission income	2,109,123,968.55	2,850,138,650.58
Including: Net fee income from brokerage business	1,254,126,168.40	1,354,059,737.86
Net fee income from investment banking business	447,999,585.93	1,099,301,147.19
Net fee income from asset management and fund management businesses	278,264,624.70	281,212,364.79
Net interest income	161,704,831.94	456,998,954.29
Including: Interest income	2,208,662,622.84	2,532,703,085.72
Interest expenses	2,046,957,790.90	2,075,704,131.43
Investment income (loss denoted by “-”)	-943,034,972.31	1,537,931,128.00
Including: Investment income from associates and joint ventures	-400,255.04	-411,313.63
Gains arising from changes in the fair value (loss denoted by “-”)	2,449,222,062.98	972,926,778.50
Foreign exchange gains (loss denoted by “-”)	48,758,105.15	-3,917,480.09
Other operating income	431,052,355.81	821,229,450.18
Gains from disposal of assets (loss denoted by “-”)	-153,854.95	94,840.50
Other income	37,665,816.81	64,975,854.11
II. Total operating expenses	2,970,967,771.54	3,678,839,738.23
Tax and surcharges	19,995,909.43	34,564,010.54
Operating and administrative expenses	2,568,243,180.57	2,806,263,358.05
Credit impairment losses	-39,561,101.05	34,418,638.99
Impairment losses on other assets	2,556,487.29	1,730,159.91
Other operating costs	419,733,295.30	801,863,570.74
III. Operating profit (loss denoted by “-”)	1,323,370,542.44	3,021,538,437.84
Add: Non-operating income	239,600.45	955,141.38
Less: Non-operating expenses	1,457,193.96	66,260,884.16
IV. Profit before income tax (gross loss denoted by “-”)	1,322,152,948.93	2,956,232,695.06
Less: Income tax expenses	91,329,009.18	527,145,858.66

Items	First quarter of 2024	First quarter of 2023
V. Net profit (net loss denoted by “-”)	1,230,823,939.75	2,429,086,836.40
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss denoted by “-”)	1,230,823,939.75	2,429,086,836.40
2. Net profit from discontinued operations (net loss denoted by “-”)	-	-
(2) Classified by ownership		
1. Net profit attributable to equity holders of the Company (net loss denoted by “-”)	1,227,846,471.91	2,426,090,625.17
2. Non-controlling interests (net loss denoted by “-”)	2,977,467.84	2,996,211.23
VI. Other comprehensive income, net of tax	142,631,134.54	327,359,722.65
Other comprehensive income attributable to owners of the parent, net of tax	142,631,134.54	327,359,722.65
(1) Other comprehensive income not to be reclassified to profit or loss	3,599,822.10	-13,303,877.65
1. Changes in fair value of other investments in equity instruments	3,599,822.10	-13,303,877.65
(2) Other comprehensive income to be reclassified to profit or loss	139,031,312.44	340,663,600.30
1. Changes in fair value of other debt investments	146,386,073.73	311,671,534.47
2. Credit impairment provisions for other debt investments	-8,693,214.25	94,653,735.49
3. Foreign currency translation differences	1,338,452.96	-65,661,669.66
Other comprehensive income attributable to non-controlling interests, net of tax	-	-
VII. Total comprehensive income	1,373,455,074.29	2,756,446,559.05
Comprehensive income attributable to the owners of the Company	1,370,477,606.45	2,753,450,347.82
Comprehensive income attributable to non-controlling interests	2,977,467.84	2,996,211.23
VIII. Earnings per share		
(1) Basic earnings per share (RMB/share)	0.12	0.28
(2) Diluted earnings per share (RMB/share)	0.12	0.28

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:

**WANG Changqing
(acting)**

*Person-in-charge of
accounting department:*

ZHAO Ming

Consolidated Cash Flow Statement
From January to March 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2024	First quarter of 2023
I. Cash flows from operating activities:		
Cash received from interests, fees and commissions	5,663,282,378.58	6,153,628,541.52
Net increase in placements from banks and other financial institutions	1,950,000,000.00	–
Net increase in funds from repurchase business	4,948,155,091.77	–
Net decrease in margin accounts	2,387,150,026.12	–
Net cash received from accounts payable to brokerage clients	2,807,857,243.09	–
Cash received from other operating activities	7,014,417,512.02	6,346,296,244.17
Sub-total of cash inflows from operating activities	<u>24,770,862,251.58</u>	<u>12,499,924,785.69</u>
Net increase in financial assets held for trading	12,848,728,808.62	810,297,281.50
Net increase in margin accounts	–	3,560,399,984.80
Net decrease in placements from banks and other financial institutions	–	1,090,000,000.00
Net decrease in funds from repurchase business	–	2,562,139,988.76
Cash payment of interests, fees and commissions	1,629,821,849.24	1,423,301,469.58
Cash paid to and on behalf of employees	1,520,127,918.88	1,540,549,654.88
Cash payments of taxes and rates	1,148,971,018.80	1,065,011,607.43
Net cash payable from accounts payable to brokerage clients	–	4,849,231,829.16
Cash paid for other operating activities	7,045,585,835.57	5,011,311,143.69
Sub-total of cash outflows from operating activities	<u>24,193,235,431.11</u>	<u>21,912,242,959.80</u>
Net cash flows from operating activities	<u><u>577,626,820.47</u></u>	<u><u>-9,412,318,174.11</u></u>
II. Cash flows from investing activities:		
Cash received from investments	4,370,466,544.84	–
Cash received from other investing activities	174,932.23	148,170.33
Sub-total of cash inflows from investing activities	<u>4,370,641,477.07</u>	<u>148,170.33</u>
Cash paid for investments	–	1,709,640,177.14
Cash paid for purchase of property, plant and equipment, intangible assets and other long-term assets	52,163,933.53	65,087,908.58
Sub-total of cash outflows from investing activities	<u>52,163,933.53</u>	<u>1,774,728,085.72</u>
Net cash flows from investing activities	<u><u>4,318,477,543.54</u></u>	<u><u>-1,774,579,915.39</u></u>

Items	First quarter of 2024	First quarter of 2023
III. Cash flows from financing activities:		
Cash received from capital injection	4,500,000,000.00	–
Including: Cash received from issuing perpetual bonds	4,500,000,000.00	–
Cash received from borrowing activities	2,668,579,780.77	3,817,119,452.08
Cash received from issuing bonds and short-term financing instruments	16,410,213,126.65	27,016,177,000.00
Sub-total of cash inflows from financing activities	<u>23,578,792,907.42</u>	<u>30,833,296,452.08</u>
Payments of debts	24,382,571,558.75	23,059,831,845.29
Cash outflows due to payment of dividends, profit or interests	1,281,599,997.81	1,637,166,971.03
Including: Distribution to other equity instrument holders	363,750,000.00	363,750,000.00
Cash paid for other financing activities	161,093,409.22	194,782,609.28
Sub-total of cash outflows from financing activities	<u>25,825,264,965.78</u>	<u>24,891,781,425.60</u>
Net cash flows from financing activities	<u><u>-2,246,472,058.36</u></u>	<u><u>5,941,515,026.48</u></u>
IV. Effect of exchange rate changes on cash and cash equivalents	258,945,661.63	-411,215,256.29
V. Net increase in cash and cash equivalents	2,908,577,967.28	-5,656,598,319.31
Add: cash and cash equivalent balance at the beginning of the period	129,857,464,824.77	142,280,480,630.13
VI. Cash and cash equivalents at the end of the period	<u><u>132,766,042,792.05</u></u>	<u><u>136,623,882,310.82</u></u>

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:
WANG Changqing
(acting)

*Person-in-charge of
accounting department:*

ZHAO Ming

Statement of Financial Position of the Parent Company

March 31, 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	March 31, 2024	December 31, 2023
ASSETS:		
Cash and bank balances	91,460,253,148.26	95,489,994,445.40
Including: cash held on behalf of customers	66,953,671,605.21	70,269,280,108.99
Settlement deposits	22,117,487,615.79	12,266,039,032.69
Including: deposits held on behalf of customers	13,638,274,191.52	5,300,683,768.76
Margin accounts	53,698,040,118.58	56,247,084,408.90
Derivative financial assets	5,467,333,729.22	4,153,051,256.09
Financial assets held under resale agreements	10,911,171,709.86	13,838,164,509.18
Accounts receivable	9,339,184,895.42	8,593,279,867.62
Refundable deposits	5,241,409,001.83	6,358,475,342.37
FINANCIAL INVESTMENT:		
Financial assets held for trading	200,877,472,174.16	190,276,501,051.83
Other debt investments	61,988,996,460.10	66,345,111,126.50
Other investments in equity instruments	161,788,000.00	–
Long-term equity investment	11,755,979,350.45	11,756,379,605.49
Investment properties	43,293,488.13	43,823,398.63
Property, plant and equipment	731,210,080.17	767,277,717.17
Intangible assets	734,002,149.89	784,182,514.95
Right-of-use assets	1,349,636,107.28	1,389,326,759.37
Deferred tax assets	–	312,368,396.56
Other assets	2,216,068,860.24	1,316,400,402.21
Total assets	478,093,326,889.38	469,937,459,834.96

Items	March 31, 2024	December 31, 2023
LIABILITIES:		
Short-term financing instruments payable	23,506,163,719.47	36,908,069,350.07
Placements from banks and other financial institutions	3,866,841,289.98	1,904,047,777.50
Financial liabilities held for trading	9,393,423,671.62	9,948,730,695.16
Derivative financial liabilities	4,548,998,305.70	4,687,139,752.01
Financial assets sold under repurchase agreements	124,213,849,933.86	123,565,652,783.96
Accounts payable to brokerage clients	80,788,947,473.64	75,772,066,011.19
Accounts payable to underwriting clients	147,749,670.43	1,257,881,749.14
Salaries, bonuses and allowances payable	4,234,383,486.64	3,989,266,117.00
Taxes payable	74,811,448.17	184,679,742.26
Accounts payable	25,224,938,771.13	23,254,619,684.35
Provision	126,281,379.00	127,423,979.00
Bonds payable	98,624,522,029.78	90,680,975,435.19
Deferred tax liabilities	518,391,205.78	–
Lease liabilities	1,425,735,352.07	1,454,401,256.12
Other liabilities	3,965,020,723.47	4,346,605,604.42
Total liabilities	<u>380,660,058,460.74</u>	<u>378,081,559,937.37</u>
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	7,756,694,797.00	7,756,694,797.00
Other equity instruments	29,406,528,301.90	24,906,528,301.90
Including: perpetual bonds	29,406,528,301.90	24,906,528,301.90
Capital reserve	12,428,159,898.66	12,428,414,615.64
Other comprehensive income	692,802,248.86	575,181,500.45
Surplus reserves	6,461,216,917.51	6,461,216,917.51
General risk reserve	14,737,693,373.89	14,733,505,080.83
Retained earnings	25,950,172,890.82	24,994,358,684.26
Total equity of the owners (or shareholders)	<u>97,433,268,428.64</u>	<u>91,855,899,897.59</u>
Liabilities and total equity of the owners (or shareholders)	<u>478,093,326,889.38</u>	<u>469,937,459,834.96</u>

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:
WANG Changqing
(acting)

*Person-in-charge of
accounting department:*

ZHAO Ming

Income Statement of the Parent Company

From January to March 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2024	First quarter of 2023
I. Total operating revenue	3,594,617,318.96	4,858,122,865.79
Net fee and commission income	1,727,614,838.71	2,517,138,795.32
Including: Net fee income from brokerage business	1,037,446,694.58	1,167,657,049.45
Net fee income from investment banking business	418,919,977.09	1,074,323,944.28
Net fee income from asset management and fund management businesses	138,539,978.28	152,692,717.46
Net interest income	153,747,629.03	412,985,510.15
Including: Interest income	1,958,227,981.53	2,272,307,562.36
Interest expenses	1,804,480,352.50	1,859,322,052.21
Investment income (loss denoted by “-”)	-1,731,723,704.04	1,001,285,363.23
Including: Investment income from associates and joint ventures	-400,255.04	-411,313.63
Gains arising from changes in the fair value (loss denoted by “-”)	3,370,161,079.96	853,733,341.43
Foreign exchange gains (loss denoted by “-”)	30,884,345.89	4,350,435.03
Other operating income	7,256,459.30	13,600,916.30
Gains from disposal of assets (loss denoted by “-”)	-221,448.52	89,796.25
Other income	36,898,118.63	54,938,708.08
II. Total operating expenses	2,239,037,396.42	2,586,223,228.39
Tax and surcharges	16,163,102.64	28,178,780.93
Operating and administrative expenses	2,266,814,120.84	2,525,514,260.79
Credit impairment losses	-44,469,737.56	32,097,992.54
Other operating costs	529,910.50	432,194.13
III. Operating profit (loss denoted by “-”)	1,355,579,922.54	2,271,899,637.40
Add: Non-operating income	218,989.00	953,318.99
Less: Non-operating expenses	-174,065.39	65,668,494.94

Items	First quarter of 2024	First quarter of 2023
IV. Profit before income tax (gross loss denoted by “-”)	1,355,972,976.93	2,207,184,461.45
Less: Income tax expenses	125,051,984.16	404,447,508.38
V. Net profit (net loss denoted by “-”)	1,230,920,992.77	1,802,736,953.07
(1) Net profit from continuing operations (net loss denoted by “-”)	1,230,920,992.77	1,802,736,953.07
(2) Net profit from discontinued operations (net loss denoted by “-”)	–	–
VI. Other comprehensive income, net of tax	117,620,748.41	346,950,715.70
(1) Other comprehensive income not to be reclassified to profit or loss	1,569,220.38	–
1. Changes in fair value of other investments in equity instruments	1,569,220.38	–
(2) Other comprehensive income to be reclassified to profit or loss	116,051,528.03	346,950,715.70
1. Changes in fair value of other debt investments	126,021,396.98	250,520,885.93
2. Credit impairment provisions for other debt investments	-9,969,868.95	96,429,829.77
VII. Total comprehensive income	1,348,541,741.18	2,149,687,668.77

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:

**WANG Changqing
(acting)**

*Person-in-charge of
accounting department:*

ZHAO Ming

Statement of Cash Flows of the Parent Company

From January to March 2024

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2024	First quarter of 2023
I. Cash flows from operating activities:		
Cash received from interests, fees and commissions	4,703,364,096.90	5,581,814,263.92
Net increase in placements from banks and other financial institutions	1,950,000,000.00	–
Net increase in funds from repurchase business	3,649,123,202.44	–
Net decrease in margin accounts	2,502,531,132.23	–
Net cash received from accounts payable to brokerage clients	5,016,881,462.45	–
Cash received from other operating activities	3,849,550,981.06	5,039,068,942.61
Sub-total of cash inflows from operating activities	21,671,450,875.08	10,620,883,206.53
Net increase in financial assets held for trading	11,825,968,597.23	1,611,700,888.10
Net decrease in placements from banks and other financial institutions	–	1,090,000,000.00
Net increase in margin accounts	–	3,525,299,993.50
Net decrease in funds from repurchase business	–	1,910,828,900.00
Net cash payable from accounts payable to brokerage clients	–	10,461,617,234.57
Cash payment of interests, fees and commissions	1,193,447,299.09	1,303,760,717.15
Cash paid to and on behalf of employees	1,347,257,464.34	1,402,393,428.40
Cash payments of taxes and rates	1,068,220,844.80	908,180,052.64
Cash paid for other operating activities	2,874,237,986.29	1,840,976,067.65
Sub-total of cash outflows from operating activities	18,309,132,191.75	24,054,757,282.01
Net cash flows from operating activities	3,362,318,683.33	-13,433,874,075.48

Items	First quarter of 2024	First quarter of 2023
II. Cash flows from investing activities:		
Cash received from investments	4,923,988,847.10	–
Cash received from other investing activities	53,171.17	143,126.08
	<u>4,924,042,018.27</u>	<u>143,126.08</u>
Sub-total of cash inflows from investing activities	4,924,042,018.27	143,126.08
Cash paid for investments	–	1,990,951,963.02
Cash paid for purchase of property, plant and equipment, intangible assets and other long-term assets	48,069,630.50	58,180,927.89
	<u>48,069,630.50</u>	<u>58,180,927.89</u>
Sub-total of cash outflows from investing activities	48,069,630.50	2,049,132,890.91
Net cash flows from investing activities	<u><u>4,875,972,387.77</u></u>	<u><u>-2,048,989,764.83</u></u>
III. Cash flows from financing activities:		
Cash received from capital injection	4,500,000,000.00	–
Including: Cash received from issuing perpetual bonds	4,500,000,000.00	–
Cash received from issuing bonds and short-term financing instruments	15,664,720,900.00	27,016,177,000.00
	<u>20,164,720,900.00</u>	<u>27,016,177,000.00</u>
Sub-total of cash inflows from financing activities	20,164,720,900.00	27,016,177,000.00
Payments of debts	21,185,475,000.00	20,180,353,000.00
Cash outflows due to payment of dividends, profit or interests	1,240,821,174.55	1,519,207,472.72
Including: Distribution to other equity instrument holders	363,750,000.00	363,750,000.00
Cash paid for other financing activities	146,153,490.59	173,991,316.25
	<u>22,572,449,665.14</u>	<u>21,873,551,788.97</u>
Sub-total of cash outflows from financing activities	22,572,449,665.14	21,873,551,788.97
Net cash flows from financing activities	<u><u>-2,407,728,765.14</u></u>	<u><u>5,142,625,211.03</u></u>

Items	First quarter of 2024	First quarter of 2023
IV. Effect of exchange rate changes on cash and cash equivalents	67,983.33	-1,380,738.24
V. Net increase in cash and cash equivalents	5,830,630,289.29	-10,341,619,367.52
Add: cash and cash equivalent balance at the beginning of the period	107,540,692,994.23	124,160,719,808.44
VI. Cash and cash equivalents at the end of the period	<u>113,371,323,283.52</u>	<u>113,819,100,440.92</u>

*Person-in-charge of
the Company:*

WANG Changqing

Chief Financial Officer:
WANG Changqing
(acting)

*Person-in-charge of
accounting department:*

ZHAO Ming

The announcement is hereby given.

By order of the Board
CSC Financial Co., Ltd.
Wang Changqing
Chairman

Beijing, the PRC
April 29, 2024

As at the date of this announcement, the executive directors of the Company are Mr. WANG Changqing and Mr. ZOU Yingguang; the non-executive directors of the Company are Mr. LI Min, Mr. WU Ruilin, Mr. YAN Xiaolei, Ms. ZHU Jia, Mr. YANG Dong and Ms. WANG Hua; and the independent non-executive directors of the Company are Mr. PO Wai Kwong, Mr. LAI Guanrong, Mr. ZHANG Zheng, Mr. WU Xi and Mr. ZHENG Wei.