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

(Stock Code: 6099)

2024 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Set out below is the 2024 first quarterly report of China Merchants Securities Co., Ltd. (the “**Company**” or “**China Merchants Securities**”) and its subsidiaries for the three months ended March 31, 2024 (the “**Reporting Period**”). The financial report contained herein is prepared in accordance with the China Accounting Standards for Business Enterprises and has not been audited.

This announcement is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

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

Shenzhen, the PRC, April 26, 2024

As at the date of this announcement, the executive directors of the Company are Mr. HUO Da and Mr. WU Zongmin; the non-executive directors of the Company are Mr. ZHANG Jian, Mr. DENG Weidong, Mr. LIU Weiwu, Mr. LI Xiaofei, Mr. MA Boyin, Mr. HUANG Jian, Mr. ZHANG Mingwen and Ms. DING Lusha; and the independent non-executive directors of the Company are Mr. XIANG Hua, Mr. YIP, Ying Chi Benjamin, Ms. ZHANG Ruijun, Mr. CAO Xiao and Mr. FENG Jinhua.

The board of directors and all directors of the Company undertake that the information in this announcement contains no false record, misleading statement or material omission, and assume liabilities to the authenticity, accuracy and completeness of the information in this announcement.

IMPORTANT NOTICE

- (I) The board of directors, the supervisory committee, directors, supervisors and senior management of the Company undertake that the information in this quarterly report is true, accurate and complete and contains no false record, misleading statement or material omission, and assume joint and several liabilities to the information in this report.**
- (II) HUO Da, the officer in charge of the Company, LIU Jie, the officer in charge of accounting matters of the Company, and WANG Jianping, the officer in charge of the accounting office of the Company (head of accounting department), hereby warrant that the financial information contained in this quarterly report is true, accurate and complete.**
- (III) The first quarterly financial statements have not been audited.**

I. KEY FINANCIAL DATA

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

| Items | The Reporting Period | | Increase/decrease for the Reporting Period over the corresponding period of last year (%) |
|---|---------------------------------------|----------------------------|---|
| | As at the end of the Reporting Period | As at the end of last year | Increase/decrease for the end of the Reporting Period over the end of last year (%) |
| Operating revenue | 4,298,673,959.40 | | -9.66 |
| Net profit attributable to the shareholders of the Company | 2,157,223,258.83 | | -4.54 |
| Net profit attributable to the shareholders of the Company after deducting non-recurring profit or loss | 2,158,840,563.34 | | -3.86 |
| Net cash flows from operating activities | 6,641,509,004.58 | | -73.14 |
| Basic earnings per share (<i>RMB per share</i>) | 0.23 | | -4.17 |
| Diluted earnings per share (<i>RMB per share</i>) | 0.23 | | -4.17 |
| Weighted average return on net assets (%) | 1.87 | | Decreased by 0.22 percentage point |
| Total assets | 642,582,607,133.21 | 695,852,990,280.62 | -7.66 |
| Owners' equity attributable to the shareholders of the Company | 124,302,836,800.07 | 121,961,426,964.03 | 1.92 |

(II) Non-recurring profit or loss items and amounts

Unit: Yuan Currency: RMB

| | Amount during the Reporting Period |
|---|---|
| Non-recurring profit or loss items | |
| Profit or loss from disposal of non-current assets, including the part offset with the provision for impairment of assets | 36,654.46 |
| Government grants recognized in profit or loss of the current period, excluding those closely related to the normal operation of the Company, granted at a fixed amount in accordance with government policies and regulations and have a continuous impact on the Company's profit or loss | 671,142.03 |
| Other non-operating income and expenses apart from the aforesaid items | -2,864,681.28 |
| Less: Effects of income tax | -539,580.28 |
| Total | -1,617,304.51 |

(III) Details and reasons for changes in key accounting data and financial indicators

Unit: Yuan Currency: RMB

| Items | As at the end of the Reporting Period | As at the end of last year | Increase/decrease (%) | Major reason for change |
|--|--|-----------------------------------|------------------------------|--|
| Debt investments | 1,158,631,699.10 | 691,492,935.76 | 67.56 | Increase in the scale of debt investments |
| Investments in other equity instruments | 26,479,942,952.48 | 17,697,436,595.25 | 49.63 | Increase in investments in equity instruments held for non-trading purpose |
| Deferred income tax assets | 732,976,767.95 | 1,583,773,041.88 | -53.72 | Decrease in deductible temporary differences |
| Placements from banks and other financial institutions | 8,042,370,099.66 | 27,061,392,192.56 | -70.28 | Decrease in placements from banks and other financial institutions |
| Held-for-trading financial liabilities | 61,684,191,128.39 | 44,535,515,916.61 | 38.51 | Increase in short selling of bonds |
| Other liabilities | 1,003,816,793.81 | 1,726,196,600.71 | -41.85 | Decrease in notes payable |
| Other comprehensive income | 739,363,051.75 | 504,617,049.67 | 46.52 | Change in fair value of other debt investments |

| Items | The Reporting Period | The corresponding period of last year | Increase/decrease (%) | Major reason for change |
|--|----------------------|---------------------------------------|-----------------------|---|
| Net interest income | 119,032,816.75 | 487,963,842.43 | -75.61 | Increase in interest expense on repurchase business |
| Investment gains | -242,494,161.71 | 1,680,666,535.68 | -114.43 | Decrease in gains from investments in financial instruments |
| Other gains | 29,954,574.35 | 57,556,421.05 | -47.96 | Decrease in government grants related to the ordinary activities of the Company |
| Gains from changes in fair value | 2,640,698,507.45 | 432,170,651.67 | 511.03 | Changes in fair value of financial instruments |
| Foreign exchange gains | 22,912,490.22 | -2,496,347.24 | – | Changes in foreign exchange rates |
| Other operating income | 22,933,918.93 | 157,880,549.88 | -85.47 | Decrease in income from commodities business |
| Other operating costs | – | 125,764,203.55 | -100.00 | Decrease in expenses of commodities business |
| Non-operating expense | 11,533,067.48 | 80,613.27 | 14,206.66 | Increase in non-operating expense |
| Income tax expenses | 113,224,618.03 | 289,648,958.86 | -60.91 | Decrease in taxable income |
| Other comprehensive income after tax, net | 184,186,577.21 | 30,765,692.77 | 498.68 | Increase in exchange difference arising from foreign currency translation |
| Net cash flows from operating activities | 6,641,509,004.58 | 24,723,495,747.33 | -73.14 | Decrease in net cash received from accounts payables to brokerage clients |
| Net cash flows from investing activities | -10,439,394,650.54 | 2,704,311,489.57 | -486.03 | Increase in investments in other equity instruments |
| Effect of foreign exchange rate changes on cash and cash equivalents | 5,334,496.83 | -259,540,418.05 | – | Changes in foreign exchange rates |

II. INFORMATION OF SHAREHOLDERS

(I) Total number of ordinary shareholders and shareholdings of the top ten shareholders

Unit: Share

| | | | |
|--|---------|---|---|
| Total number of ordinary shareholders as at the end of the Reporting Period | 146,634 | Total number of preferred shareholders with restored voting rights as at the end of the Reporting Period (if any) | - |
|--|---------|---|---|

Shareholdings of the top ten shareholders (Excluding shares lent to China Securities Finance Corporation Limited (“CSF”) (不含通過轉融通出借股份))

| Name of shareholder | Nature of shareholder | Number of shares held | Percentage of shares held (%) | Number of restricted shares held | Pledged, marked or locked-up Status | Number |
|---|--------------------------|-----------------------|-------------------------------|----------------------------------|-------------------------------------|--------|
| China Merchants Financial Holdings Co., Ltd. (招商局金融控股有限公司) | State-owned legal person | 2,047,900,517 | 23.55 | - | Nil | - |
| Shenzhen Jisheng Investment Development Co., Ltd. (深圳市集盛投資發展有限公司) | State-owned legal person | 1,703,934,870 | 19.59 | - | Nil | - |
| HKSCC Nominees Limited | Overseas legal person | 1,274,218,637 | 14.65 | - | Nil | - |
| China Ocean Shipping Company Limited (中國遠洋運輸有限公司) | State-owned legal person | 544,632,418 | 6.26 | - | Nil | - |
| Hebei Port Group Co., Ltd. (河北港口集團有限公司) | State-owned legal person | 343,282,732 | 3.95 | - | Nil | - |
| CCCC Capital Holdings Co., Ltd. (中交資本控股有限公司) | State-owned legal person | 272,219,361 | 3.13 | - | Nil | - |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司) | Unknown | 170,789,261 | 1.96 | - | Nil | - |
| Hong Kong Securities Clearing Company Limited | Overseas legal person | 157,505,559 | 1.81 | - | Nil | - |
| COSCO Shipping (Guangzhou) Co., Ltd. (中遠海運(廣州)有限公司) | State-owned legal person | 109,199,899 | 1.26 | - | Nil | - |
| China Construction Bank Corporation – Guotai CSI All Share brokerage ETF (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 | 78,396,116 | 0.90 | - | Nil | - |

Shareholdings of the top ten holders of unrestricted tradable shares

| Name of shareholder | Number of unrestricted tradable shares held | Class and number of shares | |
|---|---|---|---------------|
| | | Class | Number |
| China Merchants Financial Holdings Co., Ltd. (招商局金融控股有限公司) | 2,047,900,517 | RMB ordinary shares | 2,047,900,517 |
| Shenzhen Jisheng Investment Development Co., Ltd. (深圳市集盛投資發展有限公司) | 1,703,934,870 | RMB ordinary shares | 1,703,934,870 |
| HKSCC Nominees Limited | 1,274,218,637 | Overseas listed foreign shares | 1,274,218,637 |
| China Ocean Shipping Company Limited (中國遠洋運輸有限公司) | 544,632,418 | RMB ordinary shares | 544,632,418 |
| Hebei Port Group Co., Ltd. (河北港口集團有限公司) | 343,282,732 | RMB ordinary shares | 343,282,732 |
| CCCC Capital Holdings Co., Ltd. (中交資本控股有限公司) | 272,219,361 | RMB ordinary shares | 272,219,361 |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司) | 170,789,261 | RMB ordinary shares | 170,789,261 |
| Hong Kong Securities Clearing Company Limited | 157,505,559 | RMB ordinary shares | 157,505,559 |
| COSCO Shipping (Guangzhou) Co., Ltd. (中遠海運(廣州)有限公司) | 109,199,899 | RMB ordinary shares | 109,199,899 |
| China Construction Bank Corporation – Guotai CSI All Share brokerage ETF (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) | 78,396,116 | RMB ordinary shares | 78,396,116 |
| Description of the connected relationships or concerted actions among the above shareholders | | 1. China Merchants Financial Holdings Co., Ltd. indirectly holds 100% of the equity interest in Shenzhen Jisheng Investment Development Co., Ltd. China Merchants Financial Holdings Co., Ltd. and Shenzhen Jisheng Investment Development Co., Ltd. are both subsidiaries of China Merchants Group Limited, the de facto controller of the Company; | |
| | | 2. China Ocean Shipping Company Limited and COSCO Shipping (Guangzhou) Co., Ltd. are both subsidiaries of China COSCO Shipping Corporation Limited. | |
| Description of the top ten shareholders and the top ten holders of unrestricted tradable shares engaging in margin financing and securities lending as well as margin and securities refinancing business (if any) | | China Construction Bank Corporation – Guotai CSI All Share brokerage ETF (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) lent 599,500 shares to CSF at the beginning of the period, and lent 211,000 shares to CSF at the end of the period. | |

Notes:

1. HKSCC Nominees Limited is the nominee holder of the shares held by the non-registered H Shareholders of the Company;
2. Hong Kong Securities Clearing Company Limited is the nominee holder of the shares of the Company under the Northbound Trading Link of the Shanghai-Hong Kong Stock Connect;

Shares lent to CSF by shareholders holding more than 5% of the shares, top ten shareholders and top ten holders of unrestricted tradable shares

Unit: Share

| Name of shareholder (in full) | Shares lent to CSF by shareholders holding more than 5% of the shares, top ten shareholders and top ten holders of unrestricted tradable shares | | | | | | | |
|---|---|----------------|---|----------------|---|----------------|---|----------------|
| | Shareholding in ordinary account and credit account at the beginning of the period | | Outstanding shares lent to CSF at the beginning of the period | | Shareholding in ordinary account and credit account at the end of the period | | Outstanding shares lent to CSF at the end of the period | |
| | Total | Percentage (%) | Total | Percentage (%) | Total | Percentage (%) | Total | Percentage (%) |
| China Construction Bank Corporation – Guotai CSI All Share brokerage ETF (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) | 79,982,102 | 0.9197 | 599,500 | 0.0069 | 78,396,116 | 0.9015 | 211,000 | 0.0024 |

III. QUARTERLY FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

March 31, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | March 31, 2024 | December 31, 2023 |
|---|--------------------|--------------------|
| Assets: | | |
| Cash and bank balances | 89,995,573,836.69 | 110,022,616,088.89 |
| Of which: Deposits from customers | 75,121,932,420.78 | 95,905,684,616.76 |
| Clearing settlement funds | 26,996,811,625.86 | 37,691,722,388.21 |
| Of which: Settlement funds from customers | 17,372,034,984.33 | 20,583,829,951.60 |
| Advances to customers | 80,430,117,417.06 | 83,666,020,371.26 |
| Derivative financial assets | 7,282,696,388.20 | 6,679,136,543.07 |
| Deposits with exchanges and non-bank financial institutions | 10,001,665,927.55 | 12,947,108,528.10 |
| Accounts receivables | 546,450,877.42 | 663,586,140.75 |
| Financial assets held under resale agreements | 39,636,052,555.93 | 49,776,194,433.71 |
| Financial investments: | | |
| Held-for-trading financial assets | 260,818,011,036.49 | 278,737,716,746.15 |
| Debt investments | 1,158,631,699.10 | 691,492,935.76 |
| Other debt investments | 72,949,306,001.86 | 70,798,037,316.89 |
| Investments in other equity instruments | 26,479,942,952.48 | 17,697,436,595.25 |
| Long-term equity investments | 12,114,851,585.14 | 11,751,540,303.63 |
| Fixed assets | 1,478,500,079.17 | 1,506,714,917.86 |
| Right-of-use assets | 1,135,758,640.22 | 1,187,075,110.36 |
| Construction in progress | 33,855,813.29 | 32,875,802.63 |
| Intangible assets | 702,797,762.92 | 703,374,964.00 |
| Goodwill | 9,670,605.55 | 9,670,605.55 |
| Deferred income tax assets | 732,976,767.95 | 1,583,773,041.88 |
| Other assets | 10,078,935,560.33 | 9,706,897,446.67 |
| Total assets | 642,582,607,133.21 | 695,852,990,280.62 |

| Items | March 31, 2024 | December 31, 2023 |
|---|----------------------------------|--------------------------------|
| Liabilities: | | |
| Short-term borrowings | 5,840,925,744.70 | 6,182,839,721.74 |
| Short-term debt instruments | 43,568,954,268.63 | 57,025,735,114.01 |
| Placements from banks and other financial institutions | 8,042,370,099.66 | 27,061,392,192.56 |
| Held-for-trading financial liabilities | 61,684,191,128.39 | 44,535,515,916.61 |
| Derivative financial liabilities | 6,513,846,894.48 | 6,938,983,402.97 |
| Financial assets sold under repurchase agreements | 143,445,931,978.14 | 142,684,753,501.43 |
| Accounts payables to brokerage clients | 93,847,646,130.15 | 117,852,233,465.78 |
| Accrued staff costs | 5,443,176,682.71 | 5,525,512,022.56 |
| Tax payable | 406,541,938.18 | 427,962,555.22 |
| Accounts payable | 34,084,077,861.79 | 38,084,761,578.56 |
| Contract liabilities | 63,753,235.64 | 55,486,067.19 |
| Long-term borrowings | 2,104,383,767.53 | 1,907,610,886.52 |
| Bonds payable | 110,404,192,232.12 | 121,992,465,259.37 |
| Deferred income tax liabilities | 545,181,697.04 | 558,414,028.45 |
| Lease liabilities | 1,203,530,505.25 | 1,255,518,258.99 |
| Provisions | 677,680.43 | 677,440.83 |
| Other liabilities | 1,003,816,793.81 | 1,726,196,600.71 |
| Total liabilities | 518,203,198,638.65 | 573,816,058,013.50 |
| Owners' equity (or equity of shareholders): | | |
| Paid-up capital (or share capital) | 8,696,526,806.00 | 8,696,526,806.00 |
| Other equity instruments | 15,000,000,000.00 | 15,000,000,000.00 |
| Of which: Perpetual bonds | 15,000,000,000.00 | 15,000,000,000.00 |
| Capital reserve | 40,362,973,914.29 | 40,362,973,914.29 |
| Less: Treasury shares | - | - |
| Other comprehensive income | 739,363,051.75 | 504,617,049.67 |
| Surplus reserve | 5,236,148,007.81 | 5,236,148,007.81 |
| General risk reserve | 18,676,236,438.32 | 18,667,643,973.41 |
| Retained profits | 35,591,588,581.90 | 33,493,517,212.85 |
| Total owners' equity (or equity of shareholders) attributable to the parent company | 124,302,836,800.07 | 121,961,426,964.03 |
| Non-controlling interests | 76,571,694.49 | 75,505,303.09 |
| Total owners' equity (or equity of shareholders) | 124,379,408,494.56 | 122,036,932,267.12 |
| Total liabilities and owners' equity (or equity of shareholders) | 642,582,607,133.21 | 695,852,990,280.62 |
| Officer in charge of the Company: | Officer in charge of accounting: | Head of accounting department: |
| HUO Da (霍達) | LIU Jie (劉傑) | WANG Jianping (王劍平) |

CONSOLIDATED INCOME STATEMENT

January – March, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|---------------------------|---------------------------|
| I. Total operating income | 4,298,673,959.40 | 4,758,451,712.94 |
| Net interest income | 119,032,816.75 | 487,963,842.43 |
| Of which: Interest income | 2,597,940,381.71 | 2,741,441,426.63 |
| Interest expense | 2,478,907,564.96 | 2,253,477,584.20 |
| Net fee and commission income | 1,705,519,588.28 | 1,944,710,059.47 |
| Of which: Net fee income from brokerage business | 1,319,246,326.24 | 1,419,228,744.23 |
| Net fee income from investment banking business | 88,055,713.67 | 155,366,891.22 |
| Net fee income from asset management business | 155,150,398.72 | 179,520,019.01 |
| Investment gains (“-” indicating losses) | -242,494,161.71 | 1,680,666,535.68 |
| Of which: Gains from investments in associates and joint ventures | 349,173,936.00 | 387,389,986.22 |
| Gains from derecognition of financial assets at amortized cost (“-” indicating losses) | - | -338,062.36 |
| Other gains | 29,954,574.35 | 57,556,421.05 |
| Gains from changes in fair value (“-” indicating losses) | 2,640,698,507.45 | 432,170,651.67 |
| Foreign exchange gains (“-” indicating losses) | 22,912,490.22 | -2,496,347.24 |
| Other operating income | 22,933,918.93 | 157,880,549.88 |
| Gains on disposal of assets (“-” indicating losses) | 116,225.13 | - |
| II. Total operating expenses | 2,024,215,439.19 | 2,210,212,724.35 |
| Tax and surcharges | 26,879,581.98 | 26,188,724.56 |
| Business and administrative expenses | 2,042,662,783.46 | 2,094,445,026.11 |
| Credit impairment losses | -45,326,926.25 | -36,185,229.87 |
| Other operating costs | - | 125,764,203.55 |
| III. Operating profit (“-” indicating losses) | 2,274,458,520.21 | 2,548,238,988.59 |
| Add: Non-operating income | 8,588,815.53 | 2,210,992.48 |
| Less: Non-operating expense | 11,533,067.48 | 80,613.27 |
| IV. Total profit (“-” indicating total losses) | 2,271,514,268.26 | 2,550,369,367.80 |
| Less: Income tax expenses | 113,224,618.03 | 289,648,958.86 |

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|--|---|
| V. Net profit (“-” indicating net loss) | 2,158,289,650.23 | 2,260,720,408.94 |
| (I) Classified by the continuity of operations | | |
| 1. Net profit from continuing operations (“-” indicating net loss) | 2,158,289,650.23 | 2,260,720,408.94 |
| 2. Net profit from discontinued operations (“-” indicating net loss) | - | - |
| (II) Classified by ownership | | |
| 1. Net profit attributable to the shareholders of the parent company (“-” indicating net loss) | 2,157,223,258.83 | 2,259,861,584.54 |
| 2. Profit or loss of non-controlling interests (“-” indicating net loss) | 1,066,391.40 | 858,824.40 |
| VI. Other comprehensive income after tax, net | 184,186,577.21 | 30,765,692.77 |
| Other comprehensive income after tax attributable to the owners of the parent company, net | 184,186,577.21 | 30,765,692.77 |
| (I) Other comprehensive income that shall not be reclassified to profit or loss | -98,272,188.55 | 115,730,555.46 |
| 1. Other comprehensive income that shall not be reclassified to profit or loss under equity method | - | - |
| 2. Change in fair value of investments in other equity instruments | -98,272,188.55 | 115,730,555.46 |
| (II) Other comprehensive income that will be reclassified to profit or loss | 282,458,765.76 | -84,964,862.69 |
| 1. Other comprehensive income that will be reclassified to profit or loss under equity method | 14,137,345.41 | -6,021,034.55 |
| 2. Change in fair value of other debt investments | 265,486,362.41 | 37,102,306.73 |
| 3. Expected credit losses for other debt investments | 3,125,484.09 | -1,915,352.80 |
| 4. Exchange difference arising from foreign currency translation | -290,426.15 | -114,130,782.07 |
| Other comprehensive income after tax attributable to non-controlling interests, net | - | - |
| VII. Total comprehensive income | 2,342,476,227.44 | 2,291,486,101.71 |
| Total comprehensive income attributable to the owners of the parent company | 2,341,409,836.04 | 2,290,627,277.31 |
| Total comprehensive income attributable to non-controlling interests | 1,066,391.40 | 858,824.40 |
| VIII. Earnings per share: | | |
| (I) Basic earnings per share (RMB per share) | 0.23 | 0.24 |
| (II) Diluted earnings per share (RMB per share) | 0.23 | 0.24 |
| Officer in charge of the Company: HUO Da (霍達) | Officer in charge of accounting: LIU Jie (劉傑) | Head of accounting department: WANG Jianping (王劍平) |

CONSOLIDATED STATEMENT OF CASH FLOWS

January – March, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|---------------------------|---------------------------|
| I. Cash flows from operating activities: | | |
| Net decrease in held-for-trading financial assets | 35,261,048,360.91 | – |
| Cash received from interests, fees and commissions | 4,779,668,819.07 | 4,649,747,375.16 |
| Net increase in cash from repurchase business | 10,973,008,405.13 | 27,030,816,568.10 |
| Net decrease in advances to customers | 3,020,308,005.21 | – |
| Net cash received from accounts payables to brokerage clients | – | 6,362,207,098.06 |
| Cash received from other operating activities | 4,223,421,202.41 | 8,489,198,382.61 |
| Subtotal of cash inflows from operating activities | 58,257,454,792.73 | 46,531,969,423.93 |
| Net increase in held-for-trading financial assets | – | 4,311,777,604.69 |
| Net decrease in placements from banks and other financial institutions | 19,033,210,001.34 | 6,698,205,000.00 |
| Net increase in advances to customers | – | 3,215,379,227.55 |
| Net cash paid for accounts payables to brokerage clients | 24,211,065,184.95 | – |
| Cash paid for interests, fees and commissions | 1,946,647,052.46 | 1,782,958,339.50 |
| Cash paid to accrued staff costs | 1,525,168,972.72 | 1,725,566,899.93 |
| Taxes paid | 438,381,087.13 | 558,615,249.60 |
| Cash paid for other operating activities | 4,461,473,489.55 | 3,515,971,355.33 |
| Subtotal of cash outflows from operating activities | 51,615,945,788.15 | 21,808,473,676.60 |
| Net cash flows from operating activities | 6,641,509,004.58 | 24,723,495,747.33 |
| II. Cash flows from investing activities: | | |
| Cash received from disposal of investment | – | 2,364,859,100.53 |
| Cash received from investment gains | 656,583,802.88 | 395,180,895.60 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | – | – |
| Cash received from other investing activities | 134,404.58 | 65,617.67 |
| Subtotal of cash inflows from investing activities | 656,718,207.46 | 2,760,105,613.80 |
| Cash paid for investments | 11,030,474,571.13 | – |
| Cash paid for purchase of fixed assets, intangible assets and other long-term assets | 65,638,286.87 | 55,794,124.23 |
| Cash paid for other investing activities | – | – |
| Subtotal of cash outflows from investing activities | 11,096,112,858.00 | 55,794,124.23 |
| Net cash flows from investing activities | -10,439,394,650.54 | 2,704,311,489.57 |

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|--|---|
| III. Cash flows from financing activities: | | |
| Proceeds from investments | - | - |
| Proceeds from borrowings | - | - |
| Proceeds from issuance of bonds | 22,031,211,229.45 | 8,335,689,077.00 |
| Cash received from other financing activities | - | - |
| Subtotal of cash inflows from financing activities | 22,031,211,229.45 | 8,335,689,077.00 |
| Cash repayment of borrowings | 47,151,749,861.62 | 31,634,750,194.53 |
| Cash repayment of lease liabilities | 98,508,926.16 | 95,697,322.24 |
| Cash paid for dividends, profits or interests | 1,518,493,982.45 | 2,508,576,618.27 |
| Of which: Dividends and profits paid to non-controlling interest by subsidiaries | - | - |
| Cash paid for other financing activities | - | - |
| Subtotal of cash outflows from financing activities | 48,768,752,770.23 | 34,239,024,135.04 |
| Net cash flows from financing activities | -26,737,541,540.78 | -25,903,335,058.04 |
| IV. Effect of foreign exchange rate changes on cash and cash equivalents | 5,334,496.83 | -259,540,418.05 |
| V. Net increase in cash and cash equivalents | -30,530,092,689.91 | 1,264,931,760.81 |
| Add: Balance of cash and cash equivalents at the beginning of the period | 146,271,139,812.72 | 135,284,782,722.23 |
| VI. Balance of cash and cash equivalents at the end of the period | 115,741,047,122.81 | 136,549,714,483.04 |
| Officer in charge of the Company: HUO Da (霍達) | Officer in charge of accounting: LIU Jie (劉傑) | Head of accounting department: WANG Jianping (王劍平) |

BALANCE SHEET OF THE PARENT COMPANY

March 31, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | March 31, 2024 | December 31, 2023 |
|---|-----------------------|--------------------------|
| Assets: | | |
| Cash and bank balances | 63,958,327,081.63 | 55,149,411,951.18 |
| Of which: Deposits from customers | 56,870,306,988.14 | 49,064,040,600.46 |
| Clearing settlement funds | 26,998,927,714.24 | 39,787,922,959.46 |
| Of which: Settlement funds from customers | 18,768,646,740.34 | 23,607,668,500.41 |
| Advances to customers | 77,472,695,556.69 | 81,423,718,443.98 |
| Derivative financial assets | 6,189,439,097.96 | 4,699,496,714.36 |
| Deposits with exchanges and non-bank financial institutions | 6,301,857,606.79 | 7,647,729,931.40 |
| Accounts receivables | 350,074,883.98 | 477,253,218.38 |
| Financial assets held under resale agreements | 39,636,052,555.93 | 49,776,194,433.71 |
| Financial investments: | | |
| Held-for-trading financial assets | 222,490,695,694.96 | 238,894,172,438.59 |
| Debt investments | – | – |
| Other debt investments | 70,204,540,023.09 | 68,207,091,632.78 |
| Investments in other equity instruments | 26,371,971,266.13 | 17,583,530,776.02 |
| Long-term equity investments | 30,984,648,024.34 | 30,621,336,742.93 |
| Fixed assets | 1,417,886,487.01 | 1,440,443,761.66 |
| Right-of-use assets | 1,021,147,461.79 | 1,065,711,649.30 |
| Construction in progress | 8,885,936.75 | 8,637,492.13 |
| Intangible assets | 645,191,378.11 | 642,615,405.42 |
| Deferred income tax assets | 586,686,585.41 | 1,438,983,087.04 |
| Other assets | 8,121,426,832.95 | 8,550,091,960.89 |
| Total assets | 582,760,454,187.76 | 607,414,342,599.23 |

| Items | March 31, 2024 | December 31, 2023 |
|--|--|---|
| Liabilities: | | |
| Short-term debt instruments | 43,522,242,093.89 | 56,979,599,687.02 |
| Placements from banks and other financial institutions | 8,042,370,099.66 | 26,420,988,101.73 |
| Held-for-trading financial liabilities | 56,860,174,966.25 | 39,185,099,090.39 |
| Derivative financial liabilities | 4,278,804,294.83 | 4,499,531,442.98 |
| Financial assets sold under repurchase agreements | 139,778,742,006.87 | 139,152,739,444.93 |
| Accounts payables to brokerage clients | 74,302,010,606.82 | 70,851,406,372.92 |
| Accrued staff costs | 4,971,403,549.64 | 5,127,940,270.98 |
| Tax payable | 128,612,638.22 | 165,637,344.14 |
| Accounts payable | 31,054,283,609.18 | 35,469,120,554.34 |
| Contract liabilities | 50,340,000.00 | 51,280,000.00 |
| Bonds payable | 105,860,151,647.08 | 117,436,095,387.80 |
| Lease liabilities | 1,082,216,390.99 | 1,127,400,484.49 |
| Provisions | 535,780.52 | 535,780.52 |
| Other liabilities | 709,548,640.36 | 960,782,559.80 |
| Total liabilities | 470,641,436,324.31 | 497,428,156,522.04 |
| Owners' equity (or equity of shareholders): | | |
| Paid-up capital (or share capital) | 8,696,526,806.00 | 8,696,526,806.00 |
| Other equity instruments | 15,000,000,000.00 | 15,000,000,000.00 |
| Of which: Perpetual bonds | 15,000,000,000.00 | 15,000,000,000.00 |
| Capital reserve | 40,249,268,247.79 | 40,249,268,247.79 |
| Less: Treasury shares | - | - |
| Other comprehensive income | 401,494,008.82 | 178,665,544.59 |
| Surplus reserve | 5,236,148,007.81 | 5,236,148,007.81 |
| General risk reserve | 16,937,713,207.23 | 16,937,215,728.81 |
| Retained profits | 25,597,867,585.80 | 23,688,361,742.19 |
| Total owners' equity (or equity of shareholders) | 112,119,017,863.45 | 109,986,186,077.19 |
| Total liabilities and owners' equity (or equity of shareholders) | 582,760,454,187.76 | 607,414,342,599.23 |
| Officer in charge of the Company: HUO Da (霍達) | Officer in charge of accounting: LIU Jie (劉傑) | Head of accounting department: WANG Jianping (王劍平) |

INCOME STATEMENT OF THE PARENT COMPANY

January – March, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|---------------------------|---------------------------|
| I. Total operating income | 3,713,581,085.74 | 3,837,563,958.90 |
| Net interest income | 75,697,011.26 | 405,814,969.90 |
| Of which: Interest income | 2,203,640,064.32 | 2,347,382,466.46 |
| Interest expense | 2,127,943,053.06 | 1,941,567,496.56 |
| Net fee and commission income | 1,401,642,629.28 | 1,673,331,427.06 |
| Of which: Net fee income from brokerage business | 1,176,658,340.18 | 1,332,412,835.49 |
| Net fee income from investment banking business | 90,653,995.67 | 155,001,792.55 |
| Net fee income from asset management business | - | - |
| Investment gains (“-” indicating losses) | -927,511,398.32 | 1,197,503,705.75 |
| Of which: Gains from investments in associates and joint ventures | 349,173,936.00 | 387,409,977.83 |
| Gains from derecognition of financial assets at amortized cost (“-” indicating losses) | - | -338,062.36 |
| Other gains | 29,160,107.90 | 50,376,325.76 |
| Gains from changes in fair value (“-” indicating losses) | 3,087,573,115.91 | 405,737,414.09 |
| Foreign exchange gains (“-” indicating losses) | 21,853,719.71 | 68,503,912.12 |
| Other operating income | 25,049,674.87 | 36,296,204.22 |
| Gains on disposal of assets (“-” indicating losses) | 116,225.13 | - |
| II. Total operating expenses | 1,670,308,301.69 | 1,752,519,153.26 |
| Tax and surcharges | 25,476,829.04 | 23,233,261.76 |
| Business and administrative expenses | 1,677,770,671.75 | 1,753,725,782.23 |
| Credit impairment losses | -32,939,199.10 | -24,439,890.73 |
| III. Operating profit (“-” indicating losses) | 2,043,272,784.05 | 2,085,044,805.64 |
| Add: Non-operating income | 2,928,438.53 | 2,197,718.11 |
| Less: Non-operating expense | 11,537,291.99 | 79,028.97 |
| IV. Total profit (“-” indicating total losses) | 2,034,663,930.59 | 2,087,163,494.78 |
| Less: Income tax expenses | 77,154,923.72 | 192,796,535.71 |

| Items | The first quarter of 2024 | The first quarter of 2023 |
|--|---------------------------|---------------------------|
| V. Net profit (“-” indicating net loss) | 1,957,509,006.87 | 1,894,366,959.07 |
| (I) Net profit from continuing operations (“-” indicating net loss) | 1,957,509,006.87 | 1,894,366,959.07 |
| (II) Net profit from discontinued operations (“-” indicating net loss) | - | - |
| VI. Other comprehensive income after tax, net | 175,322,779.39 | 130,279,225.90 |
| (I) Other comprehensive income that shall not be reclassified to profit or loss | -102,594,732.80 | 103,568,834.16 |
| 1. Other comprehensive income that shall not be reclassified to profit or loss under equity method | - | - |
| 2. Change in fair value of investments in other equity instruments | -102,594,732.80 | 103,568,834.16 |
| (II) Other comprehensive income that will be reclassified to profit or loss | 277,917,512.19 | 26,710,391.74 |
| 1. Other comprehensive income that will be reclassified to profit or loss under equity method | 14,137,345.41 | -6,021,034.55 |
| 2. Change in fair value of other debt investments | 261,142,634.47 | 31,983,034.21 |
| 3. Expected credit losses for other debt investments | 2,637,532.31 | 748,392.08 |
| VII. Total comprehensive income | 2,132,831,786.26 | 2,024,646,184.97 |

Officer in charge of the Company:
HUO Da (霍達)

Officer in charge of accounting:
LIU Jie (劉傑)

Head of accounting department:
WANG Jianping (王劍平)

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

January – March, 2024

Prepared by: China Merchants Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | The first quarter of 2024 | The first quarter of 2023 |
|---|---------------------------|---------------------------|
| I. Cash flows from operating activities: | | |
| Net decrease in held-for-trading financial assets | 33,171,137,753.68 | – |
| Cash received from interests, fees and commissions | 3,872,327,771.02 | 3,983,941,046.31 |
| Net increase in cash from repurchase business | 10,855,618,272.79 | 28,337,904,001.65 |
| Net decrease in advances to customers | 3,723,721,201.25 | – |
| Net cash received from accounts payables to brokerage clients | 3,152,072,092.85 | 7,077,143,967.44 |
| Cash received from other operating activities | 1,574,635,206.67 | 6,367,298,728.96 |
| Subtotal of cash inflows from operating activities | 56,349,512,298.26 | 45,766,287,744.36 |
| Net increase in held-for-trading financial assets | – | 1,747,282,656.74 |
| Net decrease in placements from banks and other financial institutions | 18,392,215,000.00 | 6,698,205,000.00 |
| Net increase in advances to customers | – | 3,535,107,344.21 |
| Cash paid for interests, fees and commissions | 1,540,097,383.24 | 1,539,994,605.74 |
| Cash paid to accrued staff costs | 1,344,498,746.71 | 1,534,484,856.51 |
| Taxes paid | 319,799,452.86 | 171,810,695.65 |
| Cash paid for other operating activities | 3,636,003,842.01 | 1,540,475,295.64 |
| Subtotal of cash outflows from operating activities | 25,232,614,424.82 | 16,767,360,454.49 |
| Net cash flows from operating activities | 31,116,897,873.44 | 28,998,927,289.87 |
| II. Cash flows from investing activities: | | |
| Cash received from disposal of investment | 1,250,000,000.00 | 1,662,005,258.36 |
| Cash received from investment gains | 633,529,050.57 | 392,375,237.06 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | – | – |
| Cash received from other investing activities | 134,404.58 | 52,344.91 |
| Subtotal of cash inflows from investing activities | 1,883,663,455.15 | 2,054,432,840.33 |
| Cash paid for investments | 10,593,004,152.38 | 110,000,000.00 |
| Cash paid for purchase of fixed assets, intangible assets and other long-term assets | 64,592,454.96 | 53,014,889.34 |
| Cash paid for other investing activities | – | – |
| Subtotal of cash outflows from investing activities | 10,657,596,607.34 | 163,014,889.34 |
| Net cash flows from investing activities | -8,773,933,152.19 | 1,891,417,950.99 |

| Items | The first quarter of 2024 | The first quarter of 2023 |
|---|--|---|
| III. Cash flows from financing activities: | | |
| Proceeds from issuance of bonds | 21,640,836,275.00 | 7,106,465,364.62 |
| Cash received from other financing activities | - | - |
| Subtotal of cash inflows from financing activities | 21,640,836,275.00 | 7,106,465,364.62 |
| Cash repayment of borrowings | 46,630,302,687.00 | 26,771,054,091.00 |
| Cash repayment of lease liabilities | 89,064,280.78 | 85,137,787.23 |
| Cash paid for dividends, profits or interests | 1,368,457,898.02 | 2,390,825,413.17 |
| Cash paid for other financing activities | - | - |
| Subtotal of cash outflows from financing activities | 48,087,824,865.80 | 29,247,017,291.40 |
| Net cash flows from financing activities | -26,446,988,590.80 | -22,140,551,926.78 |
| IV. Effect of foreign exchange rate changes on cash and cash equivalents | 2,030,068.08 | 64,076,280.94 |
| V. Net increase in cash and cash equivalents | -4,101,993,801.47 | 8,813,869,595.02 |
| Add: Balance of cash and cash equivalents at the beginning of the period | 94,870,991,657.14 | 90,657,497,260.79 |
| VI. Balance of cash and cash equivalents at the end of the period | 90,768,997,855.67 | 99,471,366,855.81 |
| Officer in charge of the Company: HUO Da (霍達) | Officer in charge of accounting: LIU Jie (劉傑) | Head of accounting department: WANG Jianping (王劍平) |