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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)

ANNOUNCEMENT

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

At the end of 2019, the CSRC issued “Work Outline for Culture Construction in Securities Fund Industry and Prevention of Moral Hazard”(《建設證券基金行業文化、防範道德風險工作綱要》), which clarifies the overall goals, working ideas, key tasks and mechanism protection of the cultural construction of the securities industry, and requires the securities institutions to speed up the industry cultural construction of “compliance, honesty, professionalism and robustness”. Recently, the Securities Association of China issued the Tenth Element of Cultural Construction in the Securities Industry(《證券行業文化建設十要素》), Practical Evaluation Plan for the Cultural Construction of Securities Companies (trial) (draft for soliciting opinions) (《證券公司文化建設實踐評估方案(試行)(徵求意見稿)》), which intends to guide securities companies to continuously improve the effectiveness of the industry’s cultural construction work by means of evaluation, including whether the cultural construction is incorporated into the Articles of Association. Since its establishment, CSC Financial Co., Ltd. (the “**Company**”) has attached great importance to the corporate cultural construction and has gradually formed a corporate cultural system with the characteristics of CSC Financial.

The 32nd meeting of the second session of the Board of the Company considered and approved the Proposal on the Amendments to the Articles of Association. The Company intends to refine the relevant provisions of the Articles of Association in accordance with the requirements of the regulatory authorities and self-regulatory organizations, combined with the actual situation of the Company, to clarify the

objectives, principal responsibilities and relevant requirements of the Company's cultural construction. In addition, according to the requirements of the party construction work, the Company intends to further improve the terms of the Articles of Association in respect of party construction work. Please refer to the appendix of this announcement for the details of the amendments. The Articles of Association was prepared in Chinese with no official English version. Any English translation is for reference only. In the event of any inconsistency, the Chinese version shall prevail.

The amendments to the Articles of Association shall take effect upon the submission to the general meeting of the Company for consideration and approval. A circular containing the further details will be dispatched to the shareholders of the Company in due course.

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

Beijing, the PRC
May 26, 2021

As at the date of this announcement, the executive Directors of the Company are Mr. WANG Changqing and Mr. LI Geping; the non-executive Directors of the Company are Mr. YU Zhongfu, Mr. WANG Xiaolin, Ms. ZHANG Qin, Ms. ZHU Jia, Mr. WANG Hao; and the independent non-executive Directors of the Company are Mr. DAI Deming, Mr. BAI Jianjun, Mr. LIU Qiao, Mr. Po Wai Kwong and Mr. Lai Guanrong.

**APPENDIX Comparison Table on the Amendments to the Articles of Association
of CSC Financial Co., Ltd.**

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
Article 8 The Company shall establish an organization of Communist Party of China (the “Party”) in accordance with the relevant regulations of the Constitution of the Communist Party of China and the Company Law of China, and the Party Committee shall play the role as the leader, setting the direction, managing the overall situation and ensuring implementation. The Company shall establish the Party’s working organizations, deploy sufficient staff to deal with Party affairs and guarantee sufficient operating expenses of Party organizations.	Article 8 The Company shall establish an organization of Communist Party of China (the “Party”) in accordance with the relevant regulations of the Constitution of the Communist Party of China, the Company Law of China and <u>the Working Rules of Primary-level Party Organizations of State-owned Enterprises (for trial implementation), reinforce and strengthen the comprehensive leadership of the Party and give full play to the role of the Party Committee as the leader, setting the direction, managing the overall situation and ensuring implementation.</u> The Company shall establish the Party’s working organizations, deploy sufficient staff to deal with Party affairs and guarantee sufficient operating expenses of Party organizations.	Pursuant to the requirements of party-building work such as the Working Rules of Primary level Party Organizations of State-owned Enterprises (for trial implementation)
Article 12 The operational objective of the Company is to leverage on its financial strengths and talents to create sound benefits for all the shareholders, so that the Company continues to grow and expand, and becomes a large integrated international and modernized financial and securities enterprise, in accordance with the laws and regulations of the State and the financial and securities policies.	Article 12 The operational objective of the Company is to leverage on its financial strengths and talents to create sound benefits for all the shareholders, <u>to serve the real economy and national strategy based on finance business as the direction and to create a corporate culture of “compliance, honesty, professionalism and robustness” as the aim,</u> so that the Company continues to grow and expand, and becomes a large integrated international and modernized financial and securities enterprise, in accordance with the laws and regulations of the State and the financial and securities policies.	Pursuant to the requirements of the Notice on Issuing the Ten Key Elements of the Cultural Construction of the Securities Industry (Securities Association of China [2021] No.20)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
Article 55 The Party Committee of the Company shall perform its duties in accordance with the Constitution of the Communist Party of China, the “Regulations of the Communist Party of China on Organization Work (Interim)” and other internal laws and regulations of the Party, including: (1) ensuring and supervising the Company’s implementation of the policies and guidelines of the Party and the State, and implementing major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of higher-level Party organizations; (2) strengthening its leadership and gatekeeping role in the management of the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision; upholding the integration of the principle that the Party manages the officials with the function of the Board in the lawful selection of the senior management and with the lawful exercise of authority of use of personnel by the senior management;	Article 55 The Party Committee of the Company shall perform its duties in accordance with the Constitution of the Communist Party of China, the <u>Regulations of the Communist Party of China on Organization Work, the Working Rules of Primary-level Party Organizations of State-owned Enterprises (for trial implementation)</u> and other internal laws and regulations of the Party, including: (1) <u>to enhance the political development of the Party, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;</u> (2) <u>to thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics in the new era, learn and propagate the Party’s theory, thoroughly implement the Party’s line, principles and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organization at a higher level in the Company;</u>	Pursuant to the requirements of party-building work such as the Working Rules of Primary level Party Organizations of State-owned Enterprises (for trial implementation)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(3) discussing and determining the reform, development and stability of the Company, significant operational and management affairs and major issues concerning employee interests according to requirements, and putting forth comments and suggestions. Supporting the shareholders' general meeting, the Board, the Supervisory Committee and the Executive Committee of the Company in performing their duties in accordance with law and supporting the employee representatives' meeting in carrying out its work; (4) assuming the primary responsibility to run the Party comprehensively with strict discipline, leading the ideological and political work of the Company, the united front work, the cultural and ethical progress, corporate culture cultivation as well as the work of groups such as the labor union of the Company and the Communist Youth League; leading the construction of the Party's working style and its clean and honest administration, and supporting the Party discipline inspection committee in earnestly performing its supervisory responsibilities;	<u>(3) to investigate and discuss the significant operational and management matters and support the general meeting, the Board of Directors, the Supervisory Committee and the Executive Committee to exercise their rights and perform their duties in accordance with the laws;</u> <u>(4) to strengthen its leadership and gate keeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre team and talents team of the Company;</u>	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(5) strengthening the building of the grassroots Party organizations of the Company and of its contingent of Party members, giving full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and uniting and leading officials and employees to devote themselves into the reform and development of the Company; (6) other important matters that fall within the duties of the Party Committee.	<u>(5) to undertake the main responsibility in improving Party conduct and upholding integrity, lead and support the discipline inspection commission of the Company to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote Party self-governance exercised fully and with rigor into the grassroots level;</u> <u>(6) to strengthen the building of grass-root Party organizations and the Party member service, unit and lead officials and employees to devote themselves into the reform and development of the Company;</u> <u>(7) to lead the ideological and political work, the spirit and civilization construction, and the united front work of the Company and lead mass organizations such as the labour union, the Communist Youth League and women's organization;</u> <u>(8) other important matters within the scope of duties of the Party Committee.</u>	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
Article 147 The Board of Directors shall exercise the following powers and duties: (1) to convene a general meeting and submit work report to such meeting; (2) to implement the resolutions of a general meeting; (3) to decide on the operation plan and investment scheme of the Company; (4) to determine the objectives of the Company's compliance management, assume responsibility for the effectiveness of compliance management of the Company and perform the corresponding duties of compliance management; (5) to prepare the draft annual budget and final accounts of the Company; (6) to prepare the profit distribution plan and the loss recovery plan of the Company; (7) to prepare the plan for the Company to increase or reduce its registered capital, issuance of corporate bonds and other securities and listing plans; (8) to prepare plans of the Company with respect to mergers, divisions, dissolution or changes of the form of the Company;	Article 147 The Board of Directors shall exercise the following powers and duties: (1) to convene a general meeting and submit work report to such meeting; (2) to implement the resolutions of a general meeting; (3) to decide on the operation plan and investment scheme of the Company; (4) to determine the objectives of the Company's compliance management, assume responsibility for the effectiveness of compliance management of the Company and perform the corresponding duties of compliance management; (5) to prepare the draft annual budget and final accounts of the Company; (6) to prepare the profit distribution plan and the loss recovery plan of the Company; (7) to prepare the plan for the Company to increase or reduce its registered capital, issuance of corporate bonds and other securities and listing plans; (8) to prepare plans of the Company with respect to mergers, divisions, dissolution or changes of the form of the Company;	Pursuant to the requirements of the Notice on Issuing the Ten Key Elements of the Cultural Construction of the Securities Industry (Securities Association of China [2021] No.20)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(9) to prepare plans of the Company with respect to material acquisitions, acquisition of the Company shares; (10) to appoint or remove the General Manager, the Chief Compliance Officer, the Chief Risk Officer and the Secretary of the Board nominated by the Chairman of the Board of Directors and decide the remunerations and rewards and punishments thereof; to appoint or remove the Chief Financial Officer, Chief Information Officer members of the Executive Committee and other senior management members nominated by the Chairman of the Board of Directors or the General Manager, and decide the remunerations and rewards and punishments thereof; (11) to decide on the establishment of the internal management organizations of the Company; (12) to determine the composition of special committees under the Board, and the chairman (convener) of each special committee; (13) to establish a basic management system of the Company; (14) to prepare plans to amend these Articles of Association; (15) to file an application for bankruptcy on behalf of the Company;	(9) to prepare plans of the Company with respect to material acquisitions, acquisition of the Company shares; (10) to appoint or remove the General Manager, the Chief Compliance Officer, the Chief Risk Officer and the Secretary of the Board nominated by the Chairman of the Board of Directors and decide the remunerations and rewards and punishments thereof; to appoint or remove the Chief Financial Officer, Chief Information Officer members of the Executive Committee and other senior management members nominated by the Chairman of the Board of Directors or the General Manager, and decide the remunerations and rewards and punishments thereof; (11) to decide on the establishment of the internal management organizations of the Company; (12) to determine the composition of special committees under the Board, and the chairman (convener) of each special committee; (13) to establish a basic management system of the Company; (14) to prepare plans to amend these Articles of Association; (15) to file an application for bankruptcy on behalf of the Company;	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(16) to prepare plans of the Company with respect to the material external investments, material assets acquisition and disposal, material guarantees and material connected transactions; (17) to consider and approve the external investment matters that do not require approval by the general meeting as prescribed in these Articles of Association; (18) to consider and approve the assets acquisition and disposal matters that do not require approval by the general meeting as prescribed in these Articles of Association; (19) to consider and approve the connected transactions that should be considered and approved by the Board of Directors pursuant to laws and regulations and the listing rules of the place where the Company shares are listed; (20) to consider and approve the external donations by the Company which accumulatively do not exceed RMB twenty five million (25,000,000) (inclusive) in one financial year; (21) to decide on the Company's external investments, acquisition and disposal of assets, pledge of assets, external guarantees, trust management and other matters within the scope of authorization by a general meeting;	(16) to prepare plans of the Company with respect to the material external investments, material assets acquisition and disposal, material guarantees and material connected transactions; (17) to consider and approve the external investment matters that do not require approval by the general meeting as prescribed in these Articles of Association; (18) to consider and approve the assets acquisition and disposal matters that do not require approval by the general meeting as prescribed in these Articles of Association; (19) to consider and approve the connected transactions that should be considered and approved by the Board of Directors pursuant to laws and regulations and the listing rules of the place where the Company shares are listed; (20) to consider and approve the external donations by the Company which accumulatively do not exceed RMB twenty five million (25,000,000) (inclusive) in one financial year; (21) to decide on the Company's external investments, acquisition and disposal of assets, pledge of assets, external guarantees, trust management and other matters within the scope of authorization by a general meeting;	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(22) to decide on mergers, divisions, establishments or revocations of domestic branches; (23) to manage the disclosure of information by the Company; (24) to propose to the general meeting with respect to the engagement or replacement of the audit firm of the Company; (25) to receive the work report of the General Manager of the Company and examine such work; (26) to exercise any other duties and powers specified in relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed or these Articles of Association.	(22) to decide on mergers, divisions, establishments or revocations of domestic branches; (23) to manage the disclosure of information by the Company; (24) to propose to the general meeting with respect to the engagement or replacement of the audit firm of the Company; (25) to receive the work report of the General Manager of the Company and examine such work; <u>(26) to guide and supervise the Company to strengthen the cultural development, and to establish and improve a cultural system that can effectively support the Company's strategy so as to realize their integration and development of such Company's strategy and cultural system;</u> (27) to exercise any other duties and powers specified in relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed or these Articles of Association.	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
For the above matters of duties and powers exercised by the Board of Directors which is beyond the scope of authorization of the shareholders' general meeting or any transaction or arrangement of the Company which shall be considered and approved by a general meeting according to the listing rules of the places where the shares of the Company are listed, shall be submitted to the general meeting for consideration and approval. The Board of Directors shall define the limits of authority of external investment, acquisition and disposal of assets and connected transaction, and set up a stringent investigation and decision making procedure. Specialists and professionals should be organized to assess the material external investment and seek shareholders' approval in a general meeting.	For the above matters of duties and powers exercised by the Board of Directors which is beyond the scope of authorization of the shareholders' general meeting or any transaction or arrangement of the Company which shall be considered and approved by a general meeting according to the listing rules of the places where the shares of the Company are listed, shall be submitted to the general meeting for consideration and approval. The Board of Directors shall define the limits of authority of external investment, acquisition and disposal of assets and connected transaction, and set up a stringent investigation and decision making procedure. Specialists and professionals should be organized to assess the material external investment and seek shareholders' approval in a general meeting.	
Article 148 The Board shall consult the Party Committee of the Company before making decisions on important issues of the Company.	Article 148 <u>The investigation and discussion of the Party Committee of the Company shall be the pre-procedures for major decisions of the Board and the Executive Committee.</u> The Board <u>and the Executive Committee</u> shall consult the Party Committee of the Company before making decisions on important issues of the Company.	Pursuant to the requirements of party-building work such as the Working Rules of Primary level Party Organizations of State-owned Enterprises (for trial implementation)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
Article 166 The Development Strategy Committee is responsible for researching and forecasting the Company's long-term development strategy and establishing the Company's development strategy plans. Its main duties are as follows: (1) to understand and oversee the overall operation of the Company; (2) to understand, analyze and monitor the current situation of the international and domestic industry; (3) to understand and monitor the relevant national policies; (4) to study the short-term, medium-term and long-term development strategies of the Company or the relevant issues; (5) to provide consultancy advice on the Company's long-term development strategy, major investment, reform and other major decisions;	Article 166 The Development Strategy Committee is responsible for researching and forecasting the Company's long-term development strategy and establishing the Company's development strategy plans. Its main duties are as follows: (1) to understand and oversee the overall operation of the Company; (2) to understand, analyze and monitor the current situation of the international and domestic industry; (3) to understand and monitor the relevant national policies; <u>(4) to understand the culture construction of the Company, evaluate the operational status of the integration and development of the Company's culture and strategy, and improve the compatibility of the Company's culture and developmental strategy;</u> (5) to study the short-term, medium-term and long-term development strategies of the Company or the relevant issues; (6) to provide consultancy advice on the Company's long-term development strategy, major investment, reform and other major decisions;	Pursuant to the requirements of the Notice on Issuing the Ten Key Elements of the Cultural Construction of the Securities Industry (Securities Association of China [2021] No.20)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(6) to consider and approve the special study report on the development strategy; (7) to publish the daily research report in a regular or irregular manner; (8) other duties determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.	(7) to consider and approve the special study report on the development strategy; (8) to publish the daily research report in a regular or irregular manner; (9) other duties determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.	
Article 177 The Executive Committee of the Company shall, according to the resolutions of the Board of Directors or the relevant requirements, perform the following duties: (1) to carry out the operational guidelines of the Company, and determine major matters in relation to the operation and management of the Company; (2) to implement the objectives of the Company's compliance management, assume responsibility for the compliant operation of the Company, and perform the corresponding duties to compliance management; (3) to draft the financial budget plan of the Company, and submit the same to the Board of Directors for formulation;	Article 177 The Executive Committee of the Company shall, according to the resolutions of the Board of Directors or the relevant requirements, perform the following duties: (1) to carry out the operational guidelines of the Company, and determine major matters in relation to the operation and management of the Company; (2) to implement the objectives of the Company's compliance management, assume responsibility for the compliant operation of the Company, and perform the corresponding duties to compliance management; (3) to draft the financial budget plan of the Company, and submit the same to the Board of Directors for formulation;	Pursuant to the requirements of the Notice on Issuing the Ten Key Elements of the Cultural Construction of the Securities Industry (Securities Association of China [2021] No.20)

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(4) to draft the final accounting plan, the profit distribution plan, and loss recovery plans of the Company, and submit the same to the Board of Directors for formulation; (5) to draft the plan to change the registered capital, and the plan to issue bonds, of the Company, and submit the same to the Board of Directors for formulation; (6) to draft the plan for the merger, division, alteration or dissolution of the Company, and submit the same to the Board of Directors for formulation; (7) to draft the plan for the operation, investment, financing or assets disposition of the Company, and submit the same to the Board of Directors for approval in accordance with corresponding rights; (8) to draft the plan for the establishment of an internal management organization of the Company, and submit the same to the Board of Directors for approval; (9) to decide the appointment and dismissal of the management (other than the Directors and senior management of the Company);	(4) to draft the final accounting plan, the profit distribution plan, and loss recovery plans of the Company, and submit the same to the Board of Directors for formulation; (5) to draft the plan to change the registered capital, and the plan to issue bonds, of the Company, and submit the same to the Board of Directors for formulation; (6) to draft the plan for the merger, division, alteration or dissolution of the Company, and submit the same to the Board of Directors for formulation; (7) to draft the plan for the operation, investment, financing or assets disposition of the Company, and submit the same to the Board of Directors for approval in accordance with corresponding rights; (8) to draft the plan for the establishment of an internal management organization of the Company, and submit the same to the Board of Directors for approval; (9) to decide the appointment and dismissal of the management (other than the Directors and senior management of the Company);	

Articles and Content before Amendments	Articles and Content after Amendments	Basis of Amendments
(10) to draft and approve the remuneration plan and the award and punishment plan for employees (other than Directors and senior management of the Company); (11) to exercise other powers granted by the Board of Directors. The Company drafts the rules of procedure of the Executive Committee, which shall be approved by the Board of Directors of the Company.	(10) to draft and approve the remuneration plan and the award and punishment plan for employees (other than Directors and senior management of the Company); <u>(11) to implement the requirements of cultural development in the industry, promote the close integration of the Company's culture development and operation management, and realize the integration of the Company's strategy and culture;</u> (12) to exercise other powers granted by the Board of Directors. The Company drafts the rules of procedure of the Executive Committee, which shall be approved by the Board of Directors of the Company.	