

# 2021年半年度 经营业绩报告

Orient Securities First Half Year of 2021 Results Presentation

Stock Code: 600958. SH 3958.HK



Produced based on 2021 Interim Financial Report of the Company

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业务概览 BUSINESS OVERVIEW

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财务概览 FINANCIAL OVERVIEW

**发展战略** DEVELOPMENT STRATEGY









## **Market Environment**



## **Industry Business Data**





### **Total Assets**



### **Financial Situation**



**Net Assets** 



### Net Capital



## **Overall Operating Results of the Company**



### **Operating Income**

### **Total Volume of Assets**



#### **Profit Attributable to Equity Holders of the Company**



### Equity Attributable to Equity Holders of the Company









## **Business Overview**

Investment Management

- Asset management
- Fund management
- Private equity investment

**Brokerage and Securities Finance** 

- Securities brokerage
- Futures brokerage
- Securities finance
- Others

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## Sales and Purchase of Securities

- Proprietary trading
- Innovating investment
- Securities research

### **Investment Bank**

- Stock underwriting
- Bond underwriting
- Financial advisor

### Managing Headquarters and Others

- Overseas business
- Financial technology

### Investment Management: maintaining the leading position in the industry



Asset management -- Orient Securities Asset Management

Fund management -- China Universal

Private equity investment -- Orient Securities Capital Investment

The Company mainly engages in asset management business through Orient Securities Asset Management, a wholly-owned subsidiary of the Company. Orient Securities Asset Management has always been committed to the idea of value investment and achieved long-term preservation and appreciation for customers' assets.

The size of assets under management continued to grow and the long-term closed-end products have been well received

The long-term investment performance remained at the forefront of the industry





Golden Fund" Award of Shanghai

Securities News

Award

### Investment Management: maintaining the leading position in the industry



Asset management -- Orient Securities Asset Management

Fund management -- China Universal

Private equity investment -- Orient Securities Capital Investment

The Company mainly engages in fund management business through China Universal, an associate in which the Company is the largest shareholder with 35.412% equity interest.

Scale of assets under management hit a record high, with comprehensive strength ranking top in the industry

Total size of asset management



\* "The above data are approximate values"

- The management scale of publicly offered funds reached RMB 950 billion, representing an increase of 14% from the beginning of the year;
- The monthly average management scale of non-monetary wealth management publicly offered funds amounted to RMB605.815 billion as of the end of the second quarter, ranking the second top in the industry.

## Further improvement of the multi-strategy product system



#### **Newly issued products**

China Universal issued and established 21 publicly offered funds with a new issue size of over RMB67 billion.

#### **Omni-channel strategy**

It further deepened its cooperation with institutional clients such as wealth management subsidiaries, and achieved innovative development in its e-commerce business

### Investment advisory business pilot

It received a no-objection letter from the CSRC for the fund investment advisory business pilot program



The "Overseas Investment Return Fund Management Company Award" The 18th "Golden Fund" Award of Shanghai Securities News

### **Investment Management:** maintaining the leading position in the industry



Asset management -- Orient Securities Asset Management

Fund management -- China Universal

Private equity investment -- Orient Securities Capital Investment

The Company engages in private equity investment fund management business through Orient Securities Capital Investment, a wholly-owned subsidiary of the Company. Thanks to efforts made in the recent years, Orient Securities Capital Investment has built up a certain level of trust and brand strength in state-owned capital LP.



### Brokerage and Securities Financing: deeply promoting the transformation of wealth management business



### Brokerage and Securities Financing: deeply promoting the transformation of wealth management business

Securities brokerage Futures brokerage Securities finance The Company actively promoted the transformation from brokerage business to wealth management, and made breakthroughs in institutional customer business, private wealth business and fund investment advice business. 2 3 Wealth ( Institution **Fund investment** brokerage service **Management** advisory

- The Company coordinated wealth management, research, trading, derivatives, custody, system technology and other business resources to create a full business chain service ecosystem for institutional clients.
- It diversified its WFOE and QFII customer services, expanded the indepth coverage of multiple high-quality quantitative private equity funds, and established business ties with several trust companies.

- It launched the "Oriental Beauty -
- Fortune 100" asset allocation service and family office service and executed the first contract.
- As of the end of the Reporting Period, the number of high net worth retail customers of the Company increased by 14.15% from the beginning of the period, which was higher than the growth rate of the total number of customers of the Company.



After obtaining the license of fund investment advisory business, the company will further deepen reform and establish a systematic and all-inclusive product system with focus on effective appreciation of long-term interests of the customers.

### Brokerage and Securities Financing: Deeply Promoting the Transformation of Wealth **Management Business**



lending and continued to promote the compression of stock pledge scale, and achieved good results.





The Company continued to implement the working idea of "controlling risks and reducing scale" and continued to promote the reduction of stock pledge scale and risk disposal.





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## Securities Sales and Trading: excellent investment & research capability



东万证劳股份有限公司 ORIENT SECURITIES COMPANY LIMITED

## Securities Sales and Trading: excellent investment & research capability



东方证券股份有限公司 ORIENT SECURITIES COMPANY LIMITED

## Investment Banking: Seizing the opportunity and setting a new sail



The Company mainly engages in investment banking business through Orient Investment Banking, a wholly-owned subsidiary of the Company, and the Fixed Income



- The Company conducted 100 lead underwriting projects, with a total underwritten amount of RMB63.895 billion.
- The book-entry treasury bond underwriting, CDB financial bond underwriting and Agricultural Development Bank financial bond underwriting stood among the **top three** brokers in the industry. The debt financing instruments for non-financial enterprises ranked **tenth** among the lead underwriting brokers.

Board.

 The Company continued to focus on highquality customers such as AAA large central enterprises, state-owned enterprises and financial institutions.





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Debt

underwriting

## Headquarters and Others: with overseas business showing an overall positive development trend



The Company engages in overseas business through Orient Finance Holdings and Orient Securities International, wholly-owned subsidiaries of the Company, and their subsidiaries. In particular, as the Group's international business platform, Orient Securities International conducts securities brokerage, futures brokerage, asset management, investment banking, margin financing and securities lending and other businesses through wholly-owned subsidiaries licensed by the SFC.

**Brokerage Business -- Breakthrough** 

#### Asset Management Business -- Outstanding

- As of the end of the Reporting Period, the total size of assets under management of Orient Securities International amounted to approximately HKD13.2 billion, standing among the Top Three Chinabased securities firms with operation in Hong Kong.
- It managed a total of 30 products, and successfully established the Dongfanghong Greater China Bond Fund, the first independently managed publicly offered fund.

- As of the end of the Reporting Period, the total number of brokerage customers of Orient Securities
  International exceeded 320,000, an increase of 39% from the beginning of the period, with a market share growth of about 10%.
- It carried out equity options segmentation business to facilitate the transformation of wealth management.



#### **IB Business -- Advanced**

- It completed 30 bond underwriting projects, and ranked fourth among
   China-based securities dealers in Hong
   Kong in terms of number of
   underwriting projects of Asia ex-Japan
   G3 USD high-yield bonds issued by
   China-based firms.
- It completed two equity underwriting projects, had four equity sponsoring projects in progress.



The Company promoted high-quality corporate development with the strategic driver of digital transformation. The Company utilized financial technology to facilitate business model transformation and management model optimization.

#### **Promote** the transformation of management model

The Company facilitated the construction of the Group's systems for consolidated management of risk control indicators, integrated management of the same customer and the same business and unified credit approval, and achieved the goal of group management of risk control indicators.

#### **Construct** the middle platform of IT system

It completed the construction of the data middle platform represented by the **Orient Digital Database** and the innovation capability middle platform represented by the **Orient Brain** and **Orient Blockchain**, thereby enabling innovative technology integration and output.

#### **Increase** independent research and development

The Company developed a variety of technological products with industry influence and competitiveness. It reflected the value of technology empowerment in six aspects: faster, more cutting-edge, more customers, more efficient, more massive and safer, thereby enhancing its core competitiveness.









### **Business Segment Revenue Structure and Change**



Notes: 1. Consolidation and offsetting factors were not considered when calculating segment revenue. 2. The item of "bulk commodity trading income and others" was excluded.

## **Assets and Liabilities**

After deducting accounts payable to brokerage customers and proceeds from agency securities underwriting, the asset-liability ratio was **73.70%**, an increase of 0.57 percentage points from the end of last year.



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## **Cash Dividend of Common Stocks**

**Dividend distribution plan of common stocks of the Company from 2017 to 2020** 





## **Risk Control Indicators**









## **Competitive Advantages of the Company**

1. Strong support from shareholders and professional and stable talent team is stable

- Since establishment of the Company, shareholders are relatively stable, and give the Company long-term and strong support in optimization of senior management team, reform of market mechanism, capital operation and other major issues.
- The Company's leaders are united and enterprising. The Company's senior management team has extensive industry experience and profound insight into the securities and financial industry with right view towards development and risk management and common values for corporate development. In the first half of the year, the Company did not experience any major non-compliance or risk-related events

3. Safeguarding the Company through compliance risk control and effective operation of the system

- By upholding the concept of creating value through compliance operation, the Company implements comprehensive risk management, continuously improves the effectiveness of compliance and risk management.
- In the whole year, no material violations and risk incidents and no information system security incidents occurred in the Company, so sound business operations were ensured.

**ORIENT SECURITIES COMPANY LIMITED** 



#### 2. Time tested advantageous business, and outstanding investment capacity

The Company has outstanding investment ability. Investment management businesses such as asset management, fund management, fixed Income and securities investment have always adhered to the concept of value investment, stood the test of the market, led the industry in long-term performance, and enjoyed a good reputation in the market for investment brands.



#### 4. Promotion of Party building culture, and further enhancement of Party building culture

- The Company attaches great importance to the construction of party building and corporate culture, and adheres to the idea of "Party building and corporate culture define productivity", insists on reinforcing the foundation through party building, and strengthens cohesion and solidarity among staff by promoting corporate culture with a twopronged approach.
- The Company received a Grade A rating in the assessment of culture building practices of securities companies organized by the Securities Association of China.

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## **Strategic objectives of the Company**



✓ Building a leading industry and distinctive asset management brand

Strengthen the Company's internal coordination and innovate external cooperation channels

for the Company's development.

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#### 东方证券股份有限公司 ORIENT SECURITIES COMPANY LIMITED









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