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东方证券

Orient Securities

600958.SH / 3958.HK

经营业绩报告

Results Presentation

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**DEVELOPMENT OUTLOOK**

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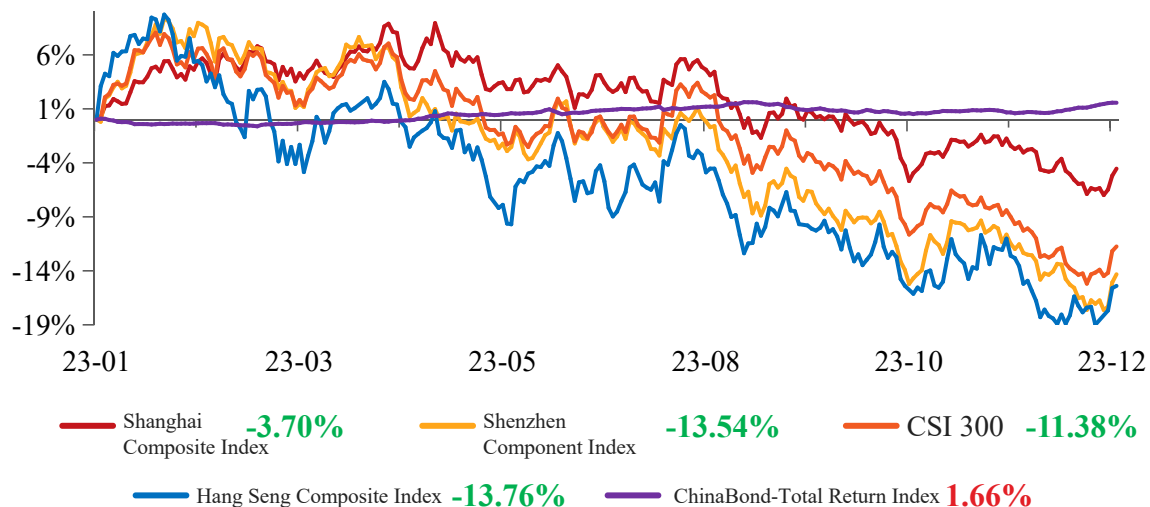
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DEVELOPMENT OUTLOOK

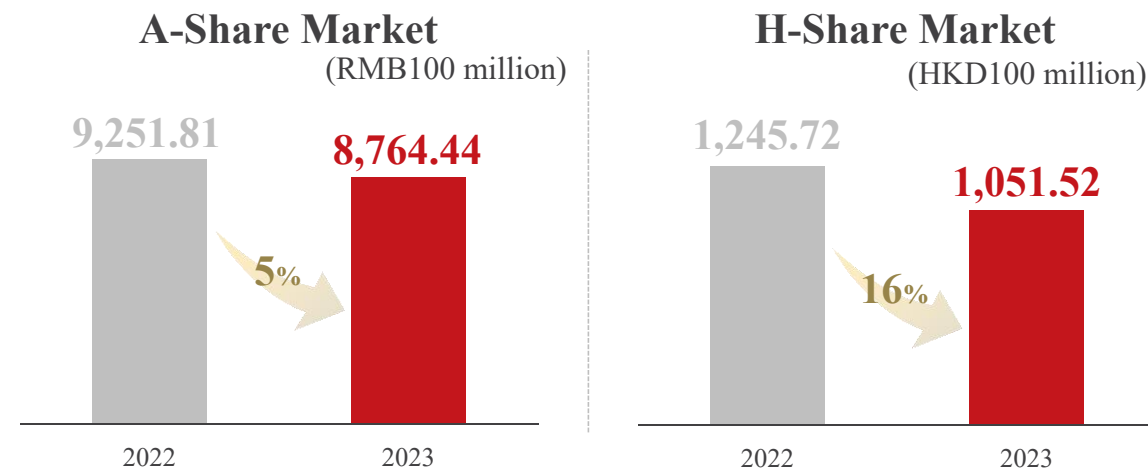
公司未来发展展望

# 1.1 Macro Market

## Main Index Performance



## Average Daily Volume of Stocks

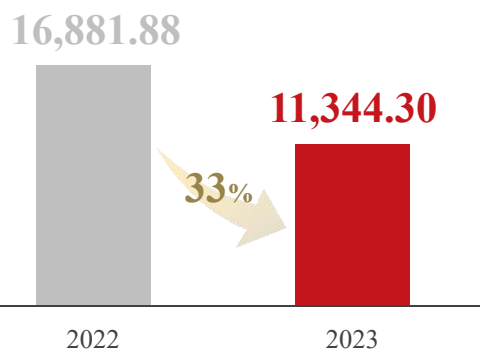


## Financing Scale

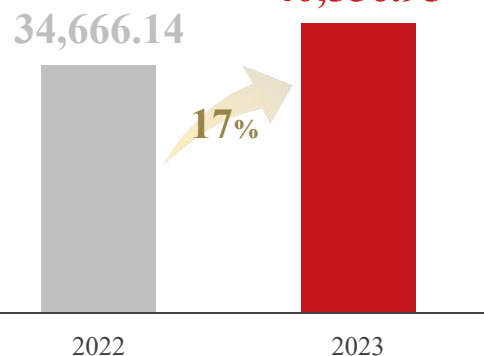
(RMB100 million)

### Equity Financing

(Statistical basis: listing date)



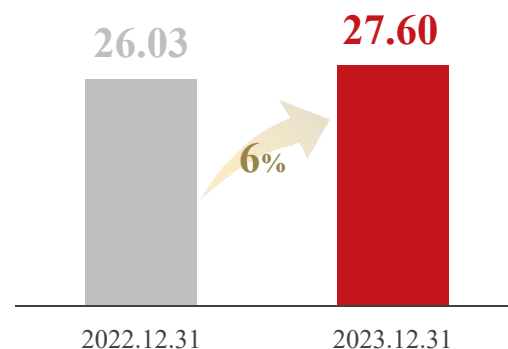
### Corporate Bond & Corporate Debt Financing



## Public Funds Overview

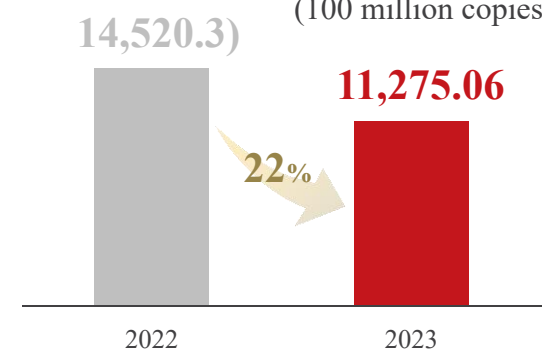
### Existing Scale

(RMB trillion)



### Issuance Scale

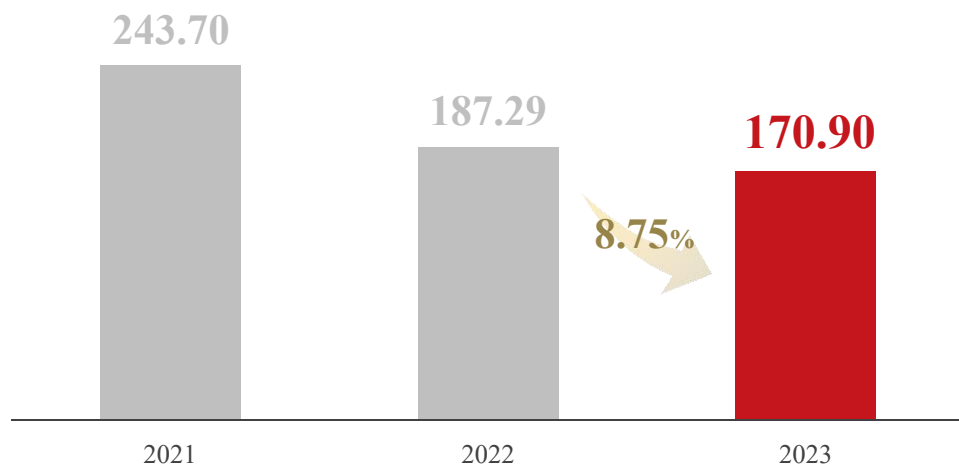
(Statistical basis: subscription start date)  
(100 million copies)



## 1.2 Key Operating Data of the Company

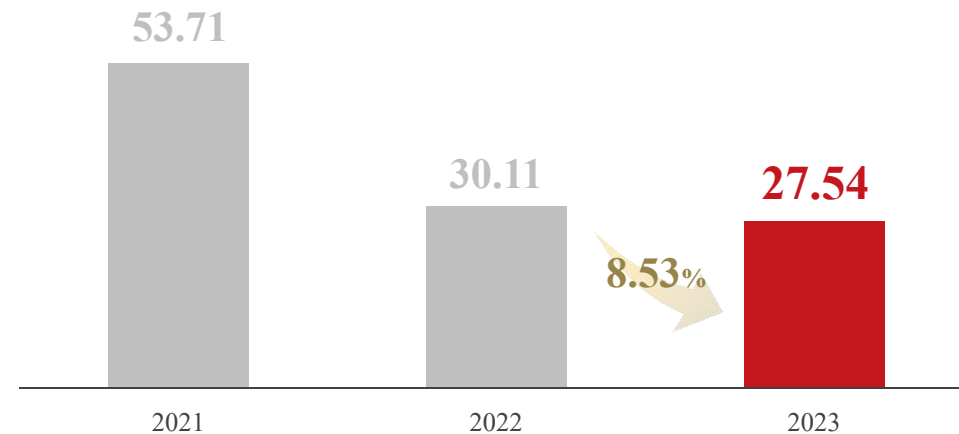
### Operating Revenue

(RMB100 million)



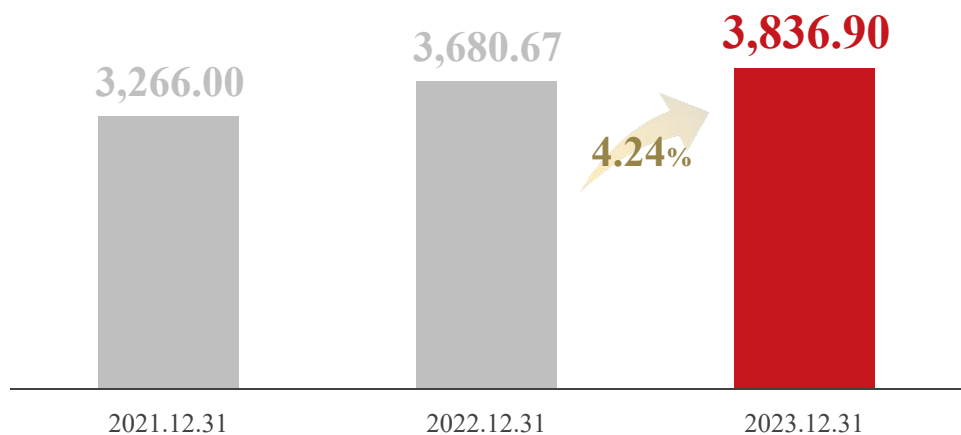
### Net Profit

(RMB100 million)



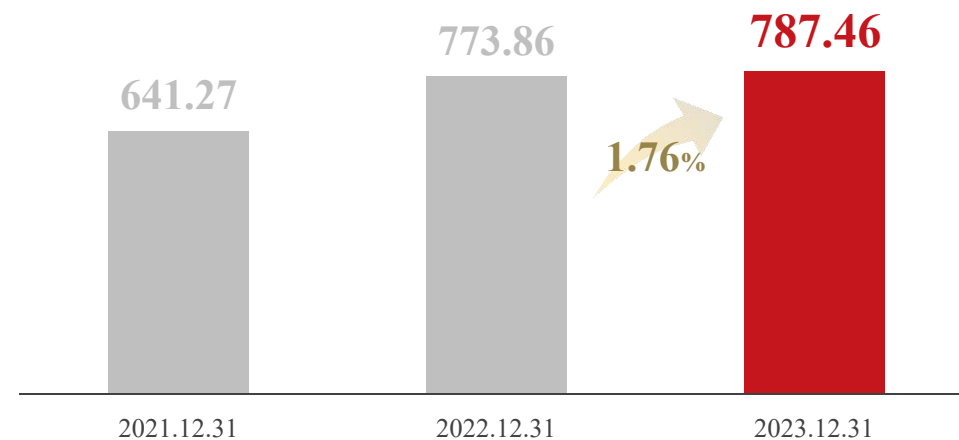
### Total Assets

(RMB100 million)



### Net Assets

(RMB100 million)



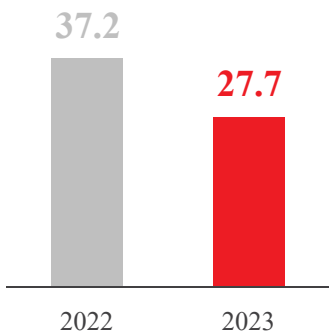
# 1.3 Revenue and Structure of Business Segments

■ Investment Management  
 ■ Brokerage and Securities Finance  
 ■ Securities Sales and Trading  
 ■ Investment Banking  
 ■ Head Office Management and Others

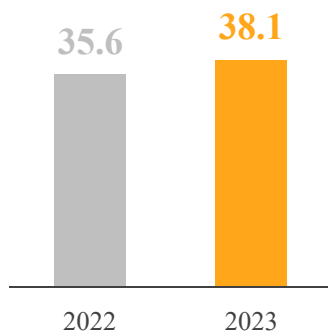
### Revenue of Business Segments

(RMB100 million)

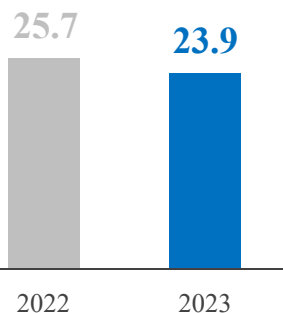
#### Investment Management



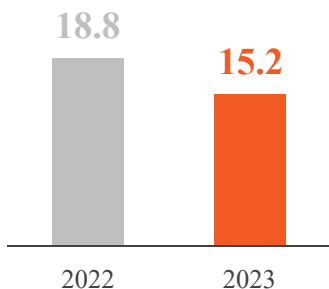
#### Brokerage and Securities Finance



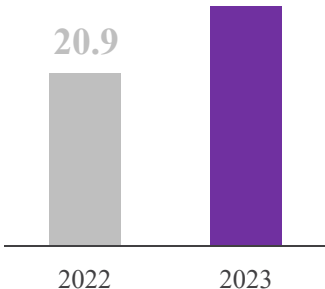
#### Securities Sales and Trading



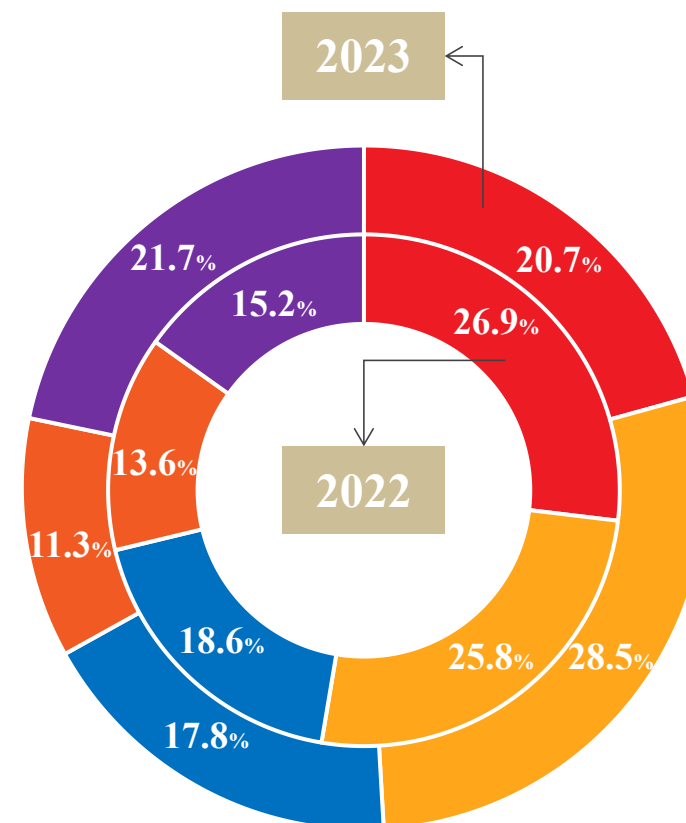
#### Investment Banking



#### Head Office Management and Others



### Revenue Structure of Business Segments



Note: 1. Merger offset factors have not been taken into account;  
2. Bulk commodity trading revenue has been excluded.

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## 2.1 Wealth Management

### Continued Transformation towards “Buy-side Investment Adviser”



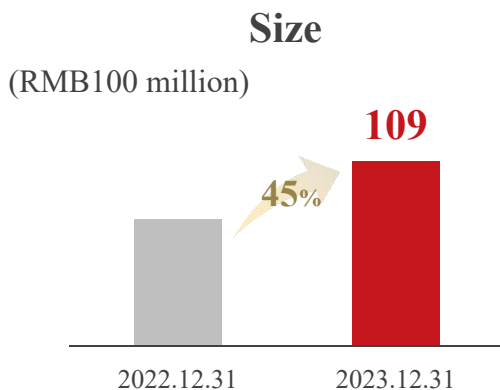
#### Brokerage business

**179** Divisions  
Market share in terms of income **1.63%**

**2.69 million** Customer capital accounts  
Total custodian asset **RMB737.8 billion**

up by 10% yoy

#### Institutional wealth management



#### Retail business

**Asset end** The number of public fund products introduced up by **72%** yoy

**Service end** The growth of the number of product accounts against the trend

**RMB10.3 billion** Equity products sales  
**RMB45.7 billion** Equity products size  
**No 14** Rank of equity+ mixed publicly offered fund size (source: AMAC)

**Individual pension** The total number of accounts exceeded 53,000, **ranking among the top in the industry**

#### Personal wealth

**Fortune 100** The size of implementation solution up by over **90%** yoy

**High-net-worth individuals** The establishment of private fund product system comprised of 6 strategies and 3 risk categories

**6,647** Customers  
**RMB150.0 billion** Total asset

#### Fund investment advisory

**Product data**

**16** Investment portfolio strategies  
**RMB14.4 billion** Total fund investment advisory

**Customer data**

**~140 thousand** Customers served  
**69% / 76%** Client retention rate/re-investment rate

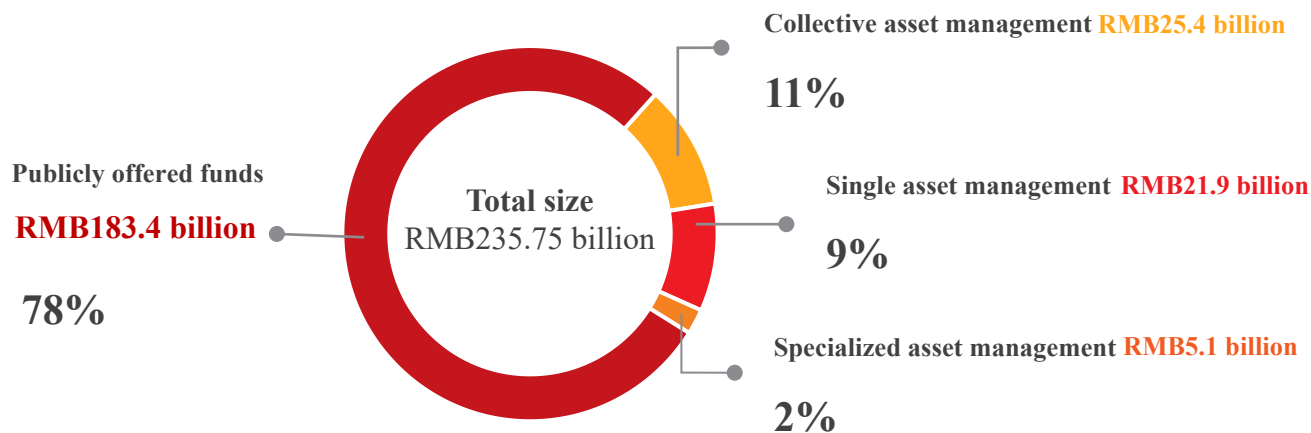
#### Some awards



## 2.2 Asset Management

# ORIENT SECURITIES Continues to Build Professional and Diverse Investment and Research Platforms

### Management size



### Investment results

Fund types	Returns	Industry rank
Discretionary management equity mutual funds in past 7 years.	65.3%	No 9
Fixed income funds in past 5 years.	22.6%	Top 1/4

(source: China Galaxy Securities Fund Research Center)

(source: Financial Products Research Center of Haitong Securities Research Institute)

### Transformation progress

#### Investment and research capability

The equity investment and research collaboration mechanism operates well; the fixed income investment and research team mechanism improves.

#### Product system

Establishing a more precise mechanism for interpreting customer needs and gradually expanding the product matrix.

#### Sales system

The transformation of professional services has achieved certain results; the strategy of diversifying funds has been deepened.

### Some awards



Five-Year Golden Bull Broker's Collective Asset Manager



Junding Award for All-round Assets Management Companies



Golden Fund • TOP Bond Funds Return on Fund Managers

## 2.2 Asset Management

# China Universal Builds Recognized Asset Management Brand

### Management size and product system

**RMB820.0+billion**

Publicly offered fund size

**48**

The number of newly issued publicly offered funds

**RMB472.2 billion**

Monthly scale of non-monetary wealth management publicly offered funds

**318**

The number of publicly offered funds

**RMB40.0+billion**

Growth scale of monetary funds

- equity funds
- index funds
- QDII funds
- commingled funds
- bond funds
- money market funds

### Some awards



Seven-Year Open Hybrid Continuous Superior Golden Bull Fund



Award for Star Fund Companies with Three-year Overseas Investment



Golden Fund • Funds Return Award

### Key points of business

#### Investment philosophy

Adherence to a long-term perspective with a focus on the regularization of investments, and improvement of the foresight and effectiveness of research.

#### Index product

Accelerated improvement of index products and strategy service systems, and continued development of **指能添富**

#### Marketing and service

Overall improvement of channels, institutions, and e-commerce platforms and effective enhancement of customer service efficiency through digital development.

#### International layout

The U.S. subsidiary officially commenced operations, while the Singapore subsidiary received approval from the CSRC.

## 2.3 Securities Sales and Trading

### Strengthening Research Foundation, Seeking Innovative Transformation

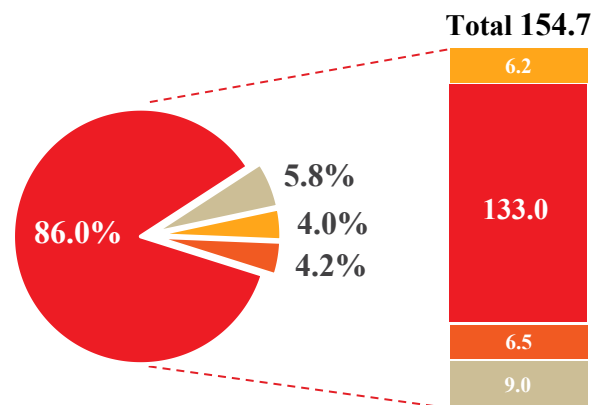


#### The Balance of Proprietary Trading Business Divided by Asset Category

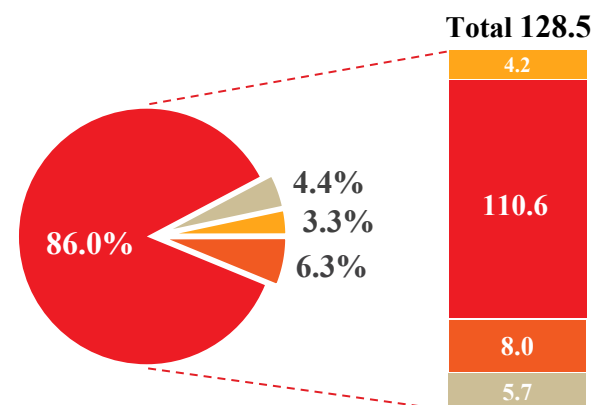
(In RMB billions)

■ Stocks ■ Bonds ■ Funds ■ Others

As of December 31, 2023



As of December 31, 2022



#### FICC Business

##### Proprietary Trading

**24.9%**

Year-on-year growth rate of interbank spot bond trading volume

**177.2%**

Year-on-year growth rate of exchange bond trading volume

**86.9%**

Year-on-year growth rate of interest rate swap trading volume

Rankings for the scale of three transaction volumes remain at the forefront of the industry

##### Innovative Business

###### Commodities

The first carbon emission trading deal and the first Shanghai carbon quota forward SHEAF transaction

###### Foreign exchange business

Foreign exchange under current account and capital account made breakthroughs in agency services

##### Market-making business

###### Interbank market

- Bond Connect's trading volume has consistently remained at the forefront of the industry.
- The three policy financial bonds continue to rank first in the market.
- It has become the first northbound swap access quote providers, and its trading volume ranks among the top in the market.

###### The Shanghai and Shenzhen Stock Exchanges

- Become the first lead market-maker of bonds of two stock exchanges.
- The interest rate bonds and credit bonds of the Shanghai Stock Exchange rank first and fourth respectively in the whole market.
- Both interest rate bonds and credit bonds of the Shenzhen Stock Exchange have received A-class ratings.

##### Awards



Second Prize of Shanghai Financial Innovation Achievement Award 2021-2022



中国金融期货交易所  
China Financial Futures Exchange

Best Contribution Award for the 10th Anniversary of the Listing of China's Treasury Bond Futures (2013-2023)

## 2.3 Securities Sales and Trading

### Strengthening Research Foundation, Seeking Innovative Transformation(Continued)



#### Equity-based proprietary business

- Transactional business operates at a low position; the high dividend strategy performs well; actively deploying quantitative investment; orderly developing market-making business in the Science and Technology Innovation Board and the Beijing Stock Exchange



2022 Pioneer Market Maker for Science and Technology Innovation Board Stocks

#### Securities Research Institute



**73 individuals**

Number of analysts

**87%**

The proportion of non-public offering in newly added institutional customers

**RMB440 Million**

Public offering commission income

**No 7**

Ranking of public offering commission income in the industry in 2023 Increased by 2 places compared to 2022

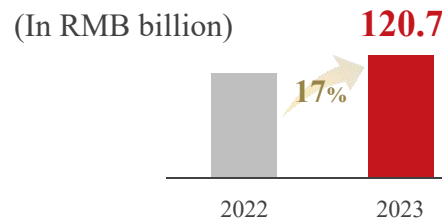
#### Financial Derivative

##### Market-making business

- The overall business scale has **increased by 50% year-on-year.**
- Market-making varieties
  - Options: increased from 12 to **23**
  - Funds: Increase from over 60 to **over 100**
- Market-making Rating
  - Options: **Highest AA Rating** from Exchange
  - Fund: **Highest AA Rating** from Shenzhen Stock Exchange and **Highest A Rating** from both Shanghai and Shenzhen Fund Connect Platforms at the Same Period

##### Over-the-counter derivatives

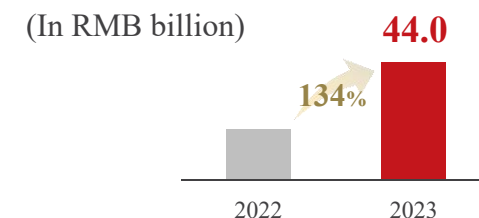
- The trading volume of over-the-counter options



深圳证券交易所 SHENZHEN STOCK EXCHANGE

Excellent Options Market Maker

- The trading volume of income swap transactions



上海期货交易所 SHANGHAI FUTURES EXCHANGE

Market Maker Business Gold Award

## 2.4 Investment Banking

# Continuously Increasing Support for the Real Economy



### Stock Underwriting



#### IPO

7

Number of Projects

¥680 Million

Principal Underwriting Amount



Assist in strategic emerging industries or national specialized and new industries

#### Refinancing

8

Number of Projects

¥610 Million

Principal Underwriting Amount

Top 10 Underwriter's Rank in Number and Scale of Convertible Bond Projects

#### Project Quality

5

IPO Approval

8

Refinancing Approval

100%

Approval Rate

#### Awards

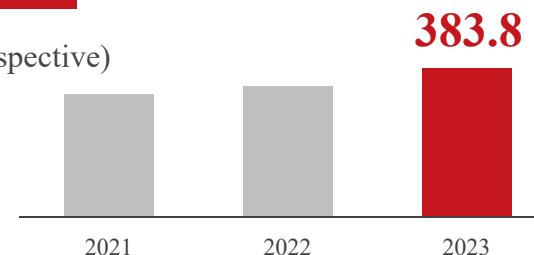


The 2023 China Securities Industry Equity Financing Investment Banking Jun Ding Award

### Bond Underwriting

#### Underwriting Scale and Ranking

(Consolidated Perspective)  
(In RMB billions)



Industry ranking # 8

#### Interest Rate Debt

No 2

Financial bonds of China Development Bank and Agricultural Development Bank of China

Top 3

Book-entry treasury bonds

No 8

Debt financing instruments

#### Corporate Bond

- The impact of regional deep cultivation has become increasingly apparent, resulting in a concurrent elevation of both high-quality customers and projects.
- Receiving the highest A-class evaluation for corporate bond lead underwriter in 2022 by the China Securities Association.

#### Awards



Best Debt Underwriting Investment Bank



Cross-border Subscription Innovation Award



## 2.5 Subsidiaries

## Steady Improvement of Overall Capabilities

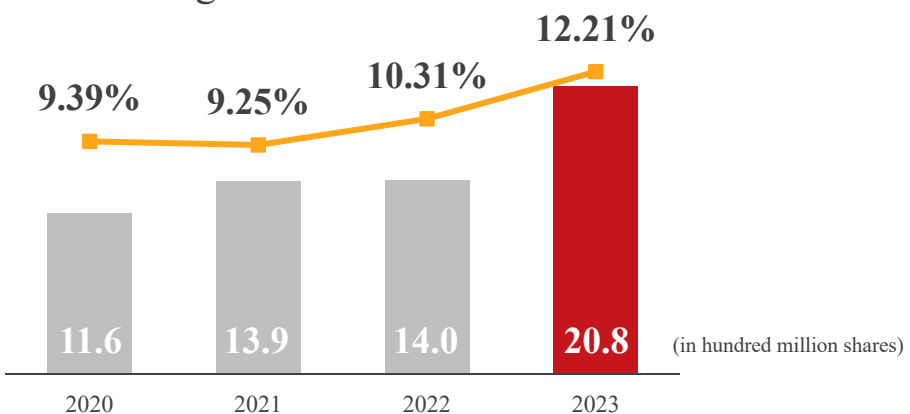


### Orient Futures



#### Industry position

trading volume & market share



#### Technological advantages

The influence of FINOVIEW's products saw steady improvement, and the OST system guaranteed the company's edge in speed.

#### A selection of awards



Outstanding Member Award



Outstanding Member Gold Award



Outstanding Member Platinum Award

### Dongzheng Innovation



#### Equity investment business

105 units

existing projects

5

Number of IPOs filed

¥4.8 billion

existing investment scale

1

Number of IPOs issued

#### Special assets acquisitions and disposals

Building comprehensive operational capabilities in areas such as mergers and acquisitions, restructuring, and end-to-end integration, and focusing on assets in Shanghai, Guangzhou and Shenzhen.

#### TSE capital



58, RMB17.5 billion

Number and size of funds under management

10, 1

Number of IPOs filed and issued

145, RMB8.6 billion

Number of active projects and amount of projects in the pipeline

9

Number of surviving listed subjects

### Empowering business development

#### Proprietary investment



#### Wealth Management



#### The construction of the next-generation core business system

Launching of OTC trading system, options trading system and securities trading system.



#### OST High-Speed Trading Platform

Launching a dual-centre trading system with industry-leading performance and speed.



#### East Winner APP

Launching smart trading services with continuous optimisation of functionality and experience

### Improvement of quality and efficiency in management

- **Compliance Risk Control System**  
Promoting the construction of an intelligent compliance control platform and risk control system for the Group
- **Operations Management System**  
Building an industry-leading Digital Intelligence Management System for Capital and Finance
- **Systematic Construction of the Group**  
Obtaining the certification of information technology and industrialisation convergence management system and data management capability maturity level 3.

### Implementing the shared services platforms strategy

- **Artificial Intelligence & Big Models**  
Expanding the frontiers of innovation and exploring applied areas of research
- **Customer Data Platform**  
Covering the entire data service process and market of the securities industry

### Strengthening information security

Intelligent O&M platform continues to land data applications



## Maintaining Industry-leading Ratings

**MSCI** 

ESG rating upgraded to **AA**



Among domestic brokers

**Maintaining its leadership**



Among A-share peers

**Setting a record high**



Among global peers

**Top 15%**

## Building a sustainable ecosystem for the industry



**2023 ESG Global Leaders Conference**



**2023 Green Finance International Summit**




**Green Finance Forum of 60**



**The First Shanghai International Carbon Neutrality Expo**

## Writing a Brilliant Chapter of Green Finance

- Successful completion of the first SHEAF transaction.
- Launch of the second edition of the “Dual Carbon Star Species” Sustainable Innovation Competition to identify star companies
- Development of ESG risk management system and ESG due diligence guidelines
- Release of the Xinhua Carbon Technology Index to guide funds for green development
- Underwriting of RMB13 billion of green bonds and winner of CDB’s “Green Low Carbon Pioneer Award” for two consecutive years
- Exploration of the development of scenario analysis of physical climate risks and transition risks



## Carrying out public welfare activities for rural revitalisation

**~ RMB30 million**

**Total investment in rural revitalisation projects**

Total number of projects: 26

**~ RMB10 million**

**Total investment in key industrial support projects**

Including “Oriental Mushroom Lady” and “Oriental Yihong Tea”.

**~ 4,000 people**

**Number of people reached by public welfare activities**

Including “Heart to Heart Art Classroom” and “Delivery of financial knowledge to the Countryside”

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## 3.1 Overall Business Approach

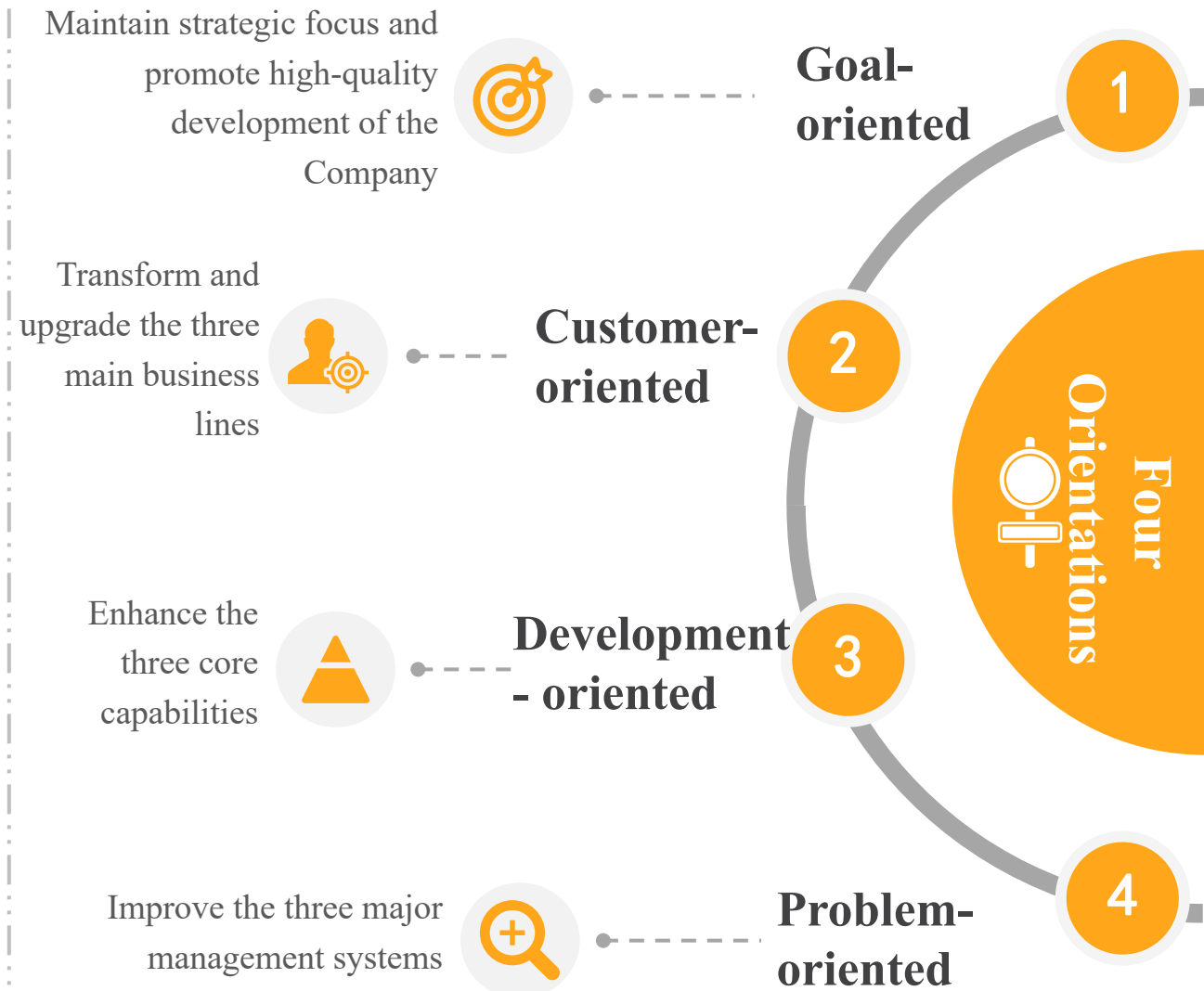
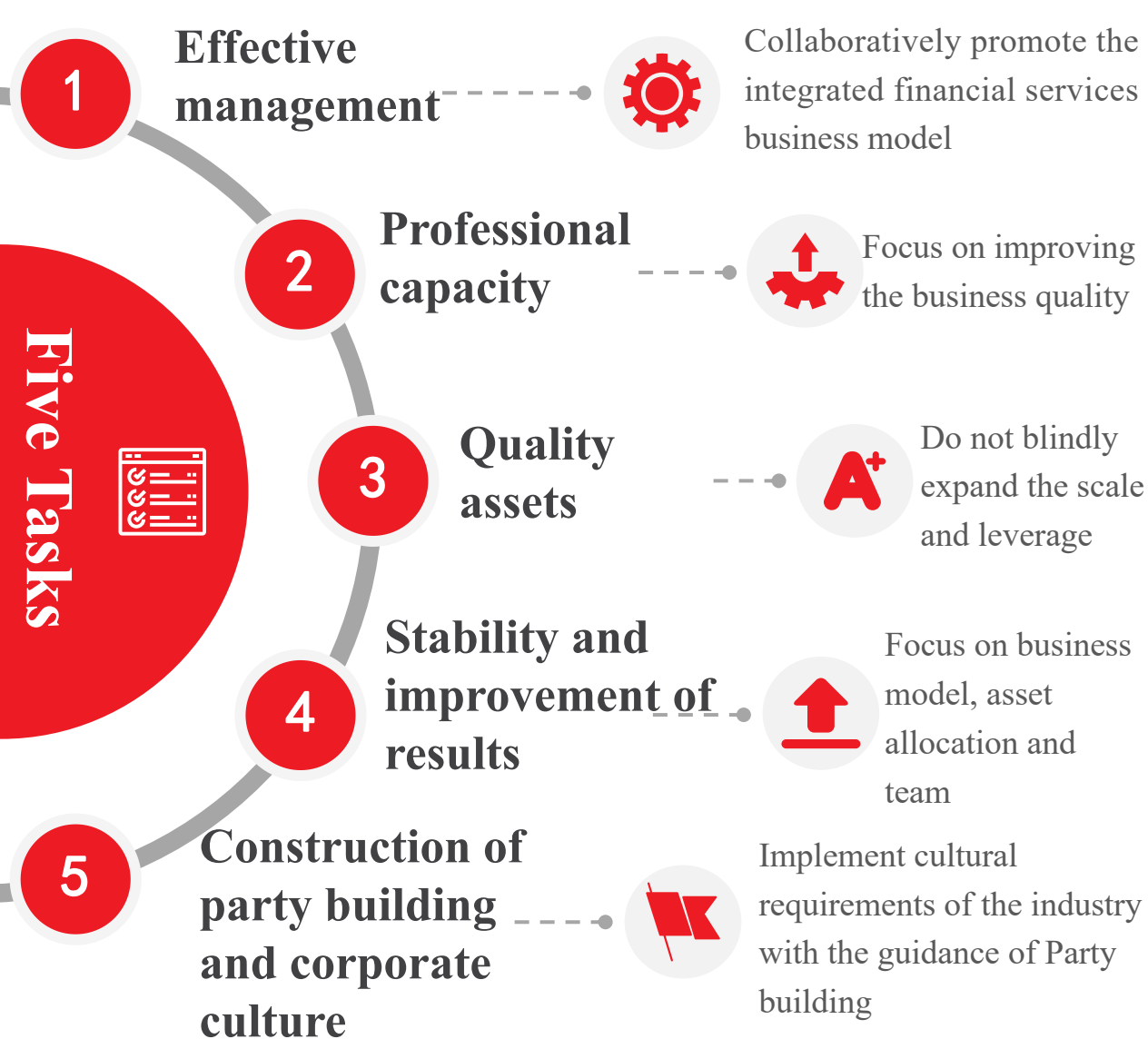
Promote transformation  
Improve capacity  
Enhance management

Goal-oriented  
Customer-oriented  
Development-oriented  
Problem-oriented

Strengthen traditional advantages  
Strive to make up for shortcomings  
Improve implementation efficiency  
Adhere to lasting stability

Promote high-quality development with Orient Securities' characteristics, and strive for the industry's first-class comprehensive securities dealer

## 3.2 Next Phase of Work Deployment



# 东方有梦 聚力前行



Scan the QR code to follow our official WeChat account  
“**Oriental Securities Investor Relations Platform**” and stay  
updated with important company information in real-time!

