

Haitong International Announces Q1 Results for 2021*Inaugural Quarterly Results Announcement; Revenue Recorded Over 150% YoY Growth***Financial Highlights**

- Revenue reached HK\$1.97 billion, up 155% from a year ago; Net profit soared to HK\$558 million
- Fee-based revenue was HK\$911 million, representing YoY growth of 56%
- Basic EPS increased to 9.51 HK cents

Hong Kong, 28 April 2021 – Haitong International Securities Group Limited (“Haitong International”; Stock Code: 665.HK) today announced its Q1 results for the 3 months ended 31 March 2021. In the first quarter of 2021, Haitong International recorded HK\$1.97 billion in revenue, representing a growth of 155% YoY. Fee-based revenue was HK\$911 million, representing a growth of 56% YoY. Driven by the strong growth in fee-based income, net profit soared to HK\$558 million, with basic EPS increased to 9.51 HK cents. Sound operations of the Group are reflected by a decrease of 44% YoY on finance cost, and lowered gearing ratio from 4.45 at the beginning of the year to 4.21 currently.

Starting with this announcement, Haitong International will begin making voluntary disclosure of its quarterly results with the aim of maintaining close communications with the Group’s stakeholders, investors and the general public, as well as providing them with Haitong International’s latest business overview and progress in development.

Since the beginning of 2021, Haitong International continued boosting both the quality and efficiency of its business, and maintained its efforts on diversifying its income streams, asset risks and product structures with talented professionals invited on board to improve the Group’s profitability and resilience.

Corporate Finance: No. 1 in Hong Kong IPO market, Fee-based income up 62% YoY

In Q1 2021, Haitong International’s Corporate Finance team maintained leadership in the market and reported HK\$388 million in fee-based income, representing a growth of 62% YoY, among which the underwriting and placement commission income was HK\$345 million, representing a growth of 65% YoY. Haitong International underwrote a total of 13 Hong Kong IPO deals during the first quarter of the year, and according to Bloomberg, Haitong International topped the Hong Kong IPO League Table by both deal count and total volume underwritten, and achieved over 40% in market share by number of deals.

Haitong International’s Corporate Finance team continued to grasp the opportunity brought by “Homecoming listings” (US-listed Chinese companies conducting secondary listings in Hong Kong). In Q1 2021, Haitong International underwrote all secondary listings in Hong Kong including Baidu and Bilibili etc. Haitong International also continued to expand its corporate finance business footprints across the world. During the

period, it successfully completed Zhihu's IPO in the U.S. (ZH.US) and one financial advisory project in India, strengthening its project execution capability and brand influence in overseas markets.

On the DCM front, Haitong International completed a total of 75 bond deals in the first quarter and according to Bloomberg, Haitong International ranked among the Top 3 on both the China Risk G3 +CNY bond and Asia (ex-Japan) G3 HY corporate bond league tables in terms of number of issuance among all financial institutions worldwide. In addition, Haitong International proactively promotes sustainable finance and lives up to its ESG philosophy. In the first quarter, it completed a total of 9 green bonds issuance amounting to US\$2.37 billion, representing a growth of 339% YoY, setting a good example in the ESG investment area among Chinese financial institutions.

Institutional Clients: Global market turnover continued to grow; No. 2 in HK Warrants/CBBCs market by turnover

In Q1 2021, the Institutional clients segment reported an income of HK\$680 million, representing a growth of 51% YoY. Cash equity continued to grow in Mainland China, Hong Kong, the U.S, Japan and India in terms of market turnover, with a growth of 59% YoY in aggregated turnover. For derivatives, the business of warrants and CBBCs experienced significant growth. During the first quarter, Haitong International issued over 1,400 warrants and CBBCs with the total turnover exceeding HK\$240 billion, representing 198% growth compared to a year ago and ranked second in the Hong Kong market.

Haitong International also stepped up its efforts in enhancing its global business capabilities. Haitong International's Singaporean subsidiary was approved to become a securities and derivatives clearing member of SGX and a depository agent of the Central Depository (Pte) Limited (CDP) in the first quarter, becoming the first Chinese financial institution to obtain the full suite of memberships in the SGX. As a result, Haitong International will be able to further expand its current service scope, effectively reduce its service cost and provide services to its institutional clients in the Greater China region and worldwide by integrating settlement, clearing and custody service offerings.

Wealth Management: Developing Private Wealth Management platform dedicated to serving its entrepreneur client group

Haitong International Wealth Management has been gearing up its Private Wealth Management services targeted at the entrepreneur client segment. During the first quarter, Haitong International continued to expand the team and upgrade the product platform. Products from broader markets, sectors and themes were launched to further enrich investment variety. As of the end of March 2021, the assets under management (AUM) exceeded HK\$690 billion. During Q1 2021, the brokerage commission income was HK\$157 million, representing a growth of 29% YoY, among which, the commission on securities trading reached HK\$135 million, representing a growth of 74% YoY.

The Wealth Management segment continued forging ahead its wealth planning services and shifting its retail



business online. With stronger cooperation with the IB, asset management and global markets departments, it also pushed forward the construction of comprehensive and premium one-stop services to High Net Worth clients.

Asset Management: Robust growth in AUM; Fund performance leading the market

As of the end of March 2021, Haitong International Asset Management's assets under management (AUM) swelled to HK\$63.3 billion. In Q1 2021, the Asset Management segment recorded HK\$209 million in total revenue, representing a growth of 142% YoY, indicates a stable growth in size and income amidst the oscillating market.

A number of funds under Haitong International's Asset Management delivered stable and outstanding long-term returns. As of 31 March 2021, the Haitong Global Diversification Fund, a fund under the mandatory provident fund scheme participated in by Haitong International, delivered a 5-year aggregated return of 89%, ranking top among 41 similar funds; the Haitong Hong Kong SAR Fund delivered a 5-year aggregated return of 112%, ranking top among 37 similar funds.

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Haitong International Securities Group Limited

Haitong International Securities Group Limited ("Haitong International"; Stock Code: 665.HK), together with its subsidiaries, is an international financial institution with established presence in Hong Kong and a rapidly expanding network across the globe. It strives to serve as a bridge linking up the Chinese and overseas capital markets. The parent company of Haitong International is Haitong Securities Co. Ltd ("Haitong Securities", Stock Code: 600837.SH; 6837.HK).

To date, Haitong International has well positioned to serve about 200,000 corporate, institutional, as well as retail and high-net worth clients worldwide. Its well-established financial services platform provides corporate finance, wealth management, asset management, institutional clients (key businesses include fixed income, currency and commodities (FICC), derivatives, institutional equities) and investments business, and a full



spectrum of financial products and services. Haitong International possesses a sound risk management system that is in line with international standards. The company has been assigned a “Baa2” long-term issuer rating by Moody’s and a “BBB” long-term credit rating by Standard and Poor’s. Haitong International has a global financial servicing network covering the world’s major capital markets including Hong Kong, Singapore, New York, London, Tokyo, Mumbai, and Sydney, thereby making it to be a leading global financial institution with international competitiveness, systematic importance and brand influence.

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