

**REPORT OF FACTUAL FINDINGS TO THE BOARD OF DIRECTORS OF
CITIC SECURITIES INTERNATIONAL COMPANY LIMITED**

We have performed the procedures agreed with you and enumerated below with respect to the financial information of CSI Financial Products Limited (the “Company”), a wholly-owned subsidiary of CITIC Securities International Company Limited (CSI), as at 31 December 2020 and for the year then ended, set forth in the accompanying schedules (the “Statements”). The procedures have been agreed by the directors of the CSI, and the directors of the CSI are responsible for the sufficiency and appropriateness of these procedures. It is the responsibility of Company’s directors to keep proper books and records of the Company and to monitor relevant internal controls, and to prepare the financial information based on the books and records of the Company.

Our engagement was undertaken in accordance with Hong Kong Standard on Related Services 4400, “Engagements to Perform Agreed-Upon Procedures Regarding Financial Information” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The procedures were performed solely to assist you in management information and are summarised as follows:

1. Obtained from the management of the Company and CSI:
 - i. the unaudited statement of comprehensive income for the year ended 31 December 2020 and the unaudited statement of financial position as at 31 December 2020 (the “Statements”) of the Company in the accompanying Appendix, and
 - ii. the working schedule used in preparing the CSI audited consolidated financial statements for the year ended 31 December 2020 (the “Consolidation Schedule”).
2. Agreed the figures in United States dollars (“USD”) equivalent of each line item listed in the Statements to the corresponding figures of the Company listed in the Consolidation Schedule.
3. Summarised and listed out the difference identified in item 2 in this report.

We report our findings below:

- (a) With respect to item 1, we obtained the Statements of the Company and the Consolidation Schedule of CSI.
- (b) With respect to item 2, we found the figures in USD equivalent of each line listed in the Statements to be in agreement with the corresponding figures of the Company listed in the Consolidation Schedule.
- (c) With respect to item 3, we found that there was no difference identified in item 2.

Because the above procedures do not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA (collectively referred to as “Hong Kong assurance standards”), we do not express any assurance on the Statements as at 31 December 2020 and for the year then ended.

Had we performed additional procedures or had we performed an assurance engagement of the Statements in accordance with the Hong Kong assurance standards, other matters might have come to our attention that would have been reported to you.

**REPORT OF FACTUAL FINDINGS TO THE BOARD OF DIRECTORS OF
CITIC SECURITIES INTERNATIONAL COMPANY LIMITED (continued)**

Our report is solely for the purpose set forth in the second paragraph of this report and is for your information only and is not to be used for any other purpose or to be distributed to any other parties. We expressly disclaim any liability or duty to any other party for the content in this report. This report relates only to the Statements and items specified above and does not extend to any financial statements of the Company or CSI, taken as a whole.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 July 2021

Appendix:

CSI Financial Products Limited

- Statement of Comprehensive Income for the year ended 31 December 2020 and
- Statement of Financial Position as at 31 December 2020

CSI FINANCIAL PRODUCTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

**For the year ended 31 December 2020
(Unaudited)**

	2020 US\$	2019 US\$
Net gains/ (losses) on financial assets and financial liabilities at fair value through profit or loss	2,069,094	(2,292,166)
Dividend expense and net interest expense from financial assets and financial liabilities at fair value through profit or loss	(10,970)	(38,307)
Net foreign exchange (losses)/ gains	(32,918)	3,022
	<u>2,025,206</u>	<u>(2,327,451)</u>
Expenses		
Other operating expenses	<u>9,749</u>	<u>3,525</u>
PROFIT/ (LOSS) FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>2,015,457</u></u>	<u><u>(2,330,976)</u></u>

CSI FINANCIAL PRODUCTS LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2020
(Unaudited)

	2020 US\$	2019 US\$
CURRENT ASSETS		
Financial assets at fair value through profit or loss	4,574,105,835	3,377,846,816
Due from a fellow subsidiary	999,220	141,473
Other receivables	169,482,171	92,237,651
Total current assets	4,744,587,226	3,470,225,940
CURRENT LIABILITIES		
Financial liabilities at fair value through profit or loss	4,565,835,068	3,371,669,723
Due to an intermediate holding company	52,445	52,215
Due to a fellow subsidiary	20,275	7,655
Other payables and accruals	170,470,173	92,302,539
Total current liabilities	4,736,377,961	3,464,032,132
NET CURRENT ASSETS	8,209,265	6,193,808
Net assets	8,209,265	6,193,808
EQUITY		
Issued capital	1	1
Retained earnings	8,209,264	6,193,807
Total equity	8,209,265	6,193,808