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(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6030)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board hereby announces that the resolution in relation to the proposed amendments to certain articles in the Articles of Association and Appendix 1 has been passed at a meeting of the Board held on 28 April 2017. The proposed amendments to the Articles of Association and Appendix 1 are subject to the approval by the Shareholders at the general meeting of the Company by way of a special resolution as well as the approval by/filing with the Shenzhen Bureau of the CSRC.

A circular of the Company containing detailed information of the above-mentioned amendments to the Articles of Association and Appendix 1 will be dispatched to the Shareholders in due course.

Pursuant to the relevant regulations including, among others, the Guidelines on Articles of Association of Listed Companies (Revised in 2016) and the Rules of the General Meetings of Listed Companies (Revised in 2016) issued by China Securities Regulatory Commission (the “CSRC”) and the Norms for the Overall Risk Management of Securities Companies released by the Securities Association of China, in a move to further improve the corporate governance of CITIC Securities Company Limited (the “Company”), to better safeguard the legitimate rights and interests of the Company and its shareholders and creditors, to reinforce the awareness of risk management of the Company, and to establish and improve the risk management system of the Company, it is proposed to amend certain articles in the articles of association of the Company (the “Articles of Association”) and Appendix 1 to the Articles of Association (“Appendix 1”) currently in force, to be in line with the regulatory requirements and current status of the Company.

At the same time, in accordance with the Regulatory Measures for the Qualifications of Directors, Supervisors and Senior Management of Securities Companies and considering the current situations of the Company, it is proposed to amend the articles in the Articles of Association in relation to the number of the members of the Board and the effective date of the appointment of new directors and supervisors of the Company, and to add articles of chief risk officer in the Articles of Association, set out his responsibilities and make adjustments to other related articles accordingly.

The board of directors (the “**Board**”) of the Company has approved the above-mentioned proposed amendments to certain articles in the Articles of Association and Appendix 1 at a meeting held on 28 April 2017. Detailed information of the proposed amendments is as follows:

I. Comparative Table of the Proposed Amendments to the Articles of Association

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 11	For the purpose of this AOA, the term “senior management” shall include the President, members of the Executive Committee, the Chief Financial Officer, the Compliance Officer, the Secretary to the Board of Directors, and other personnel that are recognized by the regulatory authorities or engaged by the resolution of the Board of directors.	Article 11	For the purpose of this AOA, the term “senior management” shall include the President, members of the Executive Committee, the Chief Financial Officer, the Compliance Officer, <u>the Chief Risk Officer</u> , the Secretary to the Board of Directors, and other personnel that are recognized by the regulatory authorities or engaged by the resolution of the Board of directors.	Article 10 of the Norms for the Overall Risk Management of Securities Companies
Article 112	<p>A shareholder (including his or her proxy) shall vote based on the number of his or her voting shares, with one share representing one vote.</p> <p>No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a General Meeting of Shareholders.</p> <p>The Board of Directors, the independent director and qualified shareholders have the right to solicit votes from shareholders.</p>	Article 112	<p>A shareholder (including his or her proxy) shall vote based on the number of his or her voting shares, with one share representing one vote.</p> <p><u>Where significant matters which have an impact on the interests of minority investors are being considered at the general meeting, the votes by minority investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.</u></p>	Article 78 of the Guidelines on Articles of Association of Listed Companies (Revised in 2016)

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
			<p>No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a General Meeting of Shareholders.</p> <p>The Board of Directors, the independent director and qualified shareholders have the right to solicit votes from shareholders.</p> <p><u>While soliciting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. The Company shall not impose any minimum shareholding percentage limitation on the solicitation of voting rights.</u></p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 132	The shareholders present at a General Meeting of Shareholders shall express one of the following opinions on proposals that are put to a vote: consent, opposition or abstention. If a ballot is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.	Article 132	The shareholders present at a General Meeting of Shareholders shall express one of the following opinions on proposals that are put to a vote: consent, opposition or abstention, <u>except for securities registration and clearing institutions serving as nominal holders of shares under the Hong Kong and mainland China stock mutual market, who shall vote in accordance with the instruction of the beneficial owners.</u> If a ballot is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.	Article 89 of the Guidelines on Articles of Association of Listed Companies (Revised in 2016)
Article 137	Where the General Meeting of Shareholders passes a proposal for the election of a director or supervisor, the appointment of the new director or supervisor shall become effective on the date the relevant proposal on the election is carried at the General Meeting of Shareholders.	Article 137	Where the General Meeting of Shareholders passes a proposal for the election of a director or supervisor, the appointment of the new director or supervisor shall become effective on the date when the relevant proposal on the election is passed at the General Meeting of Shareholders <u>and the qualification of such director’s or supervisor’s serving as such positions is approved by the CSRC.</u>	Article 16 of the Regulatory Measures for the Qualifications of Directors, Supervisors and Senior Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 163	The Board of Directors shall consist of 10 members, including one Chairman and, if applicable, one or two Vice Chairman(s). The number of internal directors of the Company serving on the Board of Directors shall not exceed half of the total number of members of the Board of Directors.	Article 163	The Board of Directors shall consist of <u>7</u> members, including one Chairman and, if applicable, one or two Vice Chairman(s). The number of internal directors of the Company serving on the Board of Directors shall not exceed half of the total number of members of the Board of Directors.	—
Article 164	<p>The Board of Directors shall exercise the following functions and powers:</p> <p>(1) to convene the General Meeting of Shareholders and report its work to the General Meeting of Shareholders;</p> <p>(2) to report at the annual general meeting and to disclose in the annual report the performance of duties by the directors respectively, including the attendance of Board meetings and votes of the directors during the reporting period;</p> <p>(3) to implement resolutions of the General Meeting of Shareholders;</p> <p>(4) to decide on the business plans and investment plans of the Company;</p>	Article 164	<p>The Board of Directors shall exercise the following functions and powers:</p> <p>(1) to convene the General Meeting of Shareholders and report its work to the General Meeting of Shareholders;</p> <p>(2) to report at the annual general meeting and to disclose in the annual report the performance of duties by the directors respectively, including the attendance of Board meetings and votes of the directors during the reporting period;</p> <p>(3) to implement resolutions of the General Meeting of Shareholders;</p> <p>(4) to decide on the business plans and investment plans of the Company;</p>	Article 6 and Article 7 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(5) to formulate the annual budget and the final account of the Company;</p> <p>(6) to formulate the profit distribution plan and plans for making up losses of the Company;</p> <p>(7) to formulate plans to increase or decrease the registered capital, issue and list bonds or other securities of the Company;</p> <p>(8) to draft plans for any major acquisition of the Company, any purchase of the stock of the Company, or any merger, division, dissolution or changes in the corporate form of the Company;</p> <p>(9) to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, the provision of security for third parties, entrustment of financial services, connected transactions, etc., to the extent authorized by the General Meeting of Shareholders;</p>		<p>(5) to formulate the annual budget and the final account of the Company;</p> <p>(6) to formulate the profit distribution plan and plans for making up losses of the Company;</p> <p>(7) to formulate plans to increase or decrease the registered capital, issue and list bonds or other securities of the Company;</p> <p>(8) to draft plans for any major acquisition of the Company, any purchase of the stock of the Company, or any merger, division, dissolution or changes in the corporate form of the Company;</p> <p>(9) to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, the provision of security for third parties, entrustment of financial services, connected transactions, etc., to the extent authorized by the General Meeting of Shareholders;</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(10) to decide on the establishment of the Company's internal management organization;</p> <p>(11) to retain or dismiss, and determine the remunerations and awards or punishments to, the President, the Chief Compliance Officer and the Secretary to the Board of Directors; according to the nomination by the Chairman of the Board of Directors or the President, retain or dismiss, and determine the remunerations and awards or punishments to, any member of the Executive Committee and the Chief Financial Officer;</p> <p>(12) to formulate the fundamental management system of the Company;</p> <p>(13) to formulate plans to amend this AOA;</p> <p>(14) to manage any disclosure of information by the Company;</p>		<p>(10) to decide on the establishment of the Company's internal management organization;</p> <p>(11) to retain or dismiss, and determine the remunerations and awards or punishments to, the President, the Chief Compliance Officer, <u>the Chief Risk Officer</u> and the Secretary to the Board of Directors; according to the nomination by the Chairman of the Board of Directors or the President, retain or dismiss, and determine the remunerations and awards or punishments to, any member of the Executive Committee and the Chief Financial Officer;</p> <p>(12) to formulate the fundamental management system of the Company;</p> <p>(13) to formulate plans to amend this AOA;</p> <p>(14) to manage any disclosure of information by the Company;</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(15) to propose to the General Meeting of Shareholders to employ or dismiss any accounting firm that audits the Company;</p> <p>(16) to listen to the work report and check the work of the President;</p> <p>(17) to formulate the fundamental compliance and management system and other risk control systems for the Company;</p> <p>(18) to listen to the work report of the Chief Compliance Officer; and</p> <p>(19) to perform other duties and powers granted under relevant laws, regulations and rules.</p>		<p>(15) to propose to the General Meeting of Shareholders to employ or dismiss any accounting firm that audits the Company;</p> <p>(16) to listen to the work report and check the work of the President;</p> <p>(17) to formulate the fundamental compliance and management and <u>overall risk management</u> system and other risk control systems for the Company;</p> <p>(18) to listen to the work report of the Chief Compliance Officer <u>and the Chief Risk Officer</u>; and</p> <p>(19) to perform other duties and powers granted under relevant laws, regulations and rules.</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 196	<p>The Company shall have one President, who shall be appointed or dismissed by the Board of Directors. It shall have an Executive Committee, which shall, as the highest operational and management organ, comprise eight to ten members.</p> <p>The President, the members of the Executive Committee, the Chief Financial Officer, the Chief Compliance Officer, the Secretary to the Board of Directors, and other persons that hold important positions recognized by the regulatory authority or determined by any resolution of the Board of Directors, shall be senior management members of the Company, and retained or dismissed by the Board of Directors.</p>	Article 196	<p>The Company shall have one President, who shall be appointed or dismissed by the Board of Directors. It shall have an Executive Committee, which shall, as the highest operational and management organ, comprise eight to ten members.</p> <p>The President, the members of the Executive Committee, the Chief Financial Officer, the Chief Compliance Officer, the Chief Risk Officer, the Secretary to the Board of Directors, and other persons that hold important positions recognized by the regulatory authority or determined by any resolution of the Board of Directors, shall be senior management members of the Company, and retained or dismissed by the Board of Directors.</p>	Article 7 and Article 10 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 197	<p>Senior management members of the Company may not hold a position at any profit-making entity other than a company in which the Company holds shares, or engage in any operational activities other than his or her duties with the Company.</p> <p>The senior management member or the person responsible for the domestic branch of the Company shall, before taking his or her office, have the qualifications for his or her post approved by the CSRC. Any person who is disqualified shall not be authorized to carry out the duty concerned in violation of relevant rules.</p>	Article 197	<p>Senior management members of the Company may not hold a position at any profit-making entity other than a company in which the Company holds shares, or engage in any operational activities other than his or her duties with the Company.</p> <p><u>Any member of the senior management of the Company shall, before taking his or her office, have the qualifications for serving as his or her position approved by the CSRC. Any person who does not have the required qualification shall not be authorized, in violation of relevant rules, to carry out the relevant duties.</u></p>	Article 24 of the Regulation on the Supervision and Administration of Securities Companies
Article 202	<p>The President, who reports to the Board of Directors, shall have the power to:</p> <p>(1) be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report on his or her work to the Board of Directors;</p> <p>(2) arrange for the implementation of the Company's annual business plans and investment plans;</p>	Article 202	<p>The President, who reports to the Board of Directors, shall have the power to:</p> <p>(1) be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report on his or her work to the Board of Directors;</p> <p>(2) arrange for the implementation of the Company's annual business plans and investment plans;</p>	Article 6, Article 7 and Article 10 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(3) formulate the fundamental management system of the Company;</p> <p>(4) formulate the basic rules and regulations of the Company;</p> <p>(5) draft the plan for establishment of the Company's internal management organization;</p> <p>(6) propose to appoint or dismiss any senior management member other than the President, the Chief Compliance Officer and the Secretary to the Board of Directors;</p> <p>(7) engage or dismiss management personnel other than those to be engaged or dismissed by the Board of Directors;</p> <p>(8) implement the risk control system of the Company, to ensure that the Company complies with the risk control indicators of the CSRC;</p> <p>(9) exercise other powers granted by this AOA and the Board of Directors.</p>		<p>(3) formulate the fundamental management system of the Company;</p> <p>(4) formulate the basic rules and regulations of the Company;</p> <p>(5) draft the plan for establishment of the Company's internal management organization;</p> <p>(6) propose to appoint or dismiss any senior management member other than the President, the Chief Compliance Officer, <u>the Chief Risk Officer</u> and the Secretary to the Board of Directors;</p> <p>(7) engage or dismiss management personnel other than those to be engaged or dismissed by the Board of Directors;</p> <p>(8) implement the risk control system of the Company, to ensure that the Company complies with the risk control indicators of the CSRC;</p> <p>(9) exercise other powers granted by this AOA and the Board of Directors.</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	The President shall take charge of the daily management of the Company, attend the meeting of the Board of Directors, report to the Board of Directors, and exercise his or her powers according to his or her terms of reference. If the President is not also a director, he or she shall not have the right to vote at the Board meetings.		The President shall take charge of the daily management of the Company, attend the meeting of the Board of Directors, report to the Board of Directors, and exercise his or her powers according to his or her terms of reference. If the President is not also a director, he or she shall not have the right to vote at the Board meetings.	
Article 204	<p>The President may tender his or her resignation before his or her term expires. The specific procedures and methods for the resignation of the President shall be provided in the employment contract between the President and the Company.</p> <p>The President, the Chief Compliance Officer and the Secretary to the Board of Directors shall be recommended and nominated by the Chairman of the Board of Directors. The other senior management members may be recommended and nominated by the Chairman of the Board of Directors or the President, and shall be retained or dismissed by the Board of Directors. The Chairman of the Board of Directors and the President shall be standing members of the Executive Committee.</p> <p>The other members of the Executive Committee shall report directly to the Chairman of the Board of Directors.</p>	Article 204	<p>The President may tender his or her resignation before his or her term expires. The specific procedures and methods for the resignation of the President shall be provided in the employment contract between the President and the Company.</p> <p>The President, the Chief Compliance Officer, <u>the Chief Risk Officer</u> and the Secretary to the Board of Directors shall be recommended and nominated by the Chairman of the Board of Directors. The other senior management members may be recommended and nominated by the Chairman of the Board of Directors or the President, and shall be retained or dismissed by the Board of Directors. The Chairman of the Board of Directors and the President shall be standing members of the Executive Committee.</p> <p>The other members of the Executive Committee shall report directly to the Chairman of the Board of Directors.</p>	Article 7 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	Where a member of the Executive Committee takes charge of the business of the Company, the division of work and responsibilities shall be defined by a resolution of the committee, and reported to the regulatory authority for filing. Where a member of the committee takes charge of two or more business items of the Company, or the same business item is in the charge of two or more members of the committee, the member or members shall not involve in any conflict of interest as required by the isolation wall system.		Where a member of the Executive Committee takes charge of the business of the Company, the division of work and responsibilities shall be defined by a resolution of the committee, and reported to the regulatory authority for filing. Where a member of the committee takes charge of two or more business items of the Company, or the same business item is in the charge of two or more members of the committee, the member or members shall not involve in any conflict of interest as required by the isolation wall system.	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 205	<p>The Executive Committee shall be the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors.</p> <p>The Executive Committee shall have the power to:</p> <ol style="list-style-type: none"> (1) carry out the operational guidelines that the Board of Directors may define, and determine major matters in relation to the operation and management of the Company; (2) draft and carry out the financial budget plan of the Company; (3) draft the final accounting plan, the profit distribution plan, and plans for making up losses of the Company; (4) draft the plan to change the registered capital, and the plan to issue bonds, of the Company; (5) draft the plan for the merger, division, alteration or dissolution of the Company; (6) 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; 	Article 205	<p>The Executive Committee shall be the highest operational and management organ of the Company for the purpose of carrying out the guidelines and policies of the Board of Directors.</p> <p>The Executive Committee shall have the power to:</p> <ol style="list-style-type: none"> (1) carry out the operational guidelines that the Board of Directors may define, and determine major matters in relation to the operation and management of the Company; (2) draft and carry out the financial budget plan of the Company; (3) draft the final accounting plan, the profit distribution plan, and plans for making up losses of the Company; (4) draft the plan to change the registered capital, and the plan to issue bonds, of the Company; (5) draft the plan for the merger, division, alteration or dissolution of the Company; (6) 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; 	Article 6 and Article 9 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(7) draft the plan for the management organization of the Company;</p> <p>(8) draft and approve the remuneration plan and the award and punishment plan for employees;</p> <p>(9) exercise other powers granted by the Board of Directors.</p>		<p><u>(7) formulate risk management system and make timely adjustments;</u></p> <p><u>(8) determine risk appetite, risk tolerance and major risk limits, regularly review the overall risk and all kinds of significant risk management of the Company and report to the Board of Directors, and solve the problems in risk management;</u></p> <p><u>(9) establish a comprehensive information technology system and a data quality control mechanism;</u></p> <p>(10) draft the plan for the management organization of the Company;</p> <p>(11) draft and approve the remuneration plan and the award and punishment plan for employees; and</p> <p>(12) exercise other powers granted by the Board of Directors.</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 208	<p>The Company shall have a Chief Compliance Officer. The Chief Compliance Officer shall, as a senior management member, examine, supervise and inspect how the operational and management behaviors and business acts of the Company and its employees comply with relevant laws, regulations and rules.</p> <p>The Chief Compliance Officer shall not hold any other operational or management position, nor decide on any operational or management activities of the Company.</p> <p>The Chief Compliance Officer shall, in discharging its duties, have the right of information for the operation and management of the Company.</p>	Article 208	<p>The Company shall have a Chief Compliance Officer <u>and a Chief Risk Officer, both of which are senior management members.</u></p> <p><u>The Chief Compliance Officer shall examine, supervise and inspect how the operational and management behaviors and business acts of the Company and its employees comply with relevant laws, regulations and rules. The Chief Compliance Officer shall not hold any other operational or management position, nor decide on any operational or management activities of the Company.</u></p> <p><u>The Chief Risk Officer shall be responsible for leading and promoting overall risk management. The Chief Risk officer shall not hold any other positions or take charge of any other departments that are in conflict with his duties.</u></p> <p><u>The Chief Compliance Officer and the Chief Risk Officer shall, in discharging its duties, have the right of information for the operation and management of the Company.</u></p>	Article 10 and Article 16 of the Norms for the Overall Risk Management of Securities Companies
Article 209	<p>The Chief Compliance Officer shall be appointed or dismissed by the Board of Directors. The appointment shall comply with the qualification requirement of the regulatory authority.</p>	Article 209	<p><u>The Chief Compliance Officer and the Chief Risk Officer shall be appointed or dismissed by the Board of Directors. The appointment shall comply with the qualification requirement of the regulatory authority.</u></p>	Article 7 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 210	The Chief Compliance Officer shall report to the Board of Directors and to the regulatory authority pursuant to relevant regulations.	Article 210	The Chief Compliance Officer and the Chief Risk Officer shall report to the Board of Directors and to the regulatory authority pursuant to relevant regulations.	Article 7 of the Norms for the Overall Risk Management of Securities Companies
Article 222	<p>The Supervisory Committee shall have the power to:</p> <p>(1) review the regular reports of the Company prepared by the Board of Directors and submit written review opinions thereon; and in case of any doubt, engage the service of an accounting firm or a law firm to assist in its work, with the cost to be borne by the Company;</p> <p>(2) check the financial position of the Company;</p> <p>(3) supervise directors and other senior management members in the discharge of their duties, and request an explanation or propose to dismiss any director or any other senior management member that violates laws, regulations, this AOA or any decision of the General Meeting of Shareholders;</p> <p>(4) request a director or any other senior management member to correct his or her act that is harmful to the interests of the Company;</p>	Article 222	<p>The Supervisory Committee shall have the power to:</p> <p>(1) review the regular reports of the Company prepared by the Board of Directors and submit written review opinions thereon; and in case of any doubt, engage the service of an accounting firm or a law firm to assist in its work, with the cost to be borne by the Company;</p> <p>(2) check the financial position of the Company;</p> <p>(3) <u>supervise the overall risk management of the Company;</u></p> <p>(4) supervise directors and other senior management members in the discharge of their duties, and request an explanation or propose to dismiss any director or any other senior management member that violates laws, regulations, this AOA or any decision of the General Meeting of Shareholders;</p>	Article 6 and Article 8 of the Norms for the Overall Risk Management of Securities Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(5) request the Board of Directors to rectify when their resolutions are in violation of the requirements of applicable laws, administrative regulations or the CSRC;</p> <p>(6) propose to hold an extraordinary General Meeting of Shareholders, and convene and chair the General Meeting of Shareholders, if the Board of Directors fails to perform its duty to convene and chair the meeting pursuant to the Company Law;</p> <p>(7) propose a proposal to the General Meeting of Shareholders;</p> <p>(8) bring an action of law against any director or any other senior management member in accordance with Article 151 of the Company Law;</p>		<p>(5) request a director or any other senior management member to correct his or her act that is harmful to the interests of the Company;</p> <p>(6) request the Board of Directors to rectify when their resolutions are in violation of the requirements of applicable laws, administrative regulations or the CSRC;</p> <p>(7) propose to hold an extraordinary General Meeting of Shareholders, and convene and chair the General Meeting of Shareholders, if the Board of Directors fails to perform its duty to convene and chair the meeting pursuant to the Company Law;</p> <p>(8) propose a proposal to the General Meeting of Shareholders;</p> <p>(9) bring an action of law against any director or any other senior management member in accordance with Article 151 of the Company Law;</p>	

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
	<p>(9) check the financial report, the operational report and the profit distribution plan that the Board of Directors proposes to submit to the General Meeting of Shareholders, and in case of any doubt or any operational abnormality of the Company, start an investigation and if necessary, employ a certified public accountant, a practicing auditor or a lawyer to assist in his or her work;</p> <p>(10) organize an off-office audit on senior management members; and</p> <p>(11) exercise other powers under relevant laws, regulations and rules and this AOA.</p>		<p>(10) check the financial report, the operational report and the profit distribution plan that the Board of Directors proposes to submit to the General Meeting of Shareholders, and in case of any doubt or any operational abnormality of the Company, start an investigation and if necessary, employ a certified public accountant, a practicing auditor or a lawyer to assist in his or her work;</p> <p>(11) organize an off-office audit on senior management members; and</p> <p>(12) exercise other powers under relevant laws, regulations and rules and this AOA.</p>	
Article 269	The Company shall implement an internal audit system, where dedicated auditors carry out the internal audit and supervision over the revenue and expenditure and the economic activities of the Company.	Article 269	The Company shall implement an internal audit system, where dedicated auditors carry out the internal audit and supervision over the revenue and expenditure, economic activities and overall risk management of the Company.	Article 12 of the Norms for the Overall Risk Management of Securities Companies

II. Comparative Table of the Proposed Amendments to Appendix 1 (Rules of Procedure for the General Meeting of Shareholders)

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
Article 36	<p>A shareholder (including his or her proxy) shall vote based on the number of his or her voting shares, with one share representing one vote. No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a General Meeting of Shareholders.</p> <p>The chairman of the meeting shall, before voting begins, announce the number of attending shareholders and proxies and the number of their voting shares according to the register of the meeting.</p> <p>The Board of Directors, the independent director and qualified shareholders have the right to solicit votes from shareholders.</p>	Article 36	<p>A shareholder (including his or her proxy) shall vote based on the number of his or her voting shares, with one share representing one vote. No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a General Meeting of Shareholders.</p> <p>The chairman of the meeting shall, before voting begins, announce the number of attending shareholders and proxies and the number of their voting shares according to the register of the meeting.</p> <p><u>Where significant matters which have an impact on the interests of minority investors are being considered at the general meeting, the votes by minority investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.</u></p>	Article 31 of the Rules of the General Meetings of Listed Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
			<p>The Board of Directors, the independent director and qualified shareholders of the <u>Company</u> have the right to publicly solicit votes from shareholders. <u>While soliciting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. The Company shall not impose any minimum shareholding percentage limitation on the solicitation of voting rights.</u></p>	
Article 54	<p>The shareholders present at a General Meeting of Shareholders shall express one of the following opinions on proposals that are put to a vote: consent, opposition or abstention.</p> <p>If a ballot is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.</p>	Article 54	<p>The shareholders present at a General Meeting of Shareholders shall express one of the following opinions on proposals that are put to a vote: consent, opposition or abstention, <u>except for securities registration and clearing institutions serving as nominal holders of shares under the Hong Kong and mainland China stock mutual market, who shall vote in accordance with the instruction of the beneficial owners.</u></p>	Article 36 of the Rules of the General Meetings of Listed Companies

Articles currently in force		Proposed to be amended as		Basis for the Amendment
Article No.	Articles	Article No.	Articles	
			If a ballot is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.	
Article 69	<p>If a resolution of the General Meeting of Shareholders or the Board of Directors violates any law or regulation, the shareholder shall have the right to petition a court to invalidate the resolution.</p> <p>If the convening procedure or voting method violates any law, regulation or this AOA, or the contents of a resolution breaches this AOA, the shareholder shall have the right to petition a court to revoke such resolution within 60 days from the date on which the resolution is approved.</p>	Article 69	<p>If a resolution of the General Meeting of Shareholders or the Board of Directors violates any law or regulation, the shareholder shall have the right to petition a court to invalidate the resolution.</p> <p><u>The controlling shareholder or de facto controller of the Company shall not restrict or obstruct minority investors from exercising their voting rights in accordance with the law, and shall not harm the legitimate rights and interests of the Company and the minority investors.</u></p> <p>If the convening procedure or voting method violates any law, regulation or this AOA, or the contents of a resolution breaches this AOA, the shareholder shall have the right to petition a court to revoke such resolution within 60 days from the date on which the resolution is approved.</p>	Article 46 of the Rules of the General Meetings of Listed Companies

The Board also proposes the Shareholders to authorize the management of the Company to deal with relevant procedures in connection with the amendments to the Articles of Association and Appendix 1 and make corresponding adjustments to relevant contents in accordance with the comments (if any) of the CSRC during the approval/filing process.

The proposed amendments to the Articles of Association and Appendix 1 are subject to the approval by the Shareholders at the general meeting of the Company by way of a special resolution as well as the approval by/filing with the Shenzhen Bureau of the CSRC.

A circular of the Company containing detailed information of the above-mentioned amendments to the Articles of Association and Appendix 1 will be dispatched to the Shareholders in due course.

By order of the Board
CITIC Securities Company Limited
ZHANG Youjun
Chairman

Beijing, the PRC
28 April 2017

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Youjun and Mr. YANG Minghui; the non-executive director is Mr. CHEN Zhong; and the independent non-executive directors are Mr. LIU Ke, Mr. HE Jia and Mr. CHAN, Charles Sheung Wai.