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GF SECURITIES CO., LTD.

廣發証券股份有限公司

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

(Stock Code: 1776)

2022 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2022 first quarterly report of GF Securities Co., Ltd. (the “**Company**” or “**Parent Company**”) and its subsidiaries (the “**Group**”) as of March 31, 2022. The financial report contained herein is prepared in accordance with the China Accounting Standards for Business Enterprises and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

By order of the Board of Directors
GF Securities Co., Ltd.
Lin Chuanhui
Chairman

Guangzhou, the PRC
April 29, 2022

As at the date of this announcement, the Board of the Company comprises Mr. Lin Chuanhui, Mr. Ge Changwei, Ms. Sun Xiaoyan and Mr. Qin Li as executive Directors; Mr. Li Xiulin, Mr. Shang Shuzhi and Mr. Guo Jingyi as non-executive Directors; and Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing as independent non-executive Directors.

GF SECURITIES CO., LTD.
2022 FIRST QUARTERLY REPORT

Important Content Notice

The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm the truthfulness, accuracy and completeness of the contents in this quarterly report, and there is no false representation, misleading statement or material omission therein, and they will assume joint and several legal responsibilities thereof.

All Directors of the Company attended in person the board meeting for consideration of this quarterly report.

Mr. Lin Chuanhui, the legal representative of the Company, Ms. Sun Xiaoyan, the person-in-charge of accounting affairs, and Ms. Wang Ying, the head of the accounting department (person-in-charge of accounting) hereby declare that the financial statements contained in this quarterly report are true, accurate and complete.

Unless otherwise specified, all data in this report are presented in Renminbi.

I. Key Financial Data

(1) Key Financial Data and Financial Indicators

Whether the Company has to make retrospective adjustment or restatement of the accounting data of prior years

No

	The reporting period	Corresponding period of last year	Increase/decrease for the reporting period as compared with the corresponding period of last year
Total operating revenue (RMB)	4,773,517,945.43	8,320,810,818.85	-42.63%
Net profit attributable to owners of the Company (RMB)	1,302,527,153.83	2,540,842,175.39	-48.74%
Net profit attributable to owners of the Company excluding non-recurring gains and losses (RMB)	1,223,934,265.46	2,467,632,939.10	-50.40%
Net cash flows from operating activities (RMB)	13,721,694,703.99	-3,014,542,853.79	-
Basic earnings per share (RMB/share)	0.17	0.33	-48.48%
Diluted earnings per share (RMB/share)	0.17	0.33	-48.48%
Return on weighted average net assets	1.22%	2.56%	Decreased by 1.34 percentage points

	As at the end of the reporting period	As at the end of last year	Increase/decrease at the end of the reporting period as compared with the end of last year
Total assets (RMB)	554,667,333,880.67	535,855,323,975.70	3.51%
Equity attributable to owners of Company (RMB)	107,598,668,296.64	106,624,509,660.79	0.91%

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report:

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report (shares)	7,621,087,664
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Fully-diluted earnings per share based on the latest share capital:

Interest on perpetual bonds attributable from the beginning of the year to the end of the reporting period (RMB)	9,739,726.03
Fully-diluted earnings per share based on the latest share capital (RMB/share)	0.17

(2) Non-recurring Gain and Loss Items and Amounts

Unit: RMB

Items	Amounts for the reporting period	Note
Profits and losses from disposal of non-current assets (including write-offs of accrued asset impairment provisions)	1,529,028.44	
Government subsidies recorded under profit and loss of the current period (except for those continually entitled that are closely related to the normal business of the Company, and in a fixed or quantifiable amount in compliance with the policy requirements of the State and in conformity with the common standards)	62,745,731.23	Mainly include fiscal incentives.
Other non-operating income and expenses other than the above items	62,667,810.04	
Other profit or loss items falling within the definition of non-recurring gains and losses	-17,074,361.50	
Less: Income tax effect	27,508,698.61	
Impact on non-controlling interests (after tax)	3,766,621.23	
Total	78,592,888.37	-

The Group's gains and losses from changes in fair value of financial instruments held for trading and derivative financial instruments, the gains of financial assets held for trading, debt investments, other debt investments and other equity instrument investments during the periods, and the investment gains from disposal of other debt investments, financial instruments held for trading and derivative financial instruments have been defined as recurring gain and loss items rather than non-recurring gain and loss items. The reason is that such business is in the ordinary course of business of the Group as a securities firm.

The investment gains from holding and disposal of the long-term equity investments of GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司) and GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司), both of which are subsidiaries of the Group, have been defined as recurring gain and loss items rather than non-recurring gain and loss items. The reason is that the principal business of GF Xinde Investment Management Co., Ltd. includes equity investments and that of GF Qianhe Investment Co., Ltd. includes project investments and investment management, all of which are in the ordinary course of business.

(3) Changes in the Key Accounting Data and Financial Indicators and Reasons for Changes

Unit: RMB

Items	March 31, 2022	December 31, 2021	Increase/ decrease	Main reasons for changes
Derivative financial assets	1,832,238,731.23	564,492,711.12	224.58%	Increase in the scale of derivative financial instruments as at the end of the period.
Contract assets	4,300,000.00	–	–	Increase in business accounts as at the end of the period.
Investment properties	97,514,122.89	60,741,683.30	60.54%	Increase in leased properties as at the end of the period.
Short-term borrowings	1,268,279,200.75	916,545,300.84	38.38%	Increase in credit loans as at the end of the period.
Short-term financing payables	42,927,091,940.95	27,876,759,511.95	53.99%	Increase in the scale of structured notes as at the end of the period.
Financial assets sold under repurchase agreements	115,864,279,795.12	81,230,199,850.97	42.64%	Increase in the scale of pledged repurchase business as at the end of the period.
Taxes payable	911,214,515.54	1,645,142,280.68	-44.61%	Decrease in taxable income as at the end of the period.
Accounts payable	9,529,475,233.92	7,074,067,650.85	34.71%	Increase in business deposits as at the end of the period.
Contract liabilities	34,442,279.49	111,172,850.04	-69.02%	Decrease in business accounts as at the end of the period.
Long-term loans	199,845,152.25	338,674,722.00	-40.99%	Decrease in pledged loans as at the end of the period.
Other comprehensive income	731,143,728.91	1,059,512,246.89	-30.99%	Decrease in fair value changes of other debt investments as at the end of the period.

Items	From January to March 2022	From January to March 2021	Increase/decrease	Main reasons for changes
Investment gains	-571,686,079.49	2,383,267,699.29	-	Decrease in investment gains of financial instruments during the period.
Foreign exchange gains	-10,707,257.84	-5,365,970.09	-	Exchange rate fluctuations during the period.
Other operating income	464,638,433.56	734,787,754.23	-36.77%	Decrease in commodity trading income during the period.
Gains from disposal of assets	1,529,028.44	265,569.76	475.75%	Increase in the gains from disposal of assets during the period.
General and administrative expenses	2,563,883,585.34	3,882,891,282.53	-33.97%	Decrease in cost expenditures during the period.
Impairment loss on credit	-124,690,486.44	116,990,344.40	-	Reversal of a portion of impairment loss during the period.
Impairment loss on other assets	12,500.01	648,644.02	-98.07%	Decrease in loss from declining prices of inventories during the period.
Other operating expenses	461,113,420.31	729,248,214.92	-36.77%	Decrease in commodity trading costs during the period.
Non-operating income	121,287.67	547,502.92	-77.85%	Decrease in other non-operating income during the period.
Non-operating expenses	5,006,336.31	972,951.39	414.55%	Increase in donation expenses during the period.
Income tax expenses	253,873,942.17	745,167,572.64	-65.93%	Decrease in taxable income during the period.
Net cash flows from operating activities	13,721,694,703.99	-3,014,542,853.79	-	Increase in net cash inflows from repurchase businesses during the period.
Net cash flows from investing activities	4,246,862,881.19	13,418,850,608.19	-68.35%	Decrease in cash received from divestment during the period.
Net cash flows from financing activities	-20,718,552,201.05	9,514,686,192.72	-	Increase in cash paid for repayment of debts during the period.

II. Shareholders Information

(1) Statement of the Total Numbers of Ordinary Shareholders and Preference Shareholders with Restored Voting Rights and the Shareholdings of the Top 10 Shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	232,035, of which there were 230,516 holders of A Shares and 1,519 registered shareholders of H Shares	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)	Nil
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Shareholdings of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, remarked or frozen	
					Status of shares	Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.31%	1,700,187,060	0	-	-
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.43%	1,252,297,867	0	-	-
Liaoning Cheng Da Co., Ltd.	State-owned legal entity	16.40%	1,250,154,088	0	-	-
Zhongshan Public Utilities Group Co., Ltd.	State-owned legal entity	9.01%	686,754,216	0	-	-
China Securities Finance Corporation Limited	Domestic general legal entity	2.99%	227,870,638	0	-	-
Hong Kong Securities Clearing Company Limited	Overseas legal entity	1.37%	104,578,539	0	-	-
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Fund, wealth management products, etc.	0.77%	58,554,813	0	-	-
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Fund, wealth management products, etc.	0.58%	44,199,818	0	-	-
National Social Insurance Fund Portfolio 111	Fund, wealth management products, etc.	0.36%	27,260,718	0	-	-
National Social Insurance Fund Portfolio 112	Fund, wealth management products, etc.	0.32%	24,699,494	0	-	-

Shareholdings of the top 10 shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares	
		Class of shares	Number of shares
HKSCC Nominees Limited	1,700,187,060	Overseas listed foreign shares	1,700,187,060
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,252,297,867	RMB-denominated ordinary shares	1,252,297,867
Liaoning Cheng Da Co., Ltd.	1,250,154,088	RMB-denominated ordinary shares	1,250,154,088
Zhongshan Public Utilities Group Co., Ltd.	686,754,216	RMB-denominated ordinary shares	686,754,216
China Securities Finance Corporation Limited	227,870,638	RMB-denominated ordinary shares	227,870,638
Hong Kong Securities Clearing Company Limited	104,578,539	RMB-denominated ordinary shares	104,578,539
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	58,554,813	RMB-denominated ordinary shares	58,554,813
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	44,199,818	RMB-denominated ordinary shares	44,199,818
National Social Insurance Fund Portfolio 111	27,260,718	RMB-denominated ordinary shares	27,260,718
National Social Insurance Fund Portfolio 112	24,699,494	RMB-denominated ordinary shares	24,699,494

Note 1: Among the H shareholders of the Company, shares of the non-registered shareholders are held by HKSCC Nominees Limited on their behalf;

Note 2: In the table above, shares held by HKSCC Nominees Limited are overseas listed foreign shares (H Shares), and shares held by other shareholders are RMB-denominated ordinary shares (A Shares);

Note 3: According to the information provided by Jilin Aodong Pharmaceutical Group Co., Ltd. (“**Jilin Aodong**”), Liaoning Cheng Da Co., Ltd. (“**Liaoning Cheng Da**”) and Zhongshan Public Utilities Group Co., Ltd. (“**Zhongshan Public Utilities**”), as of March 31, 2022, Jilin Aodong held 87,124,600 H Shares of the Company by itself and 36,868,800 H Shares of the Company through its wholly-owned subsidiary, Aodong International (Hong Kong) Industrials Co., Limited, totaling 123,993,400 H Shares, representing 1.63% of the total share capital of the Company; Liaoning Cheng Da held 115,300,000 H Shares of the Company by itself and 1,473,600 H Shares of the Company through Chengda Steel Hong Kong Co., Limited, a wholly-owned subsidiary of Liaoning Cheng Da Steel Co., Ltd. (遼寧成大鋼鐵貿易有限公司), which was in turn a wholly-owned subsidiary of Liaoning Cheng Da, totaling 116,773,600 H Shares, representing 1.53% of the total share capital of the Company; and Zhongshan Public Utilities held 100,904,000 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Limited, representing 1.32% of the total share capital of the Company. As of March 31, 2022, the shareholding percentages of Jilin Aodong and its parties acting in concert, Liaoning Cheng Da and its parties acting in concert and Zhongshan Public Utilities and its parties acting in concert in the A Shares and H Shares of the Company were 18.06%, 17.94% and 10.34%, respectively, of the total share capital of the Company;

Note 4: According to the public disclosure information on the HKEXnews website of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”), as of March 31, 2022, the shareholders holding 5% or more of the H Shares of the Company (except for the disclosure set out in Note 3) were as follows: On January 31, 2020, the Labor Union Committee of GF Securities Co., Ltd. held a total of 272,500,600 H Shares (long position) of the Company, representing 16.01% of the H Share capital of the Company. The above shares are held by HKSCC Nominees Limited on their behalf;

Note 5: As at the end of the reporting period, none of the above shareholders of A Shares held the shares of the Company through credit securities accounts;

Note 6: As at the end of the reporting period, none of the above shareholders of A Shares had conducted any agreed repurchase transactions.

(2) Statement of the Total Number of Preference Shareholders and the Shareholdings of the Top 10 Preference Shareholders of the Company

Not applicable

III. Other Significant Events

(1) Relocation of branch offices and brokerage branches

As of March 31, 2022, the Company had a total of 25 branch offices and 292 securities brokerage branches. During the reporting period, the intra-city relocation of a total of two brokerage branches of the Company had been completed.

(2) On January 7, 2022, the Company received a written resignation letter from Mr. Kong Weicheng, the former chief risk officer of the Company. Mr. Kong Weicheng tendered resignation from the position as the chief risk officer of the Company due to work adjustments.

On January 10, 2022, the Company held the twentieth meeting of the tenth session of the Board, at which Mr. Wu Shunhu was appointed as the chief risk officer of the Company and Mr. Cui Zhouhang was appointed as the chief human resources officer of the Company (senior management). The duly performance of the above duty by Mr. Cui Zhouhang was subject to passing of the qualification test for senior management officers of securities companies. Currently, Mr. Cui Zhouhang has been duly performing his duty as the chief human resources officer, in respect of which the Company has conducted filing procedures with the regulatory authorities pursuant to the relevant requirements.

(3) On January 10, 2022, a resolution was passed at the twelfth meeting of the fifth session of the employee representatives meeting of the Company, pursuant to which Mr. Zhou Xitai was elected as the employee representative supervisor of the tenth session of the Supervisory Committee of the Company with the term up to the expiration of the tenth session of the Supervisory Committee. On January 10, 2022, after consideration at the eighth meeting of the tenth session of the Supervisory Committee of the Company, all the supervisors unanimously agreed to recommend Mr. Zhou Xitai as the convener of the tenth session of the Supervisory Committee of the Company, to be responsible for convening and presiding over the meetings of the Supervisory Committee of the Company during the vacancy of the chairman of the Supervisory Committee. On January 28, 2022, the Company held the ninth meeting of the tenth session of the Supervisory Committee, at which Mr. Zhou Xitai was elected as the chairman of the tenth session of the Supervisory Committee of the Company.

- (4) On February 10, 2022, Mr. Ge Changwei was elected as an executive director of the tenth session of the Board of the Company at the 2022 first extraordinary general meeting of the Company. On the same day, the Company held the 21st meeting of the tenth session of the Board, at which Mr. Lin Chuanhui was elected as a member of the Nomination Committee of the tenth session of the Board of the Company and Mr. Ge Changwei was elected as a vice chairman, and a member of the Strategy Committee, of the tenth session of the Board of the Company.
- (5) On February 11, 2022, the Company published the “Announcement on New Borrowings Accumulated in the Year Exceeding 20% of Net Assets at the End of the Previous Year” (《當年累計新增借款超過上年末淨資產的百分之二十的公告》), stating that as of December 31, 2021, the balance of borrowings of the Company amounted to RMB261.663 billion. As of January 31, 2022, the balance of borrowings of the Company amounted to RMB297.182 billion, with cumulative new borrowings of RMB35.519 billion which accounted for approximately 32.05% (i.e., above 20%) of the net assets as at the end of last year. The above new borrowings are in compliance with the regulations of relevant laws and regulations, and are within the scope of the normal operation activities of the Company. As the financial position of the Company is stable, and both the principal and interest of all our debts have been repaid on time at present, matters of the above new borrowings will not adversely affect the operating condition and solvency of the Company.
- (6) On August 27, 2021, the Company held the sixteenth meeting of the tenth session of the Board, at which the “Resolution on Increasing the Capital Contribution to GF Qianhe Investment Co., Ltd.” (《關於向廣發乾和投資有限公司增資的議案》) was considered and passed, approving the increase of its capital contribution to GF Qianhe Investment Co., Ltd. (“**GF Qianhe**”), a wholly-owned subsidiary of the Company, by RMB3 billion, and authorizing the management of Company to complete the capital increase at one time or by batches based on the actual situation and deal with matters related to the capital increase. In September 2021, the Company has completed the first batch of capital contribution to GF Qianhe of RMB2 billion in accordance with the above resolution. In February 2022, the Company has completed the capital contribution to GF Qianhe of the remaining RMB1 billion in accordance with the above resolution. GF Qianhe has been granted the new business license by the State Administration for Market Regulation of Huairou District in Beijing, and its registered capital was RMB7.1035 billion.

- (7) On March 11, 2022, the Company held the 22nd meeting of the tenth session of the Board, at which the “Resolution on the Related Party/Connected Transaction in relation to the Joint Investment of GF Xinde Investment Management Co., Ltd., GF Qianhe Investment Co., Ltd. and Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd.” (《關於廣發信德投資管理有限公司、廣發乾和投資有限公司與中山公用環保產業投資有限公司共同投資的關聯／連交易的議案》) was considered and passed, approving the connected transaction in relation to such joint investment and promotion of the Zhongshan Public Utilities GF Xinde New Energy Industrial Fund (Limited Partnership) (中山公用廣發信德新能源產業基金(有限合夥)) (a tentative name, subject to approval by the Administration for Industry and Commerce) by GF Xinde Investment Management Co., Ltd. (“**GF Xinde**”) and GF Qianhe (both being wholly-owned subsidiaries of the Company) with Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd. (“**Public Utilities Environmental Protection**”). The fund will be established in the form of limited partnership, with the total capital contribution amount of RMB3 billion, of which the respective capital contribution by GF Xinde, GF Qianhe and Public Utilities Environmental Protection will be RMB600 million, RMB900 million and RMB1.5 billion, respectively. On the same day, the Company published the “Announcement on the Related Party/Connected Transaction in relation to the Joint Investment of GF Xinde Investment Management Co., Ltd., GF Qianhe Investment Co., Ltd. and Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd.” (《關於廣發信德投資管理有限公司、廣發乾和投資有限公司與中山公用環保產業投資有限公司共同投資的關聯／連交易的公告》), stating that GF Xinde and GF Qianhe would jointly sign the Partnership Agreement upon the completion of the relevant approval procedures by Public Utilities Environmental Protection based on such board resolution.

On April 22, 2022, the Company published the “Announcement on the Update on the Related Party/Connected Transaction in relation to the Joint Investment of GF Xinde Investment Management Co., Ltd., GF Qianhe Investment Co., Ltd. and Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd.” (《關於廣發信德投資管理有限公司、廣發乾和投資有限公司與中山公用環保產業投資有限公司共同投資的關聯／連交易進展情況的公告》). Based on the board resolution of the Company, GF Xinde and GF Qianhe had jointly signed the Partnership Agreement with Public Utilities Environmental Protection on April 21, 2022. Pursuant to the Partnership Agreement, such fund is named as “Zhongshan Public Utilities GF Xinde New Energy Industrial Fund (Limited Partnership)”, with its business scope being “general items: engaging in investing activities with internal funds; engaging in activities such as equity investments, investment management and asset management with private equity funds (it shall complete filing with the Asset Management Association of China before carrying out its business operation)”.

- (8) On March 30, 2022, the Company held the 23rd meeting of the tenth session of the Board and passed the “Resolution on the Intended Repurchase of A Shares of the Company by way of Centralized Bidding” (《關於公司擬以集中競價方式回購 A 股股份的議案》). On the same day, the Company published the “Announcement on the Proposal for the Repurchase of A Shares by way of Centralized Bidding” (《關於以集中競價方式回購 A 股股份方案的公告》). With our confidence in the development prospects as well as the high recognition on the Company’s value, with an aim at further improving the corporate governance structure of the Company, establishing a comprehensive long-term incentive and restraint mechanism of the Company while strengthening our core competitiveness and improving our overall value so as to ensure the realization of our development strategies and operational objectives, the Company intends to use its own funds to repurchase A shares which will act as the source of stocks for its A-shares restricted stock incentive plan after taking into the account of its business development prospect, operation situation, financial position and future profitability, as well as the recent performance of its stocks on the secondary market.

On April 2, 2022, the Company published the “Report on the Repurchase of A Shares by the way of Centralized Bidding” (《關於以集中競價方式回購 A 股股份的回購報告書》) and the “Announcement on the Shareholdings of the Top 10 Shareholders and Top 10 Shareholders Not Subject to Trading Moratorium Prior to the Share Repurchase” (《關於回購股份事項前十大股東及前十大無限售條件股東持股情況的公告》). In compliance with relevant requirements, the Company has opened a special securities account for share repurchase with China Securities Depository and Clearing Corporation Limited, Shenzhen Branch, and such account will only be used for repurchases of the Company’s shares. As of the date of the publication of this announcement, the Company has not repurchased its shares.

For details about the above events, please refer to the disclosures published in relevant announcements on the website of CNINFO (www.cninfo.com.cn) and HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk).

IV. Quarterly Financial Statements

(1) Financial Statements

1. Consolidated Statement of Financial Position

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Balance as at the end of the period	Balance as at the beginning of the year
Assets:		
Cash and bank balances	118,179,941,831.49	119,312,819,547.30
Including: Cash held on behalf of customers	98,714,107,724.04	97,496,872,498.95
Clearing settlement funds	25,789,951,914.12	27,694,380,825.97
Including: Settlement funds held on behalf of customers	21,957,578,072.71	23,147,026,006.96
Advances to customers	88,518,006,114.17	97,230,767,936.97
Derivative financial assets	1,832,238,731.23	564,492,711.12
Refundable deposits	15,327,641,788.83	12,495,112,880.09
Accounts receivable	4,950,162,866.07	4,892,762,994.80
Contract assets	4,300,000.00	—
Financial assets held under resale agreements	18,372,752,480.97	19,992,231,758.14
Financial investments:	263,869,462,220.94	235,925,189,193.64
Financial assets held for trading	156,255,072,765.17	124,472,613,744.26
Debt investments	98,198,277.27	104,687,035.14
Other debt investments	106,675,985,784.22	110,475,096,064.92
Other equity instrument investments	840,205,394.28	872,792,349.32
Long-term equity investments	8,368,441,003.03	8,248,418,382.40
Investment properties	97,514,122.89	60,741,683.30
Fixed assets	2,900,251,244.11	2,966,918,586.37
Right-of-use assets	819,797,070.23	817,790,743.99
Intangible assets	1,466,784,471.42	1,489,981,718.99
Goodwill	2,104,559.79	2,121,686.91
Deferred tax assets	2,170,903,050.94	2,118,831,597.59
Other assets	1,997,080,410.44	2,042,761,728.12
Total assets	554,667,333,880.67	535,855,323,975.70

Items	Balance as at the end of the period	Balance as at the beginning of the year
Liabilities:		
Short-term borrowings	1,268,279,200.75	916,545,300.84
Short-term financing payables	42,927,091,940.95	27,876,759,511.95
Due to banks and other financial institutions	11,733,827,263.85	11,617,488,374.80
Financial liabilities held for trading	9,235,352,703.64	10,823,403,287.06
Derivative financial liabilities	1,177,427,615.32	981,098,535.88
Financial assets sold under repurchase agreements	115,864,279,795.12	81,230,199,850.97
Accounts payable to brokerage clients	129,113,633,645.56	126,731,097,494.51
Accrued staff costs	9,827,172,113.59	10,118,479,443.39
Taxes payable	911,214,515.54	1,645,142,280.68
Accounts payable	9,529,475,233.92	7,074,067,650.85
Contract liabilities	34,442,279.49	111,172,850.04
Provisions	404,164,216.63	405,871,722.46
Long-term loans	199,845,152.25	338,674,722.00
Bonds payable	103,324,410,333.42	138,682,932,215.31
Lease liabilities	841,027,481.11	841,758,123.87
Deferred tax liabilities	651,061,732.07	741,364,210.30
Other liabilities	5,585,187,461.32	4,917,925,839.90
Total liabilities	442,627,892,684.53	425,053,981,414.81
Equity:		
Share capital	7,621,087,664.00	7,621,087,664.00
Other equity instruments	1,000,000,000.00	1,000,000,000.00
Including: Perpetual bonds	1,000,000,000.00	1,000,000,000.00
Capital reserve	31,283,732,369.68	31,283,732,369.68
Other comprehensive income	731,143,728.91	1,059,512,246.89
Surplus reserve	7,947,966,030.53	7,947,966,030.53
General risk reserve	19,688,201,128.24	19,572,123,372.40
Retained profits	39,326,537,375.28	38,140,087,977.29
Equity attributable to owners of the Company	107,598,668,296.64	106,624,509,660.79
Non-controlling interests	4,440,772,899.50	4,176,832,900.10
Total equity	112,039,441,196.14	110,801,342,560.89
Total liabilities and equity	554,667,333,880.67	535,855,323,975.70

Legal representative:
Lin Chuanhui

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Head of
accounting department:
Wang Ying

2. Consolidated Statement of Profit or Loss

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Amounts of the current period	Amounts of the prior period
1. Total operating revenue	4,773,517,945.43	8,320,810,818.85
Net interest income	990,484,711.00	1,172,376,642.34
Including: Interest income	3,243,470,309.70	3,287,590,537.27
Interest expenses	2,252,985,598.70	2,115,213,894.93
Net fee and commission income	4,259,408,663.73	4,418,961,253.47
Including: Net fee income from brokerage business	1,653,846,685.91	1,832,574,483.15
Net fee income from investment banking business	149,938,046.75	118,077,817.57
Net fee income from asset management and fund management business	2,340,287,530.47	2,370,045,410.70
Investment gains (loss denoted by “-”)	-571,686,079.49	2,383,267,699.29
Including: Gains from investment in associates and joint ventures	74,375,459.55	187,349,493.72
Other gains	130,298,589.91	113,385,734.98
Gains from changes in fair value (loss denoted by “-”)	-490,448,143.88	-496,867,865.13
Foreign exchange gains (loss denoted by “-”)	-10,707,257.84	-5,365,970.09
Other operating income	464,638,433.56	734,787,754.23
Gains from disposal of assets (loss denoted by “-”)	1,529,028.44	265,569.76
2. Total operating expenses	2,947,176,720.62	4,784,497,017.56
Tax and surcharges	46,857,701.40	54,718,531.69
General and administrative expenses	2,563,883,585.34	3,882,891,282.53
Impairment loss on credit	-124,690,486.44	116,990,344.40
Impairment loss on other assets	12,500.01	648,644.02
Other operating expenses	461,113,420.31	729,248,214.92
3. Operating profits (loss denoted by “-”)	1,826,341,224.81	3,536,313,801.29
Add: Non-operating income	121,287.67	547,502.92
Less: Non-operating expenses	5,006,336.31	972,951.39
4. Profit before income tax (total loss denoted by “-”)	1,821,456,176.17	3,535,888,352.82
Less: Income tax expense	253,873,942.17	745,167,572.64

Items	Amounts of the current period	Amounts of the prior period
5. Net profit (net loss denoted by “-”)	1,567,582,234.00	2,790,720,780.18
(1)Classified by continuity of operations:		
1. Net profit from continuing operations (net loss denoted by “-”)	1,567,582,234.00	2,790,720,780.18
2. Net profit from discontinued operations (net loss denoted by “-”)	–	–
(2)Classified by ownership of equity		
1. Attributable to owners of the Company	1,302,527,153.83	2,540,842,175.39
2. Attributable to non-controlling interests	265,055,080.17	249,878,604.79
6. Other comprehensive income (net of tax)	-329,483,598.75	-381,350,197.36
Other comprehensive income attributable to owners of the Company (net of tax)	-328,368,517.98	-382,117,731.24
(1)Other comprehensive income that will not be reclassified into profits or losses	-23,187,393.77	-395,628,902.28
1. Changes in fair value of other equity instrument investments	-23,187,393.77	-395,628,902.28
(2)Other comprehensive income that will be reclassified into profits or losses	-305,181,124.21	13,511,171.04
1. Other comprehensive income under equity method that can be reclassified into profits or losses	-615,476.69	4,316,112.27
2. Fair value changes of other debt investments	-267,056,936.61	-2,527,597.35
3. Credit impairment provisions for other debt investments	5,431,493.63	-15,063,519.67
4. Translation differences on foreign currency financial statements	-42,940,204.54	26,786,175.79
Other comprehensive income attributable to non-controlling interests (net of tax)	-1,115,080.77	767,533.88
7. Total comprehensive income	1,238,098,635.25	2,409,370,582.82
Including: Total comprehensive income attributable to owners (or shareholders) of the Company	974,158,635.85	2,158,724,444.15
Total comprehensive income attributable to non-controlling interests	263,939,999.40	250,646,138.67
8. Earnings per share		
(1)Basic earnings per share (RMB/share)	0.17	0.33
(2)Diluted earnings per share (RMB/share)	0.17	0.33

Legal representative:
Lin Chuanhui

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Head of
accounting department:
Wang Ying

3. Consolidated Statement of Cash Flows

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Amounts of the current period	Amounts of the prior period
1. Cash flows from operating activities:		
Net decrease in advances to customers	8,555,974,021.36	–
Cash received from interest, fee and commission	7,019,302,239.76	6,892,466,005.12
Net increase in due to banks and other financial institutions	121,870,354.70	1,659,538,571.34
Net cash received from accounts payable to brokerage clients	2,397,128,239.79	15,177,979,359.97
Net increase in repurchase businesses	36,266,683,953.35	7,800,725,945.16
Cash received from other operating activities	3,837,719,662.51	2,477,154,633.95
Cash inflow from operating activities, subtotal	58,198,678,471.47	34,007,864,515.54
Net increase in advances to customers	–	1,668,769,195.12
Net decrease in cash from financial instruments held for trading	35,761,686,224.55	28,044,724,465.98
Cash payment of interest, fee and commission	960,870,510.72	992,524,617.17
Cash payments to and for employees	1,994,101,474.78	2,128,934,190.14
Tax expenses paid	1,424,615,733.00	1,230,880,268.86
Cash paid for other operating activities	4,335,709,824.43	2,956,574,632.06
Cash outflow from operating activities, subtotal	44,476,983,767.48	37,022,407,369.33
Net cash flows from operating activities	13,721,694,703.99	-3,014,542,853.79
2. Cash flows from investing activities:		
Cash received from divestment	3,686,270,895.74	12,284,372,441.50
Cash received from realized investment gains	903,429,083.59	1,573,154,904.40
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	6,251,224.10	1,301,639.50
Cash inflow from investing activities, subtotal	4,595,951,203.43	13,858,828,985.40
Cash paid for investment	233,480,421.82	260,373,570.55
Cash paid for the purchase of fixed assets, intangible assets and other long-term assets	115,607,900.42	179,604,806.66
Cash outflow from investing activities, subtotal	349,088,322.24	439,978,377.21
Net cash flows from investing activities	4,246,862,881.19	13,418,850,608.19

Items	Amounts of the current period	Amounts of the prior period
3. Cash flows from financing activities:		
Cash received from borrowings	519,000,272.64	275,873,344.64
Cash received from bond issuance	9,000,000,000.00	9,700,000,000.00
Cash received from other financing activities	16,028,181,446.62	13,193,627,494.45
Cash inflow from financing activities, subtotal	25,547,181,719.26	23,169,500,839.09
Cash paid for repayment of debts	41,195,049,185.12	3,709,645,564.58
Cash paid for distribution of dividends, profit and interest expenses	2,115,708,319.56	1,640,670,671.20
Including: Dividends and profit paid to non-controlling interests by subsidiaries	56,923,025.73	13,941,355.96
Cash paid for other financing activities	2,954,976,415.63	8,304,498,410.59
Cash outflow from financing activities, subtotal	46,265,733,920.31	13,654,814,646.37
Net cash flows from financing activities	-20,718,552,201.05	9,514,686,192.72
4. Effect of foreign exchange rate changes on cash and cash equivalents	-55,935,275.88	36,371,321.82
5. Net increase in cash and cash equivalents	-2,805,929,891.75	19,955,365,268.94
Add: Balance of cash and cash equivalents as at the beginning of the period	141,769,343,344.08	116,999,336,888.74
6. Balance of cash and cash equivalents as at the end of the period	138,963,413,452.33	136,954,702,157.68

Legal representative:
Lin Chuanhui

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Head of
accounting department:
Wang Ying

II. Audit Report

The first quarterly report of the Company has not been audited.