



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

Interim Report 2025

中期報告



STOCK CODE: 1776.HK 000776.SZ

IMPORTANT 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 of this interim report and there is no misrepresentation, misleading statement or material omission from this interim report, and they accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents herein.

Mr. Lin Chuanhui (person in charge of the Company), Ms. Sun Xiaoyan (the Chief Financial Officer) and Ms. Yu Lihong (the head of the accounting department of the Company) hereby declare that they confirm the truthfulness, accuracy and completeness of the financial statements contained in this interim report.

All Directors of the Company attended the board meeting in respect of considering and approving this interim report.

The 2025 interim financial report of the Company prepared in accordance with International Accounting Standards has not been audited but has been reviewed by Ernst & Young. Unless otherwise stated, the financial data stated in this report is denominated in RMB.

Forward-looking statements included in this interim report, including future plans, do not constitute a substantive commitment to investors by the Company. Investors and the parties concerned should be fully aware of the risks and understand the differences between plans, forecast and commitment.

The Company has prepared this interim report in both Chinese and English languages. In case any discrepancy arises in the interpretation between the Chinese and the English versions of this interim report, the Chinese version shall prevail.

The Company faces various risks in its operations, which mainly include, among others, liquidity risk, market risk, credit risk, compliance risk, operation risk, information technology risk and reputational risks. In response to the risks mentioned above, the Company has established and maintained a comprehensive internal control system, and a compliance and comprehensive risk management system to ensure that the Company operates healthily within an extent of controllable, predictable and tolerable risks. Investors are advised to read the “Management Discussion and Analysis” as set out in Section 3 of this report carefully and to pay particular attention to the above risk factors.

The interim profit distribution plan of the Company was considered and passed by the Board of Directors: based on the number of the shares as at the dividend distribution registration date, a cash bonus of RMB1.00 (tax inclusive) per 10 shares will be paid to all shareholders. No bonus shares will be distributed and no capital reserves will be converted into share capital.

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DOCUMENTS AVAILABLE FOR INSPECTION

- (1) The text of the review report on interim financial information (H Shares).
- (2) The original copies of all corporate documents and announcements which have been publicly disclosed during the Reporting Period.
- (3) The interim reports which have been published on other securities markets.

DEFINITIONS

Term	Definition
Articles of Association	Articles of Association of GF Securities Co., Ltd.
Reporting Period	first half of 2025 (January 1, 2025 to June 30, 2025)
Company, parent company, GF Securities	GF Securities Co., Ltd.
Group	the Company and its subsidiaries which fall within the scope of the consolidated financial statements
Jilin Aodong	Jilin Aodong Pharmaceutical Group Co., Ltd. (吉林敖東藥業集團股份有限公司)
Liaoning Cheng Da	Liaoning Cheng Da Co., Ltd. (遼寧成大股份有限公司)
Zhongshan Public Utilities	Zhongshan Public Utilities Group Co., Ltd. (中山公用事業集團股份有限公司)
HKSCC Nominees	HKSCC Nominees Limited
GF Fund	GF Fund Management Co., Ltd. (廣發基金管理有限公司)
GFHK	GF Holdings (Hong Kong) Corporation Limited (廣發控股(香港)有限公司)
GF Brokerage (Hong Kong)	GF Securities (Hong Kong) Brokerage Limited (廣發證券(香港)經紀有限公司)
GF Asset Management (Hong Kong)	GF Asset Management (Hong Kong) Limited (廣發資產管理(香港)有限公司)
GF Investments (Hong Kong)	GF Investments (Hong Kong) Company Limited (廣發投資(香港)有限公司)
GF Capital (Hong Kong)	GF Capital (Hong Kong) Limited (廣發融資(香港)有限公司)
GF Global Capital	GF Global Capital Limited (廣發全球資本有限公司)
GF Futures	GF Futures Co., Ltd. (廣發期貨有限公司)
GF Futures (Hong Kong)	GF Futures (Hong Kong) Co., Limited (廣發期貨(香港)有限公司)

DEFINITIONS

Term	Definition
GF Financial Markets (UK)	GF Financial Markets (UK) Limited (廣發金融交易(英國)有限公司)
GF Xinde	GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司)
GF Qianhe	GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司)
GF Asset Management	GF Securities Asset Management (Guangdong) Co., Ltd. (廣發證券資產管理(廣東)有限公司)
GFFL	Guangfa Financial Leasing (Guangdong) Co., Ltd. (廣發融資租賃(廣東)有限公司)
E Fund	E Fund Management Co., Ltd. (易方達基金管理有限公司)
GF Charity Foundation	GF Securities Social Charity Foundation in Guangdong Province
ECT	E-Capital Transfer Co., Ltd. (證通股份有限公司)
CSF	China Securities Finance Corporation Limited (中國證券金融股份有限公司)
PRC	Mainland China
CSRC	the China Securities Regulatory Commission
SSE	the Shanghai Stock Exchange
SZSE	the Shenzhen Stock Exchange
BSE	the Beijing Stock Exchange
SZSE Listing Rules	Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange
Company Law	Company Law of the PRC (中華人民共和國公司法)
Securities Law	Securities Law of the PRC (中華人民共和國證券法)

DEFINITIONS

Term	Definition
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hong Kong Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
CG Code	Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
margin financing and securities lending	the operating activities engaged by the Company in which loans are provided to customers for purchasing listed securities (margin financing) or listed securities are borrowed by customers for sale (securities lending) with collaterals provided by customers
Stock Pledged Repo Transaction	a transaction in which a qualified borrower pledges his shares or other securities held as collaterals to obtain financing funds from a qualified lender, and agrees to repay the funds on a future date to release the pledge
Security Transactions with Repurchase Agreement	a transaction in which a qualified customer sells the subject securities at an agreed price to the securities company which is the custodian of such securities, and agrees to purchase the subject securities from the securities company at another agreed price on a future date, and the securities company will return the relevant yields generated by the subject securities during the period pending for repurchase to the customer pursuant to the agreement signed with the customer
NEEQ	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
QDII	Qualified Domestic Institutional Investors
QFII	Qualified Foreign Institutional Investors
RQFII	RMB Qualified Foreign Institutional Investors
QDLP	Qualified Domestic Limited Partner

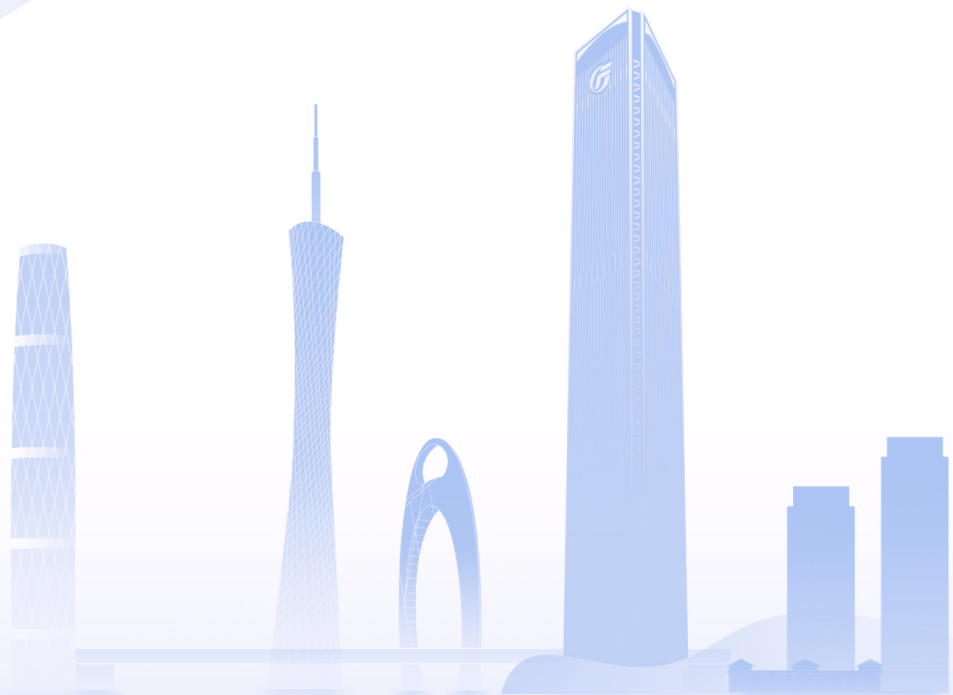
DEFINITIONS

Term	Definition
ETF	Exchange Traded Funds, an open index fund available for trading, commonly known as Exchange Traded Fund, which is an open fund listed for trading on a stock exchange with variable portions of the fund components
FICC	Fixed Income, Currencies & Commodities
ISDA Agreements	the standard agreement text and ancillary documents for international OTC derivatives transactions provided by International Swaps and Derivatives Association
GMRA Agreements	Global Master Repurchase Agreement
ES	Expected Shortfall
VaR	Value at Risk
SVaR	Stress VaR
AI	Artificial Intelligence
A Share(s)	domestic shares of the Company with a nominal value of RMB1.00 each, which are listed on a domestic stock exchange and traded in Renminbi
H Share(s)	foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
Wind	Wind Information Co., Ltd, a financial terminal which provides the customers with financial data and analytic tools
DMI	Dealing Matrix International
Dealogic	Dealogic Ltd., an international financial data and information provider

In this 2025 interim report, some total figures may be slightly deviated in the last digit from the sum of direct aggregation of all amounts. Such discrepancy is due to the rounding of decimal places.

公司簡介

COMPANY PROFILE



COMPANY PROFILE

I. COMPANY PROFILE

Stock Name	GF SEC	Stock Codes	000776 (SZSE); 1776 (Hong Kong Stock Exchange)
Listing venues of the shares	SZSE and Hong Kong Stock Exchange		
Name in Chinese	廣發證券股份有限公司		
Short Name in Chinese	廣發證券		
Name in English	GF Securities Co., Ltd.		
Short Name in English	GF SECURITIES		
Legal Representative of the Company	Lin Chuanhui		

II. CONTACT PERSON AND CONTACT INFORMATION

	Secretary of the Board and Securities Affairs Representative
Name	Yin Zhongxing
Address	58th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong
Tel	020-87550265/87550565
Fax	020-87554163
E-mail	yinzhongxing@gf.com.cn

III. OTHER INFORMATION

1. Company Contact Channels

There was no change in the registered address of the Company, the business address of the Company and its postal code, the Company's website and e-mail during the Reporting Period. Please refer to the 2024 Annual Report for details.

2. Information Disclosure and Place of Inspection

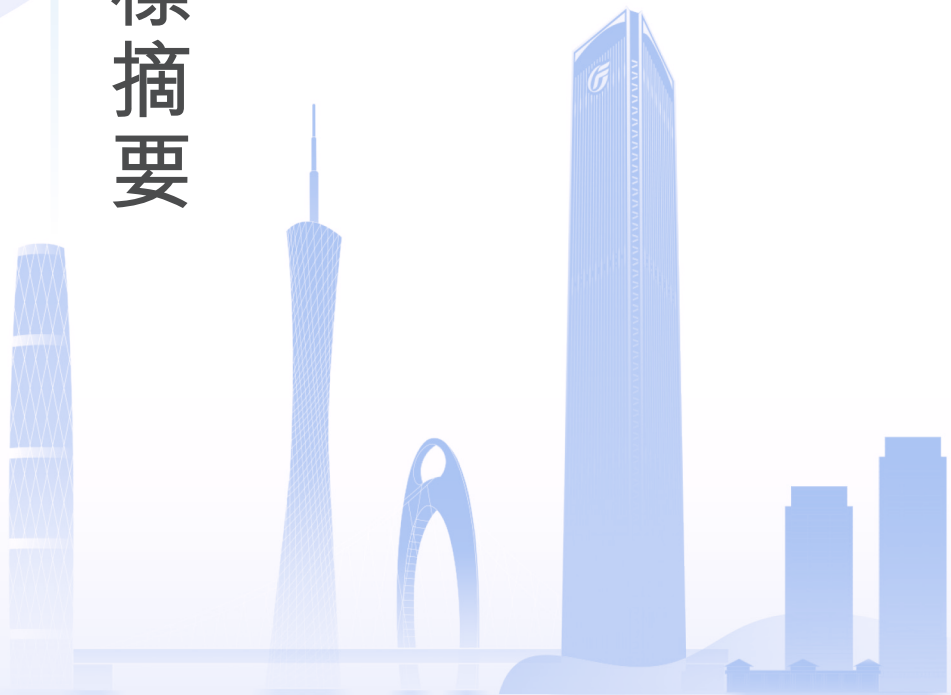
There was no change in the website of the stock exchanges and the name and website of the media on which the Company disclosed the interim report and the place where the interim report of the Company was maintained during the Reporting Period. Please refer to the 2024 Annual Report for details.

3. Other Relevant Information

N/A.

會計數據和財務指標摘要

ACCOUNTING DATA AND FINANCIAL INDICATORS SUMMARY



ACCOUNTING DATA AND FINANCIAL INDICATORS SUMMARY

I. KEY ACCOUNTING DATA (CONSOLIDATED STATEMENTS)

(The accounting data and financial indicators contained in this report are prepared in accordance with International Accounting Standards)

Unit: RMB million

Item	January to June 2025	January to June 2024	Changes
Total revenue and other income	19,916	16,817	18.43%
Profit before income tax	8,319	5,117	62.57%
Net profit attributable to owners of the Company	6,470	4,362	48.31%
Net cash from/(used in) operating activities	2,681	(37,463)	–
Basic earnings per share (RMB/share)	0.79	0.52	51.92%
Return on weighted average net assets (%)	4.83	3.39	Increase by 1.44 percentage points

Note: The Accounting Department of the Ministry of Finance of the People's Republic of China issued Implementation Questions&Answers on the Accounting Treatment for Standard Warehouse Receipt Transactions in July 2025, clarifying that contracts for trading standard warehouse receipts on futures exchanges without physical delivery should be treated as financial instruments and accounted for in accordance with the China's Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments. For contracts where standard warehouse receipts are obtained and then sold within a short period, sales revenue should not be recognized. Instead, the difference between the sales proceeds and the carrying amount of the sold standard warehouse receipts should be recognized as net investment gains. The Company has implemented the provisions of the above implementation Questions&Answers and has correspondingly adjusted to reduce the total revenue and other income and total expense for the same period last year by RMB319 million. Apart from the aforementioned, all other data for the same period last year in the above table remain unchanged.

Item	June 30, 2025	December 31, 2024	Changes
Total assets	815,839	758,745	7.52%
Total liabilities	659,259	605,660	8.85%
Equity attributable to owners of the Company	150,947	147,602	2.27%
Total share capital (million shares)	7,606	7,621	-0.20%
Equity per share attributable to owners of the Company (RMB/share) (Note 1)	19.85	19.37	2.48%
Gearing ratio (%) (Note 2)	74.90	73.76	Increase by 1.14 percentage points

Notes:

- Equity per share attributable to owners of the Company as shown in the above table includes perpetual subordinated bonds issued by the Company. After deducting the effect, equity per share attributable to ordinary shareholders of the Company at the end of the Reporting Period was RMB16.40.*

- Gearing ratio = (Total liabilities – Accounts payable to brokerage clients)/(Total assets – Accounts payable to brokerage clients)*

ACCOUNTING DATA AND FINANCIAL INDICATORS SUMMARY

II. ACCOUNTING DATA DIFFERENCE UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

The net profit from January to June 2025 and January to June 2024 and the net assets as of June 30, 2025 and December 31, 2024 as disclosed in the consolidated financial statements of the Company prepared in accordance with the International Accounting Standards are consistent with those in accordance with the China's Accounting Standards.

III. NET CAPITAL OF THE PARENT COMPANY AND THE RELEVANT RISK CONTROL INDICATORS

Unit: RMB

Item	As at the end of the Reporting Period	As at the end of the previous year	Increase or decrease at the end of the Reporting Period as compared with the end of the previous year
Core net capital	70,023,068,197.64	69,460,233,564.88	0.81%
Supplementary net capital	23,910,000,000.00	26,400,000,000.00	-9.43%
Net capital	93,933,068,197.64	95,860,233,564.88	-2.01%
Net assets	134,369,148,982.35	131,523,760,774.53	2.16%
Total risk capital reserves	35,464,564,401.80	34,703,878,051.33	2.19%
Total on-and off-balance sheet assets	559,087,421,782.47	532,259,987,064.89	5.04%
Risk coverage ratio	264.86%	276.22%	Decrease by 11.36 percentage points
Capital leverage ratio	12.87%	13.29%	Decrease by 0.42 percentage point
Liquidity coverage ratio	170.78%	183.17%	Decrease by 12.39 percentage points
Net stable funding ratio	152.48%	153.18%	Decrease by 0.70 percentage point
Net capital/net assets	69.91%	72.88%	Decrease by 2.97 percentage points
Net capital/liabilities	23.27%	25.06%	Decrease by 1.79 percentage points
Net assets/liabilities	33.29%	34.38%	Decrease by 1.09 percentage points
Proprietary equity securities and its derivatives/net capital	41.44%	31.55%	Increase by 9.89 percentage points
Proprietary non-equity securities and its derivatives/net capital	336.11%	296.51%	Increase by 39.60 percentage points

Note: 1. Net capital as at the end of last year and relevant data have been restated in accordance with the Calculation Standards for Risk Control Indicators of Securities Companies (CSRC Announcement [2024] No. 13).

2. The above relevant data are based on the Administrative Measures for Risk Control Indicators of Securities Companies issued by the CSRC and the China's Accounting Standards, and are on a non-consolidated basis.

Each of the parent company's risk control indicators is in compliance with the relevant requirements under the Administrative Measures for Risk Control Indicators of Securities Companies.

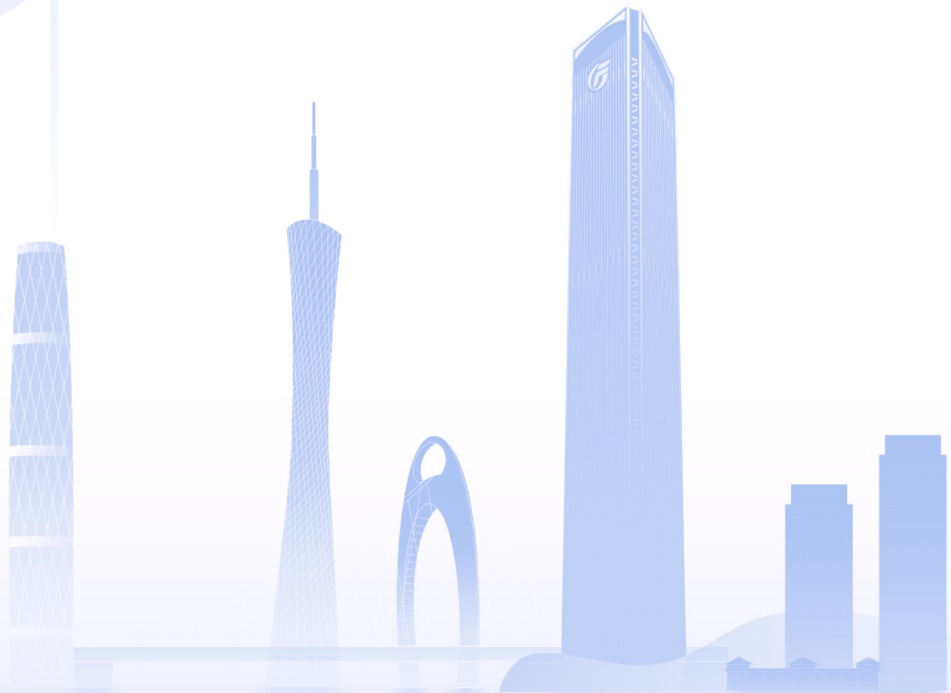
ACCOUNTING DATA AND FINANCIAL INDICATORS SUMMARY

IV. REVIEW BY THE AUDIT COMMITTEE

The Audit Committee under the Board has reviewed and confirmed the review report on the Group's interim financial information disclosed in accordance with International Accounting Standards for the six months ended June 30, 2025, and has no objection against matters including the accounting policies and practices adopted by the Group.

管理層討論與分析

MANAGEMENT DISCUSSION AND ANALYSIS



MANAGEMENT DISCUSSION AND ANALYSIS

I. DEVELOPMENT OF THE INDUSTRY IN WHICH THE GROUP OPERATES

In the first half of 2025, the securities market increased resilience and reinforced a steady upward trend. Firstly, the stock market endured an external impact beyond expectation with an upsurge in major indices. In the first half of 2025, Wind All China Index, SSE Composite Index, SZSE Component Index, ChiNext Index and SSE STAR 50 Index increased by 5.83%, 2.76%, 0.48%, 0.53% and 1.46%, respectively. Among them, the turnover of Wind All China Index reached RMB162.66 trillion, representing a year-on-year increase of 61.15%. Secondly, the domestic monetary environment remained loose, the bond market subdued first and then rose, and the size of issuance was stable with an upward trend. In the first half of 2025, the total issued amount of various types of bonds reached RMB44.34 trillion, representing a year-on-year increase of 15.82%, and the China-Bond New Composite Index (total value) rose by 1.05%. Thirdly, equity financing resumed a clear rising momentum. In the first half of 2025, a total of 120 rounds of equity financing¹ in the A share market were completed, and achieved RMB669.318 billion in financing amount, representing a year-on-year increase of 10.09% and 562.05%, respectively. Among them, 48 IPOs were completed with financing amount of RMB38.002 billion, representing a year-on-year increase of 11.63% and 25.54% respectively; 72 rounds of refinancing were completed with financing amount of RMB631.316 billion, representing a year-on-year increase of 9.09% and 791.36%, respectively. Fourthly, the new issuance of public funds slowed down, and the total management size continued its growing trend. In the first half of the year, the issuance of newly established funds amounted to 517.44 billion units, representing a year-on-year decrease of 21.37%. As at the end of June 2025, the total size of public funds under management in China reached RMB34.39 trillion, representing an increase of 4.75% compared to the end of 2024.

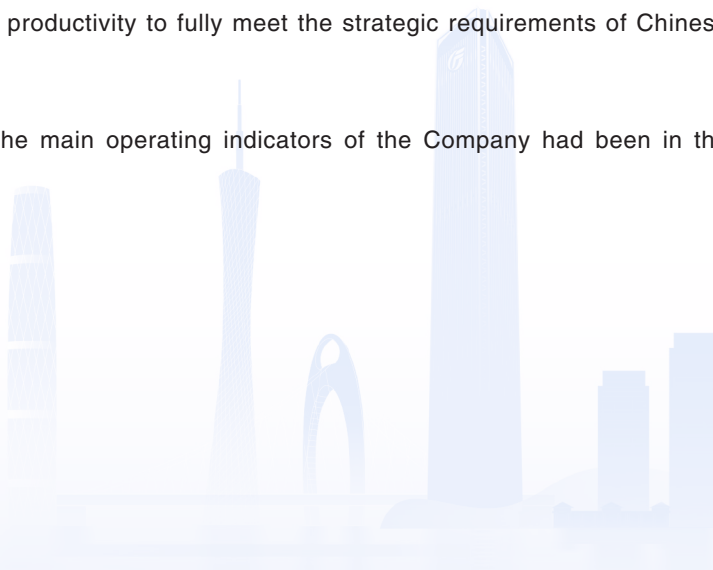
¹ Including IPO, additional issuance, placement of shares, preferred shares, convertible bonds, of which additional issuance includes issuance of shares to purchase assets, and the statistics were measured on issue date basis.

MANAGEMENT DISCUSSION AND ANALYSIS

Although facing a complicated and changing external environment, China insisted on stimulating internal forces to tackle with the changing landscape with precision. The orientation of high quality development of the economy was clear, and the macroeconomic conditions were stabilized with progress. In the first half of 2025, GDP achieved growth of 5.3%, forming a solid economic foundation for the sound operation of the capital market. The Third Plenary Session of the 20th Central Committee of the Communist Party of China put forward a reform blueprint, and the Central Financial Work Conference proposed for the first time to accelerate the target and requirements of developing the nation into a financial power, creating ample space for developing a high quality capital market. The Political Bureau of the Central Committee emphasized at the meeting in April to “continue to stabilize and invigorate the capital market” and further proposed to “enhance the attractiveness and inclusiveness of the domestic capital market, reinforce the stable and upward trend of the capital market” at the meeting in July, fully demonstrating that the Central Committee of the Party had attached high importance to stability of the capital market. The CSRC closely monitored the main theme of risk prevention, strong regulation and facilitated high quality development in order to continue promoting the effective implementation of the new “Nine Guidelines for Capital Market” and the capital market “1+N” policy. A series of ionic reforms, such as market entry of long-term and medium-term funds, reform of public funds and “1+6” policy measures of STAR Market, made breakthroughs, and a full set of policies in the form of “combination punches” strongly secured the stability with progress condition of the capital market.

The CSRC has determined 7 key tasks for the near future at the mid-year work conference, pursuant to which the core work is to accumulate stabilizing forces continuously, increase the driving energy for progress, continue to stabilize and invigorate the capital market, better serve the economy to continue the rising and upward trend and the overall plan of Chinese style modernization. Under the fully innovative capital market ecology, continuous implementation of the internally generated stabilization mechanism of the capital market and the steady progress of opening the high-level system features, the securities industry is always supported by politics and people, continues to position at functional achievements as prime objective, anchors the strategic orientation of main responsibilities and main business, and deeply performs financial services to meet fundamental requirements of the real economy. It will focus on the strategic layout of the “Five Major Areas” to establish the functional, intensive, professional and characteristic new model of development, drive transformation and upgrade of the industry by nurturing new quality productivity to fully meet the strategic requirements of Chinese style modernization.

During the Reporting Period, each of the main operating indicators of the Company had been in the forefront of the industry.



MANAGEMENT DISCUSSION AND ANALYSIS

II. MAIN BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

The Group is a provider of comprehensive capital market services with industry-leading innovation capabilities focused on serving China's quality enterprises and many investors with demand for financial products and services. The Group utilizes a wide range of financial instruments to serve the various financial needs of corporations, individuals, institutional investors, financial institutions and government clients and provide comprehensive solutions. The main businesses of the Group can be classified into four segments, namely investment banking, wealth management, trading and institution and investment management.

Specific products and services included in each of the four business segments are set out in the table below:

Investment Banking	Wealth Management	Trading and Institution	Investment Management
◆ Equity financing	◆ Wealth management and brokerage	◆ Equity investment and trading	◆ Asset management
◆ Debt financing	◆ Futures brokerage	◆ Fixed income sales and trading	◆ Public fund management
◆ Financial advisory	◆ Margin financing and securities lending	◆ Equity derivatives sales and trading	◆ Private fund management
	◆ Repurchase transactions	◆ Alternative investment	
	◆ Financial leasing	◆ Investment research	
		◆ Asset custody	

Investment Banking: the Group earns its commissions, sponsorship and consulting fees through underwriting shares and bonds and providing sponsorship and financial advisory services;

Wealth Management: the Group earns its fees, consulting fees and commissions by providing/through the provision of brokerage and investment advisory services, obtaining interest income from its business of futures brokerage, margin financing and securities lending, repurchase transactions, financial leasing and management of settlement fund on behalf of clients, and earning its fees through acting as agent for the sales of financial products developed by the Group and other financial institutions;

Trading and Institution: the Group earns its investment income and interest income through investment transactions, alternative investments and market making services from equity, fixed income and derivatives, earning its fees and commissions through providing transaction consultation and execution, investment research services and the main broker services to institutional customers;

Investment Management: the Group earns its management fees, advisory fees and performance fee through providing services for the assets management, public fund management and private fund management.

MANAGEMENT DISCUSSION AND ANALYSIS

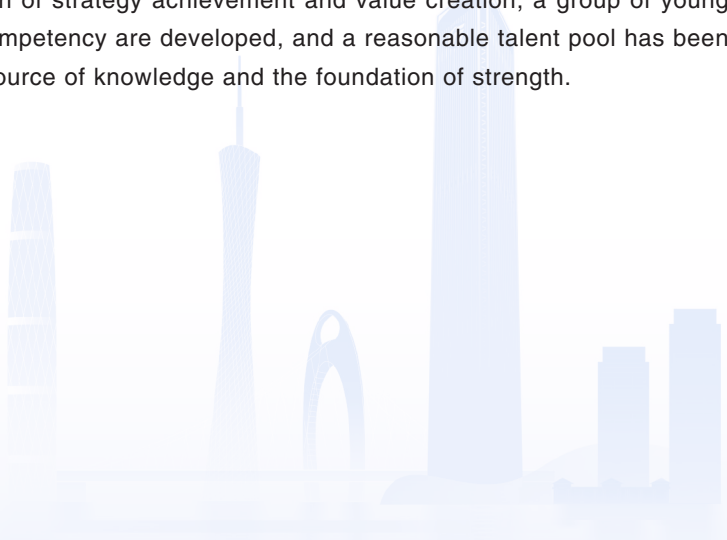
The primary securities business of the Group relies on China's economic growth, accumulation of household wealth and the development and performance of China's capital markets, including the issuance, investment and trading of financial products (such as stocks, bonds and wealth management products). These important factors are affected by the combination of economic environment, investor sentiment and international market, which have shown an overall stable trend. During the Reporting Period, the principal businesses and the operating model of the Group have had no significant changes, which was in line with the development of the industry.

III. ANALYSIS ON CORE COMPETITIVENESS

(1) Excellent corporate culture

The Company always maintains a strong sense of family and country, upholds its mission of “creating values to realize the dream of serving the country with financial services”, adheres to the implementation of the national strategy, proactively integrates into the new development landscape, and actively serves the real economy for both quantity and quality. In making continuous progress in developing its corporate values of “inquisitiveness and integrity” and carrying forward its excellent cultural genes of an “army of doctors”, with knowledge as the guarantee and professionalism as the cornerstone, we will continue to explore new prospects for the development of the Company. Adhering to the path of reformation and innovation to rise with great rigour, relying on a deep understanding of industry development and market dynamics, we will continue to create innovative products and transaction designs to provide effective financial solutions, to strengthen the resilience of development, adhere to the development strength with firm confidence, and promote the high-quality development of the Company.

The Company insists on its professional development, unswerving in its vision, and persistent in its action. The Company built consensus through the establishment of a diversified and inclusive talent mechanism, assembled a team of talents from all corners of the world with excellent professionalism and in high recognition of the Company's corporate culture. The management practises as role model to operate business with dedication, while the employees are truth-seeking and pragmatic. With the orientation of strategy achievement and value creation, a group of young management with ambition and competency are developed, and a reasonable talent pool has been formed to continuously build the source of knowledge and the foundation of strength.



MANAGEMENT DISCUSSION AND ANALYSIS

Up to now, the operation and management team of the Company has an average of approximately 27 years of experience in securities, finance and economics-related fields and has served an average term of over 21 years in the Company with extensive experience in business and management. Since 1999 when the Company established the first post-doctoral workstation for financial enterprises in China, the Company has been training and exporting professionals for 27 years.

(2) Forward-looking strategic guidance

The Company maintains a strategic determination to draw a blueprint to the end. In the early 1990s, the Company has clearly proposed the development strategy of “running with shareholding system and group structure and in an internationalized and standardized manner”, offering the guidance to the development of the Company. During the period of industry transformation and development, the Company has enriched, improved and upgraded the strategic ideology of “Four Modernizations”.

The Company has always focused on the main responsibilities and business in more than 30 years of development, striving to improve its core competitiveness and develop core business without deviation and with solid and deep cultivation. The Company continues to expand business layout, with functional purpose in prime position, insists on the fundamental objective of fulfilling real economy requirements with financial services and conscientiously implements the “Five Major Areas”. In the business line, it has successively set up futures subsidiaries, public fund subsidiaries, private fund subsidiaries, alternative investment subsidiaries and asset management subsidiaries. With its value concept and pragmatic entrepreneurial style, a full business chain with complete layout and strong capability has been established. In terms of regional development, the Company based in Guangdong and serves the whole country, connecting domestically and internationally, forges a leading national brokerage with a long-term vision and an open mind. With the determination of “success does not depend on me” and the spirit of “hammering nails”, all staff members have anchored the green mountains and resolutely implemented the established strategies with consistent strategic direction.

(3) Stable shareholding structure

The Company has a long term and stable shareholding structure. Jilin Aodong, Liaoning Cheng Da and Zhongshan Public Utilities (all of which are listed companies), substantial shareholders of the Company, have been among the top three shareholders of the Company (excluding HKSCC Nominees, whose shares are owned by H Share non-registered shareholders) for 26 years.

Shareholders, employees and the Company share common interest and have close relationships with a high degree of cohesion and combat effectiveness, being an important support for the Company to continuously traverse the cycle, break through the development bottleneck and establish its position in the industry. The scientific and reasonable operation mechanism and continuous improvement of corporate governance system provide a solid guarantee for the stable operation of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Scientific business layout

The Company has a complete business system, a balanced business structure and outstanding core competitiveness. The Company possesses licenses for a full range of services involved in four business segments, including investment banking, wealth management, trading and institution and investment management. Forging its comprehensive financial service capabilities, the Company has maintained main operating indicators ranking among the top securities companies in China for many consecutive years and established its leading advantages among securities firms with research, asset management and wealth management ranking among the top ranks.

The Company has implemented the business model to empower high-quality development of businesses with research, maintained the leading position of research ability in the industry for a long time and won many major institutional awards such as the Best Analyst of the Securities Times, the Best Analyst of New Fortune (新財富最佳分析師) and the Golden Bull Award for China Securities Industry Analysts (中國證券業分析師金牛獎) for many consecutive years, ranking among the best. The Company has taken the lead in proposing wealth management transformation and equipped with excellent financial product research and sales capabilities, professional asset allocation capabilities and more than 4,600 securities investment consultants, ranking No. 2 in the industry (in terms of parent company caliber). The Company is committed to providing precise wealth management services for different types of customers. It has become a first-class trustworthy wealth management institution.

The Company has coordinated the superior resources of its asset management institutions, established comprehensive product supply system and provided customers with strategically excellent and diversified products to build a leading asset management brand in the industry. GF Fund and E Fund have maintained their leading investment research capabilities. At the end of June 2025, GF Fund and E Fund ranked third and first in the industry in terms of the size of public funds under management excluding monetary funds, respectively.

Guided by customer demand, the Company has built an investment banking service system with a full business chain throughout the life cycle and strengthened the synergy effect and mutual empowerment between businesses. Adhering to leading business development with scientific and technological innovation, the Company has continuously increased investment in financial technology, actively used advanced concepts, technologies and tools and continued to promote the deep integration of financial technology and business, so as to improve the level of digital intelligence.

MANAGEMENT DISCUSSION AND ANALYSIS

(5) Outstanding location advantage

The Guangdong-Hong Kong-Macao Greater Bay Area is one of the four major bay areas in the world with the highest degree of opening-up and the most resilient market economy in China, playing an important strategic position in the overall development of the country. It will shoulder the mission of strengthening the national strategic scientific and technological strength, which is an important layout for expanding the new situation of reform and opening up. The Company has fully supported the implementation of major national regional strategies by being deeply rooted in Guangdong-Hong Kong-Macao Greater Bay Area, the forefront of China's reform and opening-up, enriched customer foundation, and facilitated technology, capital and virtuous industry circles.

As a professional capital market institution growing up in the Greater Bay Area, the Company has advantages in industrial research and capital operation, actively explores a new model of industry-finance integration and supports the transformation and upgrading of regional economies and industries by deepening the integration of local industry and capital and building industrial fund in various forms; gives full play to the role of capital market in value discovery and resource allocation, and realizes financial services in industries with the full life cycle by building industrial clusters through direct financing.

At the end of June 2025, the Company had 356 branches and business departments nationwide, with a presence in 31 provinces, municipalities, and autonomous regions across the PRC. The total number of business outlets in the nine cities of the Pearl River Delta in the Guangdong-Hong Kong-Macao Greater Bay Area ranked No. 1 in the industry, providing a wide range of market reach for the Company's business and laying important support for customer accumulation and service.

(6) Philosophy of compliance and steady development

The Company is one of the first batch of pilot compliance management brokerages selected by the CSRC, one of the first brokerages to implement a comprehensive risk management strategy in the industry, and one of the few major brokerages which have not accepted investment or undergone restructuring due to operating losses among the first batch of brokers established from the end of the 1980's to the early 1990's.

The Company adheres to its operation and management philosophy of stable operation, with compliance operation as the Company's bottom line to ensure its steady and long-term development and risk management capabilities as the powerful tool to guarantee its high-quality development. Based on strengthening risk control and prevention, the Company has stuck to the bottom line of compliance, consolidated the lifeline of risk control, and continued to improve the comprehensive risk management system to powerfully support the steady development of the Company's various businesses.

MANAGEMENT DISCUSSION AND ANALYSIS

IV. ANALYSIS OF PRINCIPAL BUSINESSES

(I) Overview

In the first half of 2025, under the strong leadership of the Party's Central Committee with Comrade Xi Jinping at its core, all regions and departments conscientiously implemented the decisions and deployments of the Party's Central Committee and the State Council, adhered to the general keynote of seeking progress while maintaining stability, fully, accurately and completely implemented the new development concept, accelerated the construction of the new development pattern, and effectively implemented more proactive and efficient macroeconomic policies. The economy maintained overall stability and continued to improve, with new progress made in high-quality development and the GDP increased by 5.3% year-on-year (Source: National Bureau of Statistics).

Since the beginning of this year, in the face of complex and severe risks and challenges, the CSRC has closely adhered to the principle of preventing risks, enhancing supervision and promoting high-quality development, and continued to promote the implementation of the new "Nine Guidelines for Capital Market" and "1+N" policy document for the capital market, introduced a combination of policy measures, and made every effort to maintain market stability. It has also achieved breakthrough in a number of landmark reforms, including the facilitation of the inflow of medium- and long-term capital into the market, public funds reform, the "1+6" policy measures for the STAR Market, and mergers and acquisitions and restructuring of listed companies, which has led to a more resilient capital market and a further consolidation of a growth trend.

In the first half of 2025, under the guidance of the Board of Directors, the Company stuck to its functional positioning, continued to promote high-quality development, and steadily advanced business transformation. With the joint efforts of all employees, the Company achieved remarkable operational performance, with key operational indicators remaining among the top in the industry. As of June 30, 2025, total assets of the Group amounted to RMB815,839 million, representing an increase of 7.52% as compared to the end of 2024; equity attributable to owners of the Company was RMB150,947 million, representing an increase of 2.27% as compared to the end of 2024. During the Reporting Period, total revenue and other income of the Group was RMB19,916 million, representing a year-on-year increase of 18.43%; total expenses were RMB12,097 million, representing a year-on-year increase of 2.35%; and net profit attributable to owners of the Company was RMB6,470 million, representing a year-on-year increase of 48.31%.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Analysis of Principal Businesses

1. *Investment banking business segment*

The Group's investment banking business segment mainly comprises of equity financing business, debt financing business and financial advisory business. The Company carried out the overseas investment banking-related business through its indirect wholly-owned subsidiary, GF Capital (Hong Kong).

(1) Equity financing business

In the first half of 2025, the total number and financing amount of equity financings² in the A share market completed were 120 and RMB669.318 billion, respectively, representing a year-on-year increase of 10.09% and 562.05%, respectively. Specifically, the number and financing amount of IPOs were 48 and RMB38.002 billion, respectively, representing a year-on-year increase of 11.63% and 25.54%, respectively; and the number and financing amount of refinancing projects were 72 and RMB631.316 billion, respectively, representing a year-on-year increase of 9.09% and 791.36%, respectively (Source: Wind). The number of newly listed companies on the NEEQ was 158, representing a year-on-year increase of 43.64%; and the number and financing amount of private placing of listed companies on the NEEQ were 83 and RMB2.671 billion, respectively, representing a year-on-year decrease of 34.13% and 53.64%, respectively (Source: NEEQ). The number and financing amount of financing projects in the Hong Kong stock market were 267 and HK\$250.402 billion, respectively, representing a year-on-year increase of 13.62% and 318.61%, respectively. Specifically, the number and financing amount of IPOs were 43 and HK\$106.713 billion, representing a year-on-year increase of 43.44% and 688.56%, respectively; and the number and financing amount of refinancing projects were 224 and HK\$143.689 billion, respectively, representing a year-on-year increase of 9.27% and 210.45%, respectively (Source: Wind).

² Including IPO, new issuance, rights issue, preference shares, convertible bonds (of which new issuance included assets acquired by issuing shares, based on the issue date).

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Company focused on serving the high-quality development of the real economy, thoroughly implemented national strategies and regulatory requirements, and actively fulfilled its role as a “service provider” for direct financing and a “gatekeeper” for the capital market. We adhered to the industry-oriented approach, strengthened industrial resources accumulation and professional capabilities building in key sectors, and endeavored to develop into an industrial investment bank and a technology investment bank. We deepened our business cultivation in key areas, consolidated our market position and competitiveness in the Greater Bay Area, and expanded our presence in key areas within the Yangtze River Delta region. We continued to advance our integrated domestic and international strategy, improved cross-border talent development and collaboration mechanisms, and comprehensively enhanced cross-border collaboration efficiency and comprehensive service capabilities to effectively support Chinese enterprises in their overseas expansion. The Company also steadily advanced its digital intelligence transformation, strengthened its refined management and risk control, and continuously solidified the foundation for quality improvement, efficiency enhancement, and steady development.

In respect of domestic equity financing, the Company completed five A share equity financing projects with a lead underwritten amount of RMB15.622 billion; and completed two listings on the NEEQ during the Reporting Period. As of the end of June 2025, the Company sponsored a total of 47 companies listed on the market as the lead brokerage, of which 82.98% were “specialized, sophisticated, distinctive and innovative” enterprises. In the first half of 2025, the Company won a number of awards, including 2025 New Fortune “Best Domestic Investment Bank”, “Best Equity Underwriting Investment Bank”, “Best Refinancing Investment Bank” and “Best Investment Bank in the Technology and Intelligent Manufacturing Industry”. In respect of overseas equity financing, the Company completed 11 overseas equity financing projects, all of which were Hong Kong IPO projects, with an issue size of HK\$42.773 billion; and its equity financing business in Hong Kong ranked fourth among Chinese-based securities companies in terms of the total issuance size of IPOs and refinancing projects equally distributed among all underwriters (Source: Bloomberg, Statistics of the Company).

A-share item	From January to June 2025		From January to June 2024	
	Lead underwritten amount (RMB100 million)	Number of lead underwriters	Lead underwritten amount (RMB100 million)	Number of lead underwriters
Initial public offering (IPO)	5.39	2	—	—
Refinancing offering	150.83	3	69.45	3
Total	156.22	5	69.45	3

Source: Statistics of the Company, Wind.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Debt financing business

In the first half of 2025, in respect of domestic market, the bond market experienced higher volatility, where the interest rate went up, then down, fluctuating at the low level due to multiple factors. The issuance amount of major credit bonds³ was RMB9,235.548 billion, representing a year-on-year increase of 3.41%. Specifically, the issuance amount of corporate bonds was RMB2,176.663 billion, representing a year-on-year increase of 14.89%; the issuance amount of debt financing instruments of non-financial enterprises was RMB4,639.836 billion, representing a year-on-year decrease of 6.82%; the issuance amount of non-policy financial bonds was RMB2,404.728 billion, representing a year-on-year increase of 19.21%; and the issuance amount of enterprise bonds was RMB14.321 billion, representing a year-on-year decrease of 63.40% (Source: Wind). In respect of overseas market, supported by the expectation of interest rate cuts by the US Federal Reserve and the need to refinance, the market of Chinese-issued overseas bonds grew slightly in the first half of 2025, the issuance amount of Chinese-issued overseas bonds was US\$78.392 billion, representing a year-on-year increase of 4.69% (Source: DMI).

During the Reporting Period, the Company fully integrated its platform resources, continued to explore customers in key regions, promoted the construction of digitalization and intelligence, and consolidated the quality of project implementation. During the Reporting Period, the Company acted as the lead underwriter for 419 tranches of bonds, with a lead underwritten amount of RMB153.721 billion, which ranked 7th within the industry. The Company accurately served the national strategies, such as scientific and technological innovation, green and low carbon, and made continuous breakthroughs in the innovation of bond products. During the Reporting Period, the Company acted as the lead underwriter for 66 tranches of various science and technology innovation bonds with an underwritten amount of RMB25.663 billion; acted as the lead underwriter for 11 tranches of various low-carbon transformation and green bonds with an underwritten amount of RMB3.850 billion; and acted as the lead underwriter for 4 tranches of rural revitalization bonds with an underwritten amount of RMB1.4 billion. In respect of Chinese offshore bond business, 29 bonds were issued with an underwritten amount of US\$49.865 billion.

³ Major credit bonds include corporate bonds, enterprise bonds, debt financing instruments of non-financial enterprises, non-policy financial bonds and exchangeable bonds.

MANAGEMENT DISCUSSION AND ANALYSIS

Domestic item	First half of 2025		First half of 2024	
	Lead underwritten amount (RMB100 million)	Number of offerings (tranches)	Lead underwritten amount (RMB100 million)	Number of offerings (tranches)
Corporate bonds	809.51	253	764.30	173
Financial bonds	495.65	47	423.35	41
Enterprise bonds	3.60	3	0.58	1
Debt financing instruments of non-financial enterprises	228.45	116	316.04	77
Exchangeable bonds	—	—	20.00	1
Total	1,537.21	419	1,524.28	293

Source: Wind.

(3) Financial advisory business

In the first half of 2025, 112 A share listed companies announced material asset restructuring for the first time, representing a year-on-year increase of 187.18%, with a total transaction amount disclosed of more than RMB230 billion (Source: Wind).

During the Reporting Period, centering around the guidance of national industrial policies, financial policies and regional development policies, the Company held the AI-themed merger and acquisition forum of the Guangdong Capital Market M&A Alliance (廣東資本市場併購聯盟), and endeavored to set up a merger and acquisition business ecosystem to provide customers with multi-level and all-round comprehensive services, promoting the orderly circulation of assets and capital. During the Reporting Period, the Company completed three projects in major asset restructuring and financial advisory business that had industry and regional influence, and the transactions in which the Company acted as listed company's independent financial advisor involved a total transaction amount of approximately RMB2.272 billion; and won the award of the 2025 New Fortune Best M&A Investment Bank.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Wealth management business segment

The Group's wealth management business segment mainly comprises wealth management and brokerage business, futures brokerage business, margin financing and securities lending business, re-purchase transaction business and financial leasing business. The Group carries out futures brokerage business and financial leasing business through its wholly-owned subsidiaries, GF Futures and GFFL, respectively, and overseas brokerage business through its indirect wholly-owned subsidiary, GF Brokerage (Hong Kong).

(1) Wealth management and brokerage business

In the first half of 2025, the SSE Composite Index, the SZSE Component Index and the ChiNext Index rose by 2.76%, 0.48% and 0.53%, respectively; and the trading volume of stocks and funds in the market was RMB192.25 trillion, representing a year-on-year increase of 65.73% (Source: Wind). Hong Kong's Hang Seng Index, Hang Seng China Enterprises Index and Hang Seng Technology Index rose by 20.00%, 19.05% and 18.68% respectively, as compared to the end of last year; and the average daily trading turnover of the Hong Kong stock market was HK\$240.206 billion, representing a year-on-year increase of 118% (Source: Hong Kong Stock Exchange).

During the Reporting Period, the Company adhered to its main responsibility and main businesses, and stood fast and acted as the "manager" of social wealth, closely followed its main tone for high-quality development and its digitalization and platform-based strategies, so as to further the transformation of its wealth management business. The Company focused on the key development direction for "high-quality customer base and efficient online operation", and seized any market opportunities to capture the customers' needs, and continued to consolidate the customer base and standardize its operations; the Company unswervingly accelerated its transformation into a buy-side investment adviser, strengthened its diversified asset allocation capabilities, and continued to diversify its product supply system and transaction supporting tools, so as to improve the integrated service system for institutional customers to enhance customer experience. The Company has comprehensively developed its artificial intelligence service functions, and coordinated to promote the application and empowerment of the AI-enabled wealth brokerage model; the Company continued to promote the implementation of a series of reforms on wealth brokerage to provide organizational capabilities, resource allocation and talent support for high-quality development; and the Company adhered to the principle of "the Company will not carry out those businesses if it is not clear how to carry out and control them", and strictly adhered to the bottom line of compliance.

MANAGEMENT DISCUSSION AND ANALYSIS

In respect of domestic market, as of the end of June 2025, the total balance of financial products sold by Company on a commission basis exceeded RMB300.0 billion, representing an increase of approximately 14.13% as compared to the end of last year; according to the statistics of the Securities Association of China, a total of more than 4,600 employees were qualified as investment advisors, ranking second in the industry (based on data of parent company). From January to June 2025, the turnover of the Company's SSE and SZSE stock and funds amounted to RMB15.14 trillion (bilateral statistics), representing a year-on-year increase of 62.12%. In the overseas market, the Group further diversified its product offerings and continued to transform into wealth management with net sales income and balance of financial products and commissions for multi-market transactions achieving a year-on-year growth.

The trading volume and market share of the Company's securities trading agency business on SSE and SZSE are shown in the table below:

Item	January to June 2025		January to June 2024	
	Trading volume as agent (RMB100 million)	Market share (%)	Trading volume as agent (RMB100 million)	Market share (%)
Stocks	124,167.86	3.81	77,670.70	3.84
Funds	27,241.35	4.63	15,722.52	5.29
Bonds	347,183.43	5.57	246,497.89	4.83
Total trading volume	<u>498,592.64</u>	<u>4.95</u>	<u>339,891.12</u>	<u>4.58</u>

Note 1: The data is from the statistics of SSE, SZSE and Wind;

Note 2: The data in the above table is the data of the parent company;

Note 3: The market share refers to the ratio of trading volume of this type of securities to the total trading volume of such type of securities traded on the SSE and SZSE in the same period.

MANAGEMENT DISCUSSION AND ANALYSIS

The financial products agency sales of the Company in the first half of 2025 are shown in the table below:

Type	Total sales amount for the period (RMB100 million)	Total redeemed amount for the period (RMB100 million)
Fund products	873.81	764.13
Trust products	559.87	401.19
Other financial products	<u>4,300.31</u>	<u>4,150.78</u>
Total	<u><u>5,733.99</u></u>	<u><u>5,316.10</u></u>

Note: The total sales and redeemed amount in this table include the subscription, application, redemption and targeted investment of OTC products and on-market products, as well as the sales of asset management products issued by GF Asset Management.

(2) Futures brokerage business

In the first half of 2025, on a unilateral basis, the cumulative trading volume of the futures market was RMB339.73 trillion, representing a year-on-year increase of 20.68%, of which the cumulative trading volume of commodity futures and options was RMB227.17 trillion, representing a year-on-year increase of 12.93%; the cumulative trading volume of financial futures and options was RMB112.55 trillion, representing a year-on-year increase of 40.07% (Source: China Futures Association).

During the Reporting Period, GF Futures deeply explored the needs of customers within the industry, reinforced the empowerment of scientific and technological research, and continuously improved the quality and efficiency to serve the real economy, thus achieving steady development of its domestic and overseas businesses. During the Reporting Period, GF Futures' trading volume and the market share in terms of trading amount increased by 0.28 percentage point and 0.34 percentage point respectively on a year-on-year basis; with the in-depth promotion of international business, the consolidated operating revenue and net profit of GF Futures' overseas subsidiaries both achieved a year-on-year increase. GF Futures (Hong Kong) Co., Limited was named the "2024 Best Broker (Forex Futures)" by the Hong Kong Stock Exchange, as well as the "2024 Most Active Commodity Futures Broker" by the Singapore Exchange.

MANAGEMENT DISCUSSION AND ANALYSIS

(3) Margin financing and securities lending business

As of the end of June 2025, the balance of margin financing and securities lending in the market was RMB1,850.452 billion, representing a decrease of 0.76% as compared to the end of last year (Source: Wind).

During the Reporting Period, the Company adhered to the principle of customer-centricity, and practiced the business model of “One Guangfa”, continuously optimized the service system by focusing on customer needs, resource endowments and market environment, and strengthened the refined business management capability with the help of AI large model tools, consolidated and enhanced the quality of its customer services as well as its business compliance and risk control ability, so as to promote the healthy and orderly development of its businesses.

As of the end of June 2025, the balance of margin financing and securities lending of the Company was RMB103.638 billion, which basically maintained at the same level as compared to the end of last year, with a market share of 5.60%.

(4) Repurchase transaction business

During the Reporting Period, the Company steadily carried out the stock pledge business, strengthened risk management, strictly implemented various measures on duration management and continued to optimize asset structure, with a stable and upward trend in asset quality. As of the end of June 2025, the balance of the exchange traded Stock Pledged Repo Transaction business carried out by the Company with its owned funds was RMB7.874 billion, representing a decrease of 16.72% as compared to the end of last year.

(5) Financial leasing business

During the Reporting Period, GFFL continued to strengthen the construction and optimization of its comprehensive risk management system, with an additional principal of RMB89 million invested in the leasing business. As of the end of June 2025, the net amount of the lease receivables amounted to RMB93 million.



MANAGEMENT DISCUSSION AND ANALYSIS

3. *Trading and institution business segment*

The Group's trading and institution business segment mainly includes the equity investment and trading business, fixed income sales and trading business, equity derivatives sales and trading business, alternative investment business, investment research business and asset custody business.

(1) Equity investment and trading business

The equity investment and trading business of the Company is mainly engaged in stock investment and trading.

In the first half of 2025, A shares were on an overall upward trend, with the Shanghai Composite Index rising by 2.76% and the ChiNext Index rising by 0.53%. Among the sectors, the non-ferrous metals sector, the beauty care sector, and the national defense and military sector led the gains. Driven by the high-dividend asset allocation, the banking sector was up by 4.13%.

During the Reporting Period, in respect of equity investment, the Company adhered to the value investment approach, strengthened the combination of top-down macro-strategy with the research of the industry and individual stocks, continuously developed core investment research capabilities, and used multi-strategy investment tools to reduce the fluctuation of investment income, achieving good investment performance.

(2) Fixed income sales and trading business

The fixed income sales and trading of the Company consists mainly of sales of underwritten bonds to institutional clients, and market-making and trading of financial products and interest rate derivatives with fixed income.

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2025, the domestic monetary policy was moderately loose while the fiscal policy was actively strengthened; overseas inflation was impacted by tariff uncertainty, and the Federal Reserve was still in the cycle of cutting interest rates. ChinaBond – New Composite Wealth Index (Full Price) increased by 1.05% as compared with the end of the previous year; the interest rate of the 10-year Treasury Bond was 1.65%, down 2bp from the end of the previous year; the interest rate of the 10-year U.S. Treasury Bond was 4.24%, down 34bp as compared with the end of the previous year; Chinese issued US Dollar-denominated Bond Index increased by 4.23% as compared with the end of the previous year (Source: Wind, Bloomberg).

During the Reporting Period, the Company effectively controlled the duration, leverage and investment scale of its bond investment portfolio, and seized structural opportunities in the market to achieve better investment performance. During the Reporting Period, the scale of FICC investment business continued to grow with multiple strategies. The Company strengthened the forward-looking research and layout of public REITs, convertible bonds, exchangeable bonds and cross-border investment, and continued to improve our multi-asset and multi-strategy investment capabilities.

(3) Equity derivatives sales and trading business

Based on customer and market needs, the Company studies, designs and sells a variety of OTC products, including non-standard products, income certificates and OTC derivatives, and engages in market making and trading of equity products and derivative products.

In the first half of 2025, the OTC derivatives market continued to develop in a standardized and healthy direction, and the domestic ETF fund market scale has been further expanded.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, as a primary dealer of OTC derivatives business, based on its professional advantages in derivatives pricing and trading, the Company continuously strengthened the construction of team and system, was deeply engaged in product creation, strategy innovation, trading and sales capabilities, as well as customer services, and diversified and expanded its product system, types of underlying products and revenue structure, so as to continuously provide institutional customers with asset allocation and risk management solutions through OTC derivatives. The market-making business of the Company continued to be in the first echelon of the market, and officially launched the market-making business in the STAR Market and the BSE, providing market-making services for more than 900 funds and all ETF options of the SSE and SZSE, market-making services for CSI 300 stock index options and CSI 1000 stock index options of the China Financial Futures Exchange, as well as market-making services for 2 STAR Market-listed companies, 1 BSE-listed company, and 40 NEEQ companies. During the Reporting Period, the Company issued 51,508 private equity products through the China Securities Inter-agency Quotation System and OTC market, with a total amount of RMB501.180 billion.

(4) Alternative investment business

The Group carried out alternative investment business with its own funds through GF Qianhe, a wholly-owned subsidiary. Currently, the Group mainly focuses on equity investment business.

In the first half of 2025, the number of investment cases in China's equity investment market was 5,612, representing a year-on-year increase of 21.9%; the total investment scale was RMB338.924 billion, representing a year-on-year increase of 1.6%; the number of exit cases was 935, representing a year-on-year decrease of 43.3% (Source: Zero2IPO Research).

During the Reporting Period, GF Qianhe focused on hard technology, AI+, advanced manufacturing, healthcare, special opportunity investment and other major fields. As of the end of June 2025, the accumulated number of projects invested by GF Qianhe was 330.

(5) Investment research business

The investment research business of the Group mainly comprises the provision of professional services in various areas such as macro economy, strategy, fixed income, financial engineering, industry and listed companies for institutional clients, empowering and supporting the Company's core business development, providing various types of think tank consulting services and promoting professional exchanges at home and abroad.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Group continued to promote the research-driven development model, accelerated transforming research results and empowering the core business of the Company, responded actively to international development requirements and further expanded into overseas research business. As of the end of June 2025, the Group's equity research covered 28 industries and 997 A-share listed companies in Mainland China, and 207 overseas listed companies. The Company actively promoted the adoption of digital intelligence in research business, further explored AI applications in intelligent investment and research functions, establishing a multi-platform, multi-channel and multi-dimensional customer service system by leveraging the GF research portal and mini programs. During the Reporting Period, the industrial research institute of the Company continued to build the ecosystem of production, learning, research, investment and financing, focused on the key racing tracks to deepen the building of industrial ecosystem, empowered the development of various business segments of the Company, and provided various research consulting services to support policy formulation and industrial planning of governments at all levels. The Company also deepened the connection with key scientific research academic institutions, scientist groups, professional equity investment institutions, enterprises of various sectors and government departments, and established a cooperation mechanism for transforming scientific research results and coordinating industrial incubation, playing the role of a bridge in process of empowering technology with finance and transforming into productivity.

The outstanding research capacity of the Company enjoys a high reputation in the industry and received numerous honors and awards. From 2017 to 2024, the Company received many institutional awards and ranked in the forefront by mainstream evaluators for consecutive years, including Best Analyst of Securities Times (證券時報最佳分析師), Best Analyst of New Fortune (新財富最佳分析師), Golden Bull Award for China Securities Industry Analysts (中國證券業分析師金牛獎), Sell-side Analyst Crystal Ball Award (賣方分析師水晶球獎), Best Analyst of Shanghai Securities News (上海證券報最佳分析師), Golden Kirin Analyst of Sina Finance (新浪財經金麒麟最佳分析師) and the Golden Analyst of the 21st Century (21世紀金牌分析師). During the Reporting Period, by concentrating on the main theme of building the Chinese style modernization and focusing on the development direction of new quality productivity, the Company organized large-scale conferences on investment strategies successfully, such as "AI+Industry Forum" and "Dialogue with Master", to establish a platform for exchange between listed companies and institutional investors and serve the development needs of the real economy.

MANAGEMENT DISCUSSION AND ANALYSIS

(6) Asset custody business

The Company provides high-quality asset custody and fund operation outsourcing services for various asset management institutions such as funds, securities, futures, banks and trusts.

In the first half of 2025, the CSRC issued the Action Plan to Promote High Quality Development of Public Funds, in which 25 measures were proposed to promote innovative development of equity fund products. The private fund industry developed steadily; as of the end of June 2025, the size of existing private funds in China reached RMB20.26 trillion (Source: Asset Management Association of China).

During the Reporting Period, the Company focused on promoting the custody of index-based and fixed income based public funds, enhanced the establishment of business system and risk management capabilities, actively improved the comprehensive service capabilities in private asset management products, and facilitated the stable and sound development of the asset custody business. As of the end of June 2025, 3,707 products were under the custody of the Company and fund operation outsourcing services were provided for 4,380 products.

MANAGEMENT DISCUSSION AND ANALYSIS

4. Investment management business segment

The Group's investment management business segment mainly covers asset management business, public fund management business and private fund management business.

(1) Asset management business

The Group's asset management clients include individuals and institutional investors. The Group carries out asset management business through its wholly-owned subsidiaries, namely GF Asset Management and GF Futures, and its indirectly wholly-owned subsidiary, namely GF Asset Management (Hong Kong). In the first half of 2025, the asset management business of securities firms actively responded to the policy calls such as the new "Nine Guidelines for Capital Market", actively returned to the origin of the industry, continuously improved the professional level, and steadily promoted the standardized transformation. As of the end of June 2025, the total size of private asset management products managed by securities and futures firms reached RMB12.09 trillion (excluding social security funds and enterprise annuity; Source: Asset Management Association of China).

During the Reporting Period, GF Asset Management deepened the development of its core investment research system and enhanced its active management capabilities, continuously enriched and improved the layout of products and multi-asset allocation product line strategies. Leveraging the Group's full business chain to strengthen internal collaboration, GF Asset Management continued to optimise its business structure. As of the end of June 2025, the net value of single asset management schemes and specific asset management schemes of GF Asset Management increased by 4.56% and 39.49%, respectively, as compared with the end of 2024, while the net value of collective asset management schemes decreased by 8.85%, as compared with the end of 2024; the total scale decreased by 1.13% as compared with the end of 2024.

The asset management scale of GF Asset Management is as follows:

	Net value of asset management (RMB100 million)	
	June 30, 2025	December 31, 2024
Collective asset management business	1,407.22	1,543.83
Single asset management business	848.68	811.70
Specific asset management business	250.55	179.62
Total	2,506.45	2,535.16

Source: Statistics of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

As of the end of June 2025, there were 63 asset management schemes managed by GF Futures, with a total asset under management of RMB15.856 billion.

In the area of overseas asset management business, GFHK is one of the first batch of financial institutions in Hong Kong with the PRC background granted with RQFII qualification. As of the end of June 2025, there were 3 fund products managed by GF Asset Management (Hong Kong).

(2) Public fund management business

The Group carries out public fund management business through its non-wholly owned subsidiary, GF Fund, and investee company, E Fund. As of the end of June 2025, it held 54.53% interest in GF Fund and held 22.65% interest in E Fund and was one of the three parallel largest shareholders.

In the first half of 2025, the public fund industry as a whole showed a steady and sound development trend. Against the backdrop of ongoing deepening reforms in capital market investment and financing, the Action Plan for Promoting the High-Quality Development of Public Funds was issued, guiding the industry to further emphasise its functional positioning and enhance overall quality and service standards. Supported and guided by policy, fund companies have continued to strengthen investor return orientation, vigorously develop equity funds, and actively promote product innovations such as floating fees and technology-and-innovation-themed funds, better serving the development of the real economy and the wealth management needs of residents. As of the end of June 2025, the net assets of the public fund management business managed by public funds management institutions totaled RMB34.39 trillion, representing an increase of 4.75% from that at the end of last year (Source: Asset Management Association of China).

GF Fund is one of the investment managers of the National Social Security Fund and Basic Pension Insurance Fund. It also provides asset management services for insurance companies, financial companies, other institutional investors and general investors. In addition, GF Fund can invest the capital raised domestically in overseas capital market through QDII and QDLP, and invest capital raised from overseas markets in China's capital market in the forms of QFII and RQFII through GF International Investment Management Limited, its wholly-owned subsidiary. During the Reporting Period, GF Fund adhered to the main line of high-quality development and actively strengthened the construction of its core capabilities of investment research, continued to strengthen product quality control and management, enriched product offerings in line with national strategies and policy directions and steadily enhanced investor service standards. As of the end of June 2025, the public funds managed by GF Fund in aggregate reached RMB1,509.356 billion, representing an increase of 2.90% as compared to the end of 2024, and the total fund size excluding money market funds amounted to RMB894.482 billion, ranking third in the industry (Source: Wind, Statistics of the Company).

MANAGEMENT DISCUSSION AND ANALYSIS

E Fund is one of the investment managers of the National Social Security Fund and Basic Pension Insurance Fund. It also provides asset management services for insurance companies, financial companies, enterprise annuity, other institutional investors and general investors. In addition, E Fund can invest capital raised domestically in overseas capital market through QDII, and invest capital raised from overseas markets in China's capital market in the forms of QFII and RQFII through E Fund Management (HK) Co., Ltd., its wholly-owned subsidiary. During the Reporting Period, E Fund actively served the development of new quality productive force and development of Chinese modernization, further improved its investment research capabilities and enhanced its capability of value discovery, thereby continuously improving the products and customer service system that meet the demand of various customers, and focusing on the "Five Major Areas" of technologies, green, inclusive, pension and digital finance. As of the end of June 2025, the public funds managed by E Fund in aggregate reached RMB2,164.591 billion, representing an increase of 5.40% as compared to the end of 2024, and the total fund size excluding money market funds amounted to RMB1,523.134 billion, ranking first in the industry (Source: Wind, Statistics of the Company).

(3) Private fund management business

The Group engages in private fund management business through GF Xinde, its wholly-owned subsidiary, and is engaged in overseas private equity fund business through its indirectly wholly-owned subsidiary, GF Investments (Hong Kong) and institutions thereunder.

In the first half of 2025, the Government Work Report proposed improving a differentiated regulatory framework for venture capital funds, strengthening policy-based financial support and accelerating the development of venture investment to expand patient capital. The Guiding Opinions on Effectively Promoting the "Five Major Areas" in Finance (《關於做好金融“五篇大文章”的指導意見》), issued by the General Office of the State Council, specified the development of equity investment, venture capital and angel investment to further expand patient capital. In the first half of 2025, the number and amount of new offering funds in the equity investment in the PRC were 2,172 and RMB728.330 billion, respectively, representing a year-on-year increase of 12.1% and 12.0% (Source: Zero2IPO Research).

During the Reporting Period, GF Xinde focused on such industries as AI, robotics, biomedicine, intelligent manufacturing, new energy and corporate services. As of the end of June 2025, the paid-in funds under management by GF Xinde amounted to approximately RMB19.5 billion. In the overseas market, GF Investments (Hong Kong) managed four equity investment fund products, and has completed investment mainly in fields of high-end manufacturing, TMT, big consumption and biomedical. Several investment projects have exited by way of mergers and acquisitions or been listed on the stock exchanges in Hong Kong, the United States and other regions.

MANAGEMENT DISCUSSION AND ANALYSIS

V. ANALYSIS ON FINANCIAL STATEMENTS

(I) Analysis on Consolidated Statement of Profit or Loss

Revenue composition

Unit: RMB'000

Item	January to June 2025	January to June 2024	Amount of increase/ decrease	Percentage of increase/ decrease
Commission and fee income	8,367,183	6,783,555	1,583,628	23.35%
Interest income	5,908,230	6,248,160	-339,930	-5.44%
Net investment gains	5,506,526	3,651,538	1,854,988	50.80%
Other income and gains or losses	134,501	133,360	1,141	0.86%
Total revenue and other income	<u>19,916,440</u>	<u>16,816,613</u>	<u>3,099,827</u>	<u>18.43%</u>

For the period from January to June 2025, total revenue and other income of the Group was RMB19,916 million, representing an increase of 18.43% as compared with RMB16,817 million for the corresponding period of last year, which was reflected by (1) commission and fee income of RMB8,367 million, representing an increase of RMB1,584 million or 23.35% as compared with the corresponding period of last year, primarily attributable to an increase of RMB1,111 million in securities brokerage business commission and fee income as compared with the corresponding period of last year and an increase of RMB286 million in asset management and fund management fee income as compared with the corresponding period of last year; (2) interest income of RMB5,908 million, representing a decrease of RMB340 million or 5.44% as compared with the corresponding period of last year, primarily attributable to a decrease of RMB358 million and RMB113 million in interest income from debt instruments at fair value through other comprehensive income and interest income from deposits with exchanges and financial institutions, respectively, as compared with the corresponding period of last year; and (3) net investment gains of RMB5,507 million, representing an increase of RMB1,855 million or 50.80% as compared with the corresponding period of last year, primarily attributable to the increases of net investment gains from financial assets at fair value through profit or loss.

MANAGEMENT DISCUSSION AND ANALYSIS

Expenses composition

Unit: RMB'000

Item	January to June 2025	January to June 2024	Amount of increase/ decrease	Percentage of increase/ decrease
Depreciation and amortization	539,354	502,157	37,197	7.41%
Staff costs	4,537,430	3,853,637	683,793	17.74%
Commission and fee expenses	168,900	123,998	44,902	36.21%
Interest expenses	4,849,119	5,354,093	-504,974	-9.43%
Other operating expenses	2,099,769	1,996,928	102,841	5.15%
Credit impairment reverses	-98,474	-23,889	-74,585	—
Other assets impairment losses	982	12,781	-11,799	-92.32%
Total expenses	12,097,080	11,819,705	277,375	2.35%

For the period from January to June 2025, total expenses of the Group were RMB12,097 million, representing an increase of 2.35% from RMB11,820 million for the corresponding period of last year, which was primarily reflected by (1) the increase in staff costs of RMB684 million as compared with the corresponding period of last year, primarily attributable to the increase in the provision on salaries, bonuses and allowances; (2) the decrease in interest expenses of RMB505 million as compared with the corresponding period of last year, primarily attributable to the decrease in interest expenses of amounts due to banks and other financial institutions and bonds payable; and (3) the increase in other operating expenses of RMB103 million as compared with the corresponding period of last year, primarily attributable to the increase in advertisement and business development expenses.

For the period from January to June 2025, the Group realized net profit attributable to owners of the Company of RMB6,470 million, representing a year-on-year increase of 48.31%; basic earnings per share were RMB0.79, representing a year-on-year increase of 51.92%; and return on weighted average net assets were 4.83%, representing a year-on-year increase of 1.44 percentage points.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Analysis on Consolidated Statement of Financial Position

Unit: RMB' 000

	June 30, 2025	Composition	December 31, 2024	Composition	Amount of increase/ decrease	Percentage of increase/ decrease
Non-current assets	63,477,363	7.78%	50,096,104	6.60%	13,381,259	26.71%
Of which: Equity instruments at fair value through other comprehensive income	35,063,281	4.30%	22,317,775	2.94%	12,745,506	57.11%
Financial assets at fair value through profit or loss	9,133,779	1.12%	8,844,547	1.17%	289,232	3.27%
Investments in associates	8,869,472	1.09%	8,912,004	1.17%	-42,532	-0.48%
Property and equipment	3,282,630	0.40%	3,271,412	0.43%	11,218	0.34%
Investments in joint ventures	2,351,995	0.29%	2,097,754	0.28%	254,241	12.12%
Deferred tax assets	2,100,904	0.26%	1,855,661	0.24%	245,243	13.22%
Right-of-use assets	1,922,419	0.24%	1,999,128	0.26%	-76,709	-3.84%
Current assets	752,361,920	92.22%	708,649,005	93.40%	43,712,915	6.17%
Of which: Financial assets at fair value through profit or loss	279,581,708	34.27%	233,976,850	30.84%	45,604,858	19.49%
Bank balances	175,366,558	21.50%	169,395,629	22.33%	5,970,929	3.52%
Advances to customers	108,658,844	13.32%	108,919,686	14.36%	-260,842	-0.24%
Debt instruments at fair value through other comprehensive income	91,178,499	11.18%	104,334,355	13.75%	-13,155,856	-12.61%
Clearing settlement funds	36,601,648	4.49%	35,188,242	4.64%	1,413,406	4.02%
Deposits with exchanges and non-bank financial institutions	26,962,604	3.30%	22,681,989	2.99%	4,280,615	18.87%
Financial assets held under resale agreements	18,948,245	2.32%	20,565,244	2.71%	-1,616,999	-7.86%
Total assets	<u>815,839,283</u>	<u>100.00%</u>	<u>758,745,109</u>	<u>100.00%</u>	<u>57,094,174</u>	<u>7.52%</u>

MANAGEMENT DISCUSSION AND ANALYSIS

	June 30, 2025	Composition	December 31, 2024	Composition	Amount of increase/ decrease	Percentage of increase/ decrease
Current liabilities	580,295,586	88.02%	527,275,824	87.06%	53,019,762	10.06%
Of which: Accounts payable to brokerage clients	191,915,606	29.11%	175,339,655	28.95%	16,575,951	9.45%
Financial assets sold under repurchase agreements	169,970,658	25.78%	171,313,952	28.29%	-1,343,294	-0.78%
Short-term financing payables	58,059,831	8.81%	71,983,519	11.89%	-13,923,688	-19.34%
Other accounts payable, other payables and accruals	45,928,372	6.97%	36,675,423	6.06%	9,252,949	25.23%
Bonds payable	40,062,581	6.08%	32,688,789	5.40%	7,373,792	22.56%
Due to banks and other financial institutions	37,446,660	5.68%	14,605,858	2.41%	22,840,802	156.38%
Financial liabilities at fair value through profit or loss	18,136,460	2.75%	7,661,116	1.26%	10,475,344	136.73%
Net current assets	172,066,334		181,373,181		-9,306,847	-5.13%
Non-current liabilities	78,963,436	11.98%	78,383,903	12.94%	579,533	0.74%
Of which: Bonds payable	70,981,392	10.77%	70,602,188	11.66%	379,204	0.54%
Total liabilities	659,259,022	100.00%	605,659,727	100.00%	53,599,295	8.85%
Total equity	156,580,261		153,085,382		3,494,879	2.28%

As of June 30, 2025, total assets of the Group were RMB815,839 million, representing an increase of RMB57,094 million or 7.52% as compared with that at the end of last year; total liabilities were RMB659,259 million, representing an increase of RMB53,599 million or 8.85% as compared with that at the end of last year. Non-current assets were RMB63,477 million, representing an increase of 26.71% as compared with that at the end of last year; current assets were RMB752,362 million, representing an increase of 6.17% as compared with that at the end of last year; current liabilities were RMB580,296 million, representing an increase of 10.06% as compared with that at the end of last year; and non-current liabilities were RMB78,963 million, representing an increase of 0.74% as compared with that at the end of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Among the Group's assets, each of financial assets at fair value through profit or loss, bank balances, advances to customers, and debt instruments at fair value through other comprehensive income had a relatively high proportion, accounting for 35.39%, 21.50%, 13.32% and 11.18% of total assets of the Group, respectively, and collectively accounting for 81.39% of total assets of the Group. Financial assets at fair value through profit or loss increased by RMB45,894 million or 18.90% as compared with that at the end of last year, primarily attributable to the increase in the scale of investments in debt securities and public funds; bank balances increased by RMB5,971 million or 3.52% as compared with that at the end of last year, primarily attributable to the increase in cash held on behalf of customers; advances to customers decreased by RMB279 million or 0.26% as compared with that at the end of last year, primarily attributable to the decrease in the scale of margin business; debt instruments at fair value through other comprehensive income decreased by RMB13,156 million or 12.61% as compared with that at the end of last year, primarily attributable to the decrease in the scale of debt securities.

Among the Group's liabilities, each of accounts payable to brokerage clients, financial assets sold under repurchase agreements, bonds payables and short-term financing payables had a relatively high proportion, accounting for 29.11%, 25.78%, 16.84% and 8.81% of total liabilities of the Group, respectively, and collectively accounting for 80.54% of total liabilities of the Group. Accounts payable to brokerage clients increased by RMB16,576 million or 9.45% as compared with that at the end of last year, primarily attributable to the increase in customer deposits; financial assets sold under repurchase agreements decreased by RMB1,343 million or 0.78% as compared with that at the end of last year, primarily attributable to the decrease in scale of the bonds outright sale and repurchase agreements and gold swap businesses; bonds payables increased by RMB7,753 million or 7.51% as compared with that at the end of last year, primarily attributable to issuance of new bonds such as corporate bonds and subordinated bonds; and short-term financing payables decreased by RMB13,924 million or 19.34% as compared with that at the end of last year, primarily attributable to the repayment of part of short-term corporate bonds at maturity.

As of June 30, 2025, the Group's equity attributable to owners of the Company was RMB150,947 million, representing an increase of RMB3,345 million or 2.27% as compared with that at the end of last year. Excluding the effect of accounts payable to brokerage clients, the Group's gearing ratio was 74.90%, representing an increase of 1.14 percentage points as compared with 73.76% at the end of last year, while the Group's assets and liabilities structure remained relatively stable.

MANAGEMENT DISCUSSION AND ANALYSIS

Borrowings and debt financing

As at the end of the Reporting Period, the Company's own debts included short-term borrowings, short-term financing payables, due to banks and other financial institutions, financial assets sold under repurchase agreements, long-term borrowings and bonds payable, totalling RMB381,215 million, of which, debts with financing term less than one year (inclusive) were RMB270,171 million and debts with financing term more than one year were RMB111,044 million, representing 70.87% and 29.13% of the aforesaid total debts, respectively.

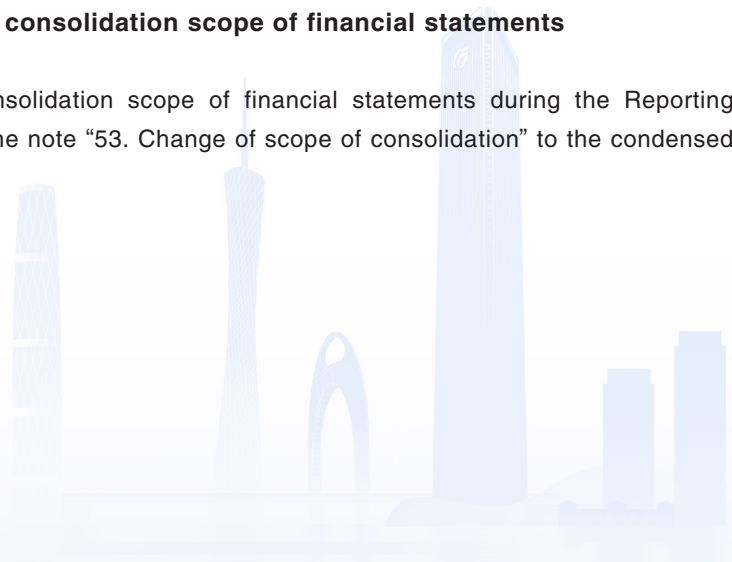
Save as disclosed in this report, as of June 30, 2025, the Group did not have any outstanding mortgages, pledges, debentures, loan capital, bank overdrafts, borrowings or other similar debts or liabilities under acceptances or letter of credits, any guarantees or other material contingent liabilities.

(III) Analysis on the Consolidated Statement of Cash Flows

As of June 30, 2025, cash and cash equivalents of the Group amounted to RMB25,669 million, representing a decrease of RMB6,569 million as compared with that at the end of last year. Of which, net cash from operating activities from January to June 2025 was RMB2,681 million, as compared with net cash used in operating activities of RMB37,463 million for the corresponding period of 2024, and the change was mainly due to the increase in net cash inflow for financial assets sold under repurchase agreements; net cash from investing activities from January to June 2025 was RMB2,806 million, as compared with net cash from investing activities of RMB34,873 million for the corresponding period of 2024, and the change was mainly due to the decrease in net cash inflow from the disposal of financial instruments at fair value through other comprehensive income; and net cash used in financing activities from January to June 2025 was RMB12,139 million, as compared with net cash from financing activities of RMB3,917 million for the corresponding period of 2024, and the change was mainly due to the increase in outflow for repayment of short-term financing payables and bonds.

(IV) Explanation of changes in the consolidation scope of financial statements

The changes in the Group's consolidation scope of financial statements during the Reporting Period are set forth in details in the note "53. Change of scope of consolidation" to the condensed consolidated financial statements.



MANAGEMENT DISCUSSION AND ANALYSIS

(V) Change in principal accounting policies and accounting estimates

The changes in the Company's principal accounting policies during the Reporting Period are set forth in details in the note "2. Basis of preparation and changes on accounting policies" to the condensed consolidated financial statements; there was no accounting estimate or significant accounting error requiring rectification that occurred in the Company.

(VI) Restricted Asset Rights as of the End of the Reporting Period

Restricted asset rights as of the end of the Reporting Period are set forth in details in the note "35. Restricted Asset Rights" to the condensed consolidated financial statements.

VI. ANALYSIS ON INVESTMENT CONDITIONS

1. General

Investment in the Reporting Period (RMB)	Investment in the same period of last year (RMB)	Change
2,009,308,900.00	1,386,000,000.00	44.97%

Note: The investment amount for the Reporting Period and the same period of last year represents the new investments of the Company in GFHK, its subsidiary.

2. Material equity investments made during the Reporting Period

N/A.

3. Material ongoing non-equity investments during the Reporting Period

N/A.

MANAGEMENT DISCUSSION AND ANALYSIS

4. Financial asset investment

(1) Security investment

Unit: RMB' 0,000

Securities type	Securities code	Securities short name	Investment cost	Accounting Measurement mode	Book value at the beginning of the period	Profit and loss from the fair value change of the period	Accumulative fair value change accounted into equity	Purchase amount of the period	Sales amount of the period	Profit and loss in the Reporting Period	Book value at the end of the period	Accounting subject	Fund Source
Bond	250006.IB	25 Interest-bearing Treasury Bond 06	1,026,753.15	Measured at fair value	-	1,068.89	15.92	1,578,469.80	549,802.62	3,966.81	1,032,649.91	Held for trading/ other debt investments	Self-owned
Bond	250007.IB	25 Interest-bearing Treasury Bond 07	730,097.49	Same as above	-	160.87	-	1,985,797.15	1,256,364.34	4,290.58	733,723.39	Held for trading	Self-owned
Bond	240020.IB	24 Interest-bearing Treasury Bond 20	698,632.67	Same as above	15,295.35	649.89	64.02	738,166.99	47,907.37	2,426.27	707,953.81	Held for trading/ other debt investments	Self-owned
Bond	240017.IB	24 Interest-bearing Treasury Bond 17	581,610.57	Same as above	-	166.21	-	1,497,379.22	913,470.77	1,995.66	585,904.11	Held for trading	Self-owned
Public Fund	003281.OF	Guangfa Huoqibao Money Market Fund B	556,389.76	Same as above	376,873.29	-	-	391,500.00	213,450.32	3,598.05	558,521.02	Held for trading	Self-owned
Bond	210011.IB	21 Interest-bearing Treasury Bond 11	438,406.84	Same as above	190,611.86	-220.75	2,408.97	258,786.58	-	3,249.75	450,912.82	Held for trading/ other debt investments	Self-owned

MANAGEMENT DISCUSSION AND ANALYSIS

Securities type	Securities code	Securities short name	Investment cost	Accounting Measurement mode	Book value at the beginning of the period	Profit and loss from the fair value change of the period	Accumulative fair value change into equity	Purchase amount of the period	Sales amount of the period	Profit and loss in the Reporting Period	Book value at the end of the period	Accounting subject	Fund Source
Public Fund	270014.OF	GF Money Market Fund B	397,119.45	Same as above	303,551.94	-	-	301,950.00	211,252.89	2,878.58	397,127.63	Held for trading	Self-owned
Public Fund	000662.OF	Yinhua Live Money Market Fund F	359,575.34	Same as above	106,393.56	-	-	300,745.09	50,147.32	2,598.49	359,589.82	Held for trading	Self-owned
Bond	220010.IB	22 Interest-bearing Treasury Bond 10	323,894.11	Same as above	45,442.49	-572.69	-	314,297.85	35,978.37	1,486.60	324,956.30	Held for trading/ other debt investments	Self-owned
Bond	230019.IB	23 Interest-bearing Treasury Bond 19	309,942.80	Same as above	237,583.38	-105.37	4,622.75	118,967.98	37,320.78	2,965.78	320,701.66	Held for trading/ other debt investments	Self-owned
Other securities investment held at the end of the period			33,172,019.86	-	34,450,909.03	106,309.14	399,912.18	N/A	N/A	636,418.30	33,537,418.77	-	-
Total			38,594,442.04	-	35,726,660.90	107,456.19	407,023.84	N/A	N/A	665,874.87	39,009,459.24	-	-

Note 1: This table is sorted by the ratio of the book value at the end of the period to the total securities investment of the Group at the end of the period and only contains the top ten securities held by the Group at the end of the period. Other securities investments refer to investments in other securities other than the top ten securities. Any single securities investment at the end of the period was less than 5% of the Group's total assets as of June 30, 2025.

Note 2: Profit or loss during the Reporting Period included interest income, investment income and profit or loss from changes in fair value obtained by the Group from holding such securities during the Reporting Period.

(2) Derivative investment conditions

N/A.

MANAGEMENT DISCUSSION AND ANALYSIS

5. Use of proceeds

(1) *General use of proceeds*

There was no use of proceeds from the issue of A Shares of the Company during the Reporting Period.

The use of proceeds from the issue of H Shares of the Company is set out below:

The Company issued H Shares which were listed on the Main Board of the Hong Kong Stock Exchange on April 10, 2015 after being approved by the CSRC on March 5, 2015 by issuing the Reply for Approving GF Securities Co., Ltd. to Issue Overseas Listed Foreign Shares (Zheng Jian Xu Ke [2015] No. 347), and being approved at the 8th meeting of the eighth session of the Board of Directors and the second extraordinary general meeting in 2014 of the Company. A total of 1,479,822,800 H Shares were issued at the price of HKD18.85 per share through both public offering and international placement. Subsequently, the Company issued 221,973,400 additional H Shares at the price of HKD18.85 per share on April 13, 2015 because of the exercise of the over-allotment option. Through this offering, the Company issued a total of 1,701,796,200 H Shares and raised a total of HKD32.079 billion. The net amount was approximately RMB25.059 billion after settlement of exchange and deduction of the issuance cost.

According to the H Share Prospectus of the Company, about 50% of the net proceeds raised from the issuance of H Shares would be used for the wealth management business, about 20% for the investment management business, investment banking business and transaction and institution business, and about 30% for the international business. The above raised net proceeds would be used for replenishing the working capital and investing in the assets with good liquidity in short term to preserve or increase the value, when they were temporarily not required for the above purposes.

As at June 30, 2025, RMB12.504 billion out of the proceeds raised from the issuance of H Shares was used for the wealth management business to mainly develop margin financing and securities lending business and build a strategic Internet financial platform and wealth management platform; RMB4.986 billion was used for the investment management business, investment banking business and transaction and institution business to mainly increase the asset size under the investment management, increase input into the seed funds, innovate and develop investment management products, and participate in various financial products markets as a market maker and provide liquidity support; RMB7.569 billion was used for the international business to mainly increase input into the investment management, transaction and institution businesses in Hong Kong. The Company has used up all the proceeds from the H Shares issuance pursuant to the H Share prospectus.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Use of proceeds from issuance of corporate bonds by the Company during the Reporting Period and use of proceeds before and until the Reporting Period

Unit: RMB' 0,000

Year of raising funds	Way of raising funds	Total proceeds	Total proceeds used during the period	Total proceeds used cumulatively
2020	Non-public issuance of subordinated bonds for professional investor	250,000	–	250,000
2021	Public issuance of corporate bonds for professional investor	1,550,000	–	1,550,000
2021	Non-public issuance of perpetual subordinated bonds for professional investor	100,000	–	100,000
2022	Public issuance of corporate bonds for professional investor	2,000,000	–	2,000,000
2022	Public issuance of subordinated bonds for professional investor	600,000	–	600,000
2022	Public issuance of perpetual subordinated bonds for professional investor	1,000,000	–	1,000,000
2023	Public issuance of corporate bonds for professional investor	810,000	–	810,000
2023	Non-public issuance of corporate bonds for professional investor	630,000	–	630,000
2023	Public issuance of subordinated bonds for professional investor	100,000	–	100,000
2023	Public issuance of perpetual subordinated bonds for professional investor	1,150,000	–	1,150,000
2024	Public issuance of short-term corporate bonds for professional investor	2,000,000	–	2,000,000

MANAGEMENT DISCUSSION AND ANALYSIS

Year of raising funds	Way of raising funds	Total proceeds	Total proceeds	Total proceeds
			used during the period	used cumulatively
2024	Non-public issuance of short-term corporate bonds for professional investor	2,100,000	1,100,000	2,100,000
2024	Public issuance of corporate bonds for professional investor	2,550,000	1,360,000	2,550,000
2024	Non-public issuance of corporate bonds for professional investor	710,000	420,000	710,000
2024	Public issuance of subordinated bonds for professional investor	300,000	–	300,000
2024	Public issuance of perpetual subordinated bonds for professional investor	410,000	–	410,000
2025	Public issuance of short-term corporate bonds for professional investor	1,700,000	1,550,000	1,550,000
2025	Non-public issuance of short-term corporate bonds for professional investor	866,000	866,000	866,000
2025	Public issuance of corporate bonds for professional investor	640,000	640,000	640,000
2025	Public issuance of subordinated bonds for professional investor	650,000	60,000	60,000
Total	/	<u>20,116,000</u>	<u>5,996,000</u>	<u>19,376,000</u>

(3) Description of general use of proceeds

The Company used the proceeds and managed unused proceeds strictly in accordance with the purposes stipulated in the prospectus. There was no change in the use of the above proceeds from bonds during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

VII. SALE OF MAJOR ASSETS AND EQUITY

1. Sale of major assets

No major assets were sold by the Company during the Reporting Period.

2. Sale of major equity

No major equities were sold by the Company during the Reporting Period.

VIII. ANALYSIS ON PRINCIPAL SUBSIDIARIES AND INVESTEE COMPANIES

The status of principal subsidiaries and investees companies

Company name	Company type	Main business	Registered capital	Total assets (RMB' 0,000)	Net assets (RMB' 0,000)	Net profit (RMB' 0,000)
GF Futures	Subsidiary	Commodity futures brokerage, financial futures brokerage, futures investment consultancy, asset management and fund sale.	RMB2,050,000,000	6,364,694.41	471,838.42	25,486.37
GF Xinde	Subsidiary	Equity investment; providing financial advisory services on equity investment to clients and other businesses approved by the CSRC.	RMB2,800,000,000	458,014.76	439,433.48	2,101.45
GFHK	Subsidiary	Investment holding, undertaking investment banking, sale and transactions, asset management, equity investment and other businesses permitted under regulatory rules through professional subsidiaries.	HKD10,337,000,000	7,494,767.91	1,026,336.15	51,541.15
GF Qianhe	Subsidiary	Project investment; investment management.	RMB7,103,500,000	1,049,789.09	1,021,062.93	20,693.54
GF Asset Management	Subsidiary	Securities asset management business (including overseas securities investment management business of QDII).	RMB1,000,000,000	579,477.63	516,438.09	-48,597.83
GFFL	Subsidiary	Financial leasing business; storage equipment leasing service; agricultural machinery leasing; machinery equipment leasing; automobile leasing; construction machinery and equipment leasing; computer and communication equipment leasing; medical equipment leasing; transportation equipment leasing service; container leasing service; office equipment leasing service; storage batteries leasing; photovoltaic power generation equipment leasing.	RMB800,000,000	67,987.79	66,420.75	-678.16
GF Fund	Subsidiary	Fund raising, fund sale, asset management, other businesses approved by the CSRC.	RMB140,978,000	1,932,796.90	1,235,340.31	117,983.33
E Fund	Investee company	Publicly offered securities investment fund management, fund sale, asset management for specific customers.	RMB132,442,000	3,077,687.18	1,970,156.62	187,705.03

MANAGEMENT DISCUSSION AND ANALYSIS

Conditions of the subsidiaries acquired or disposed of during the Reporting Period

For details, please refer to the note “53. Change of scope of consolidation” to the condensed consolidated financial statements.

Explanation on the status of principal subsidiaries

GF Qianhe recorded a significant year-on-year change in net profit for the period, which was mainly affected by fluctuations in investment income.

IX. STRUCTURED ENTITIES CONTROLLED BY THE COMPANY

Please refer to the note “53.1 Consolidated structured entities” to the condensed consolidated financial statements.

X. RISK EXPOSURE AND RESPONSIVE MEASURES OF THE COMPANY

- 1. During the Reporting Period, the major risks affecting the Company’s business operations including: liquidity risk, market risk, credit risk, compliance risk, operational risk, information technology risk, reputation risk etc. and were mainly reflected in the following aspects:**

(1) Liquidity risk

Liquidity risk refers to the risk of our failure to obtain sufficient funds at a reasonable cost and in a timely manner to pay our debts as they fall due, perform other payment obligations and satisfy the capital requirements to carry out our businesses in the ordinary course. Liquidity risks of the Group include but are not limited to: mismatch of asset and liability structures, difficulty in asset realization, operating loss, deferred payment or breach of contract by counterparties, as well as liquidity risks transformed from credit risk, market risk, reputation risk and other categories of risks. As the Company’s capital strength increases and the product portfolio is increasingly enriched, the products represent a diversified, complicated and international developing tendency and the risk type and the maturity structure faced by the asset end becomes increasingly complicated, the Company needs to rationalize the maturity structure of its assets and liabilities and take various measures to ensure the safety of liquidity, such as active management of liquidity reserve, liquidity risk control and emergency response mechanism against liquidity risks.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Market risk

Market risk refers to the risk of loss in the Company's financial assets resulting from adverse changes in the market price (price of equity securities, interest rates, exchange rates or commodity price, etc.). Such risks can be classified into equity price risk, interest rate risk, exchange rate risk and commodity price risk and other risks based on different type of subject assets. The market risks faced by the Group mainly concentrate on equity price risk and interest rate risk, which are mainly reflected in the Company and subsidiaries' proprietary investment in equity securities, proprietary investment in fixed-income securities, transactions of derivatives in exchange-traded and OTC markets and market making on the NEEQ, etc. with their own fund. With further opening of the capital market of China and the progressive implementation of the Company's strategy of internalization, various market risks to be borne by the Company are increasing due to the rapid expansion of its business scope and the cross-border flow of capital. Meanwhile, affected by factors such as continued geographical conflicts and expected changes in overseas monetary policy adjustments, the financial market has increased volatility, and the Company has become more difficult to manage market risks.

(3) Credit risk

Credit risk refers to the potential losses resulting from the failure of an issuer or counterparty to perform its obligations under a contract, or arising from variations in the market value of debts due to changes in credit ratings or inability to perform contractual obligations. The credit risk faced by the Group at present mainly concentrates on transactions of bond investment, OTC transactions of derivatives, margin financing and securities lending, agreed repurchase business, repurchase business on stock pledge, financial leasing business, margin financing business, repurchase brokerage business on bond pledge as well as other businesses that the Company or its subsidiaries shall bear or have payment commitment. With the promotion of leverage and continuous development of innovative businesses by securities companies, the credit risks to be borne by the Company become more and more complicated and the credit risk exposure increases day by day. In addition, the prospect of certain industries was declining, leading to frequent risk events, significant fluctuations in the value of collateral and restrictions on disposal, which brought about greater challenges to the credit risk management of the Group in the future.

(4) Compliance risk

Compliance risk refers to the risk of being held legally liable, subject to regulatory actions, disciplined, or suffering financial or reputational loss because of the violation of laws, regulations and rules.

MANAGEMENT DISCUSSION AND ANALYSIS

(5) Operational risk

Operational risk is the risk of direct or indirect loss caused by imperfect or problematic internal procedures, personnel, systems and external events. Each department and business line of securities firms (including front business department and the middle and back office supporting department) face operational risk, characterized by wide coverage and diversity, frequent occurrence but difficult to control, including daily business process flaws with high occurring frequency but relatively low loss, and unexpected events with low frequency of occurrence and significant loss. Meanwhile, as the Group's innovative businesses constantly increase, the business process becomes increasingly complicated. If the Company fails to timely identify the operational risks in each of its business lines and daily operations and to take effective mitigation measures, it may materialize operational risks due to unreasonable process setting and ineffective design or implementation of risk control measures.

(6) Information technology risk

Information technology has significantly enhanced the Company's operational efficiency and competitiveness. The Company's investment management business, trading and institution business, wealth management business, investment banking business, etc. as well as the middle and back end office management all rely on the support of its information system. Information technology plays an important role in promoting the Company's business, while it also brings certain risk exposure. System establishment and operation will be greatly affected by the quality of electronic equipment and system software, the operation and maintenance of corporate systems, performance of application software business operation, the level of industry service providers, virus and hacker attacks, data loss and leakage, abnormal access to operating authorization, infrastructure, natural disasters, etc.

(7) Reputation risk

Reputation risk refers to the risk of the damage of its brand value or adverse effect on its normal operation and even effect on market stability and social stability caused by the negative evaluation of the securities company by investors, issuers and regulators, self-discipline organization, social public and the media due to the operation or external events of the Company, the relevant behaviors such as the violation of the provisions of integrity, professional ethics, business practices, industry rules and regulations by workers. The Company's operation and management behaviors related to reputation risk mainly include: strategic planning or adjustment, change of equity structure, adjustment of internal organization or change of core personnel; design, provision or promotion of business investment activities and products and services; major defects in internal control design, implementation and system control or major operating loss events; judicial matters and supervision investigation and punishment; false reports by the news media or false comments on the Internet; customer complaints and improper remarks or behaviors related to the Company; improper remarks or behaviors of the staff, violation of honesty regulations, professional ethics, business norms, industry rules and regulations, etc.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Counter-measures that the Company has adopted or plans to adopt for the above risks

(1) Establish overall risk management system of GF Securities

In recent year, based on external regulatory requirements and internal risk management requirements, the Company has established and continuously optimized overall risk management system and conducted risk management work by focusing on some key factors, such as “risk management culture, risk management governance framework, risk management mechanism and implementation and risk management infrastructure”. At present, the Company’s risk management has covered each type of risks, each business line, each department and each subsidiary. Relevant mechanism and process for the identification and analysis, assessment and measurement, monitoring and reporting, response and address of risks are in effective operation.

(2) Specific management for various risks

① Liquidity risk management

The Company implements prudent liquidity risk preference management strategy to ensure that the Company will have adequate liquidity reserve and fundraising capability under normal situation and stress state through scientific asset-liability management and fund management, multi-level liquidity reserve, effective liquidity emergency response and monitoring and pre-warning about liquidity risk index and includes the liquidity risk of the subsidiaries in the Group for centralized management and control to prevent liquidity risk of the Group. Specific measures for liquidity risk management include: 1) The Company formulates, implements and continues to improve its financing strategy to implement centralized management for financing and liabilities in accordance with the asset-liability structure and business development planning of the Company; 2) The Company implements daytime liquidity management reasonably and guarantee that the Company has sufficient daytime liquidity cash; 3) The Company implements multi-level liquidity reserve management, clarifies investment scope of liquidity asset reserves and sets corresponding risk limit and conducts daily monitoring; 4) The Company establishes liquidity risk limit system and conducts daily calculation and supervision for the relevant monitoring indexes based on regulatory requirements and needs of internal liquidity risk management; 5) The Company regularly or irregularly evaluates cash gap and liquidity risk index of the Company under circumstances of internal and external liquidity pressure and formulates corresponding liquidity management strategies; 6) The Company urges and guides the relevant subsidiaries to establish and strictly implement liquidity risk management mechanism including risk limit, monitoring and reporting, stress testing, emergency response, etc.; 7) The Company regularly or from time to time carries out liquidity risk drill and optimizes and perfects liquidity risk emergency disposal processes and mechanism of the Company based on the drill condition.

MANAGEMENT DISCUSSION AND ANALYSIS

② Market risk management

The Company follows the principles of active management and quantitation orientation based on its own risk preference and market risk tolerance, as well as the actual needs of each business line, and adopts a top-down and bottom-up method to formulate and refine the market risk limit of the Group, the parent company and each business unit, to guarantee that the market risk exposure of the Company is within the risk tolerance range set through various measures such as risk identification, evaluation, measurement, monitoring, reporting and disposal. With the development of the FICC business, derivative products business and overseas business of the Company, the Company has enhanced effectiveness and efficiency of risk management through the following measures to cope with more complicated market risk: 1) The Company monitors daily possible short-term losses under normal fluctuations by setting VaR and sensitivity index limit for key investment business and complex derivatives business based on traditional risk index limit, and establishes stress test index limit to monitor and evaluate possible losses under extreme conditions, optimizes authorization hierarchy for risk limit based on business maturity so as to continue to improve the scientificity and effectiveness of the market risk limit management; 2) The Company actively studies the advanced and mature market risk measurement models, gradually explores the application of indicators such as ES and SVaR and establishes a multi-level risk quantification indicators system; 3) The Company continues to independently research and develop industry-leading risk management system to achieve centralized management of full-position market risk covering various investment businesses and investment types of the Company, thus realizing systematic monitoring and early warning of risk index limit to improve monitoring efficiency; 4) The Company continues to improve the risk management framework for pricing and risk measurement model, covering rating, development, verification, examination, utilization, monitoring and review of the model, and realizes the online management of the entire process through the model base.



MANAGEMENT DISCUSSION AND ANALYSIS

③ Credit risk management

The Company implements management of credit risk for the whole process by means of effective risk identification, cautious risk evaluation and decision-making, measuring and monitoring of dynamic risk, timely risk report and settlement to effectively prevent or avoid risk event, reduce loss of the Group due to risk event and achieve income maximization after risk adjustment within the scope that credit risk can be accepted. The Company sticks to the following basic principles for credit risk management: 1) The Company shall identify and manage credit risk exposed to all products and business including new product and new business; 2) The Company controls risk at the front end by formulating risk policy about credit business (including due diligence request of clients, business access requirement); 3) The Company improves credit management of counterparties by consistently optimizing internal rating system; 4) The Company establishes multi-level credit risk limit system for total business size, single customer and its identifiable related parties, single stock collateral and industry, to control credit risk exposure and concentration risk; 5) The Company has established an intelligent pre-warning system for major risks, optimized stress test scenario design and model, classified asset risks in a proper manner, strengthened daily risk monitoring and carried out specific risk screening, as well as responded to and resolved risks with various risk mitigating measures and disposal methods in a timely manner, so as to reduce the net exposure of risk and estimated losses undertaken by the Group; 6) The Company establishes a set of information system and analysis tools to balance credit risk exposure and classify and evaluate risk asset combination.

MANAGEMENT DISCUSSION AND ANALYSIS

④ Compliance risk management

The Company strictly complies with external legal provisions and regulatory requirements to implement various aspects of compliance management work such as continuously strengthening system establishment, compliance review and consulting, compliance control and examination, staff practice, anti-money laundering management and segregation wall management. The Company has adopted the following measures to enhance the quality of compliance management: 1) effectively implementing various relevant requirements of the Measures for the Compliance Management of Securities Companies and Securities Investment Fund Management Companies (《證券公司和證券投資基金管理公司合規管理辦法》), the Guidelines on Implementation of Compliance Management of Securities Companies (《證券公司合規管理實施指引》) and other regulations, continuing to improve the organizational structure of compliance management, continuing to optimize the compliance management system with three departments cooperating with each other to satisfy the needs for management and control of compliance risk pre-event and during the process of the event; 2) in accordance with changes in external laws and regulations and internal management requirements, initiating the streamline of “formulation, modification, repealing” of the internal rules and regulations of the Company when appropriate, and realizing comprehensive management and effective management and control of the Company’s business through management measures such as compliance review and consulting, examination and control, and assessment accountability, etc., to promote the standardized development of business; 3) gradually improving the establishment of the compliance implementation information system, and improving the effectiveness of compliance management through intelligent and digital means.



MANAGEMENT DISCUSSION AND ANALYSIS

⑤ Operational risk management

The Company manages its operational risks mainly through the combination of sound authorization mechanism and segregation of duties, optimized system and process, well established IT system, strict operation discipline, strengthened control before and during the process as well as subsequent supervision and inspection etc. The Company has improved the level and effect of operational risk control mainly through the following measures: 1) The Company has improved the operational risk management system, strengthened the joint coordination between the three lines of defense of the operational risk management, and enhanced the in-depth analysis and rectification tracking of the operational risk related issues; 2) The Company has further improved the operational risk identification, evaluation, monitoring and reporting mechanism through applying three major tools, including risk and control self-assessment, key risk indicators and loss data collection, with new business assessment and IT system establishment and other daily business operations embedded as a normal practice, and active promotion of the construction of digital risk monitoring indicators; 3) The Company has achieved the systematization and standardization of the operation risk management through continuous optimization of the operational risk management system's functions; 4) Considering requirements for the construction of operational risk management system, the Company has been continuing to improve the assessment and management system for new products and new business, optimize the process for assessment, inspection and review, and continuously enhance the tracking management for new business and the final report; 5) The Company continues to carry out the promotion and training of operational risk management culture.

⑥ Information technology risk management

In the first half of 2025, leveraging on three lines of defense of “assurance of on-going business, safety assurance, quality assurance” and three bases of “information platform, hybrid cloud platform and fundamental platforms of three centers in two places”, the Company realized the close cycle before-event, event and after-event effective management of IT risks. The Company increased its IT investment, continued to regulate operation process, strengthened compliance risk control and management, which further improved the security management level for the establishment, operation and maintenance of information system and ensured the safe, reliable and stable operation of the Company's information system, thereby effectively supporting the regulated development of the Company's business.

MANAGEMENT DISCUSSION AND ANALYSIS

⑦ Reputation risk management

According to systems requirements such as the Guidelines for Reputation Risk Management of Securities Companies (《證券公司聲譽風險管理指引》) issued by the Securities Association of China and the Administrative Measures for the Reputational Risks of GF Securities (《廣發證券聲譽風險管理辦法》), the Company continues to establish and improve the reputation risk management system, and establish a whole process control mechanism including identification, evaluation, control, monitoring, response and report; through effective public opinion monitoring means, reputation risk is timely identified and dynamically monitored; the Company regularly assesses its overall reputation risk, and maintains and manages media relations; coordinate all units of the Company to deal with reputation risk events in a timely manner; promote the construction of the official platform, use a variety of media forms to promote the active dissemination of positive and objective information of the Company; organize and implement reputation risk training, cultivate the awareness of reputation risk prevention of all staff, require all staff to take the initiative to maintain, consolidate and enhance the Company's reputation, promote the steady development of all businesses and achieve long-term sustainable development of the Company through effective management of reputation risk.

XI. FORMULATION AND IMPLEMENTATION OF MARKET VALUE MANAGEMENT SYSTEM AND VALUATION UPLIFT PLAN

In order to further strengthen the Company's market value management, effectively uplift the Company's investment value and enhance investor returns, on March 28, 2025, the Resolution on Formulating the Market Value Management System of GF Securities was considered and approved at the seventh meeting of the eleventh session of the Board of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS

XII. IMPLEMENTATION OF THE ACTION PLAN FOR ENHANCEMENT IN BOTH QUALITY AND RETURN

On February 29, 2024, the Company disclosed the “Announcement on the Action Plan for Enhancement in Both Quality and Return”, stating that it has formulated an action plan to improve both quality and return based on development strategies and operation circumstances of the Company to enhance practically its investability, strengthen investors’ confidence and promote the steady and sustainable development of the Company. For details, please refer to the relevant announcement of the Company dated February 29, 2024, which was disclosed on the website of CNINFO (www.cninfo.com.cn) and HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk).

In the first half of 2025, the Company proactively integrated into the overall national development and deepened its high-quality operation model. The Company strengthened the development of professional capabilities, enhanced business competitiveness, deepened the development driven by customer demand, improved comprehensive service capabilities, embraced the technological revolution and accelerated the digital and intelligent transformation. The Company adhered to the functional positioning of serving the country and the people with finance, and assisted customers in issuing a total of 81 tranches of innovative bonds, including technology innovation bonds, transitional low carbon green bonds and rural revitalization bonds, with an underwriting scale of RMB30.913 billion. The Company continued to improve its ESG governance level. The Company actively assumed the social responsibility of a corporate citizen, and leveraged the GF Charity Foundation, focusing on rural revitalization, education, financial empowerment and medical assistance, with accumulated public welfare expenditure exceeding RMB300 million. The Company adhered to the principle of putting investors first to enhance investors’ sense of gain. In June 2025, the Company completed the profit distribution for 2024 and distributed cash dividends of RMB3,042,338,204.40 in total.

During the Reporting Period, the Company focused on its main responsibilities and businesses, served the real economy, regulated corporate governance, strengthened core competitiveness, and promoted the high-quality development of the Company to a new level in accordance to the action plan. Adhering to the investor-oriented approach, the Company continued to improve the quality of information disclosure, strengthen communication with investors, enhance investors’ sense of gain, and practically fulfill the responsibilities and obligations as a listed company, and contribute to stabilizing the market as well as confidence.

MANAGEMENT DISCUSSION AND ANALYSIS

XIII. TAX CONCESSION

1. Holders of A Shares

In accordance with the Notice on Relevant Issues of Implementation of Individual Income Tax Policy of Dividends and Bonus Differentiation of Listed Companies (Cai Shui [2012] No. 85)《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2012]85 號)) and the Notice on Relevant Issues of Individual Income Tax Policy of Dividends and Bonus Differentiation of Listed Companies (Cai Shui [2015] No. 101)《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101 號)) issued by the Ministry of Finance, the State Bureau of Taxation and the CSRC, for dividends and bonus of individual investors obtained from listed companies from the date when individual investors obtain shares of the Company to the equity registration date, if shareholding period is more than one year, personal income tax will be exempted; if shareholding period is less than one year (including one year), the listed company will not withhold and remit personal income tax and make corresponding adjustment according to the tax payable amount calculated by their shareholding period.

As for shareholders of resident enterprises, income tax of cash bonus will be paid by themselves.

Listed companies will withhold and remit enterprise income tax at the tax rate of 10% for qualified foreign institutional investors (QFII) in accordance with provisions of the Notice of State Administration of Taxation on Relevant Issues Regarding the Withholding and Payment of Enterprise Income tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII (Guo Shui Han [2009] No. 47)《國家稅務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函[2009]47號)). If dividends and bonus obtained by QFII shareholders need to enjoy tax convention (arrangement) treatment, they can put forward or entrust obligor of withholding and remitting tax to put forward application for enjoying tax convention treatment to the competent taxation authority of the listed company

In accordance with provisions of the Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on Tax Policies about Inter-communication Pilot of Shenzhen-Hong Kong Stock Exchange Mechanism (Cai Shui [2016] No. 127)《財政部國家稅務總局證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), as for dividends and bonus of Hong Kong market investors (including enterprise and individual) by investing A shares listed on SZSE, differentiated taxation policy will not be temporarily implemented as per shareholding time before Hong Kong Securities Clearing Company Limited complies with conditions to provide detailed data including identities of investors and shareholding time for China Securities Depository and Clearing Corporation Limited, and the listed company will deduct income tax at the tax rate of 10% and go through deduction declaration with the competent taxation authority. As for Hong Kong investors who belong to tax residents of other countries and dividends income tax rate specified in tax convention signed by their countries and China is lower than 10%, enterprises or individuals can put forward or entrust obligor of withholding and remitting tax to put forward application for enjoying tax convention treatment to the competent taxation authority of the listed company.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Holders of H Shares

In accordance with provisions of the Notice of the State Administration of Taxation on Personal Income Tax Collection Issues after the Document with the Number of Guo Shui Fa [1993] No. 045 has been Abolished (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), withholding and remitting obligor will withhold and remit personal income tax as per item of “interest, dividends and bonus income” for dividends and bonus income of overseas resident individual shareholders from domestic non-foreign – funded enterprise by issuing shares in Hong Kong. When domestic non-foreign-funded enterprise issues shares in Hong Kong, its overseas resident individual shareholders will enjoy relevant tax preference in accordance with tax convention signed by China and the country stated in the residential identity and tax arrangement of inland and Hong Kong (Macau). In general, the tax rate for dividend is 10% in accordance with relevant tax conventions and provisions on tax arrangement. To simplify tax collection and management, when a domestic non-foreign funded enterprise that has issued shares in Hong Kong distributes dividends and bonus, personal income tax will be generally withheld and remitted as per the tax rate of 10% and application is not necessary. Situations in which tax rate for dividends is not 10% will be handled in accordance with the following provisions: (1) as for residents of conventional country whose tax rate is less than 10%, withholding and remitting obligor can handle application for enjoying relevant convention treatment and excessive tax will be refunded with approval of competent taxation authority; (2) as for residents of conventional country whose tax rate is between 10% and 20%, withholding and remitting obligor shall withhold and remit personal income tax as per actual conventional tax rate when distributing dividends and bonus and it need not handle application and approval issues; (3) as for residents of the countries without tax convention and other situations, withholding and remitting obligor shall withhold and remit personal income tax at the tax rate of 20% when distributing dividends and bonus.

In accordance with provisions of the Notice on Relevant Issues that PRC Resident Enterprises Distribute Dividends to Overseas Non-resident Enterprise Shareholders of H Shares and Withhold and Remit Enterprise Income Tax (Guo Shui Han [2008] No. 897)(《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) issued by the State Administration of Taxation, when PRC resident enterprises distribute dividends of 2008 and future years to overseas non-resident enterprise shareholders of H Shares, they will withhold and remit enterprise income tax at the tax rate of 10%.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with provisions of the Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on Tax Policies about Inter-communication Pilot of Shenzhen-Hong Kong Stock Exchange Mechanism (Cai Shui [2016] No. 127) (《財政部國家稅務總局證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), H-share companies will deduct personal income tax at the tax rate of 20% for dividend and bonus of individual investors in the PRC by investing in H shares of the Hong Kong Stock Exchange via Shenzhen-Hong Kong Stock Connect. Personal income tax will be collected in accordance with the above provisions for dividends and bonus income of the securities investment fund in the PRC by investing in listed shares of the Hong Kong Stock Exchange via the Shenzhen – Hong Kong Stock Connect. H-share companies will not deduct dividend and bonus income tax for dividends and bonus of enterprise investors in the PRC by investing in listed shares of the Hong Kong Stock Exchange via the Shenzhen-Hong Kong Stock Connect and income tax will be paid by enterprises. For dividends and bonus income of resident enterprises in the PRC obtained as they have continuously held H shares for 12 months, enterprise income tax will be exempted according to laws.

In accordance with current convention of the Hong Kong Inland Revenue Department, taxes will not be paid for dividends paid by the Company in Hong Kong.

Shareholders will pay relevant taxes and/or enjoy tax concession in accordance with the above provisions



公司治理、環境和社會

CORPORATE GOVERNANCE,
ENVIRONMENT AND SOCIETY

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

I. BASIC SITUATION OF THE CORPORATE GOVERNANCE

The Company is committed to becoming a modern investment bank with international competitiveness, brand influence and systematic significance. As a public company listed in both Mainland China and Hong Kong, the Company carries out standardized operations in strict compliance with the requirements of laws, administrative regulations and normative documents of the place where the Company is listed, therefore continuously improving the social recognition and public reputation.

The Company continues to enhance corporate governance pursuant to stipulations under the relevant laws and regulations including the Company Law, the Securities Law, the Regulations on Supervision and Administration of Securities Companies, the Rules for Governance of Securities Companies, the Self-Regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange – Standardized Operation for Companies Listed on Main Board and the Hong Kong Listing Rules. The Company constantly improves its internal control management system so as to gradually reinforce the completeness, rationality and effectiveness of its internal control. The Company further establishes and improves its rules and regulations. The general meeting of Shareholders, the Board, the supervisory committee and the management of the Company perform their respective duties and act with due diligence, which establishes a sound structure of corporate governance. Through this corporate governance structure, the Company ensures its standard operation in accordance with the CG Code. There is no material difference between the actual situation of corporate governance and the laws, administrative regulations and regulations on the governance of listed companies issued by the CSRC and the Hong Kong Stock Exchange.

To satisfy the requirements of both corporate governance and specific operation for being an A+H dual-listed company, the Company approved, the adoption of the Model Code as the code of conduct for securities transactions of the Company by all Directors and Supervisors, and the adoption of the CG Code as the guidelines for standardizing the Company's governance at the Board meeting held on March 19, 2015. As at the end of the Reporting Period, after specific enquiry of the Directors and Supervisors of the Company, all Directors and Supervisors have strictly complied with the standards in the Model Code during the Reporting Period. During the Reporting Period, the Company strictly complied with the code provisions of the CG Code, and met most of the recommended best practice provisions as set out in the CG Code.

II. CHANGES IN THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY

During the Reporting Period, there were no changes in the Directors, Supervisors and senior management of the Company.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

III. PROFIT DISTRIBUTION AND CONVERSION OF CAPITAL RESERVES INTO SHARE CAPITAL DURING THE REPORTING PERIOD

Number of bonus share per 10 shares (share(s))	0
Dividend distribution per 10 shares (RMB) (tax inclusive)	1.0
Scrip shares per 10 shares (share(s))	0
Share base of the distribution proposal (shares)	7,605,845,511
Amount of cash dividend (RMB) (tax inclusive)	760,584,551.10
Amount of cash dividend distributed through other means (such as repurchase of shares) (RMB)	0
Total amount of cash dividend (including cash dividend distributed through other means) (RMB)	760,584,551.10
Distributable profit (RMB)	33,982,457,690.12
Total amount of cash dividend (including cash dividend distributed through other means) as a percentage of total amount of profit distribution	100%

Distribution of Cash Dividend

The cash dividend was RMB760,584,551.10, representing 11.76% of the net profit attributable to owners of the Company in the consolidated financial statements for the period from January to June 2025.

Detailed description of proposal for profit distribution or conversion of capital reserves into share capital

According to the Company's consolidated statements for the period from January to June 2025, the net profit attributable to owners of the Company was RMB6,469,747,569.48, the net profit of the parent company was RMB5,799,030,582.38. As at June 30, 2025, the undistributed profit of the parent company as at the end of the period was RMB34,051,747,398.94.

In accordance with the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Financial Rules for Financial Enterprises, the Articles of Association of GF Securities Co., Ltd. and the Document (Zheng Jian Ji Gou Zi [2007] No. 320) issued by the CSRC, the Company proposed the following interim profit distribution for the year of 2025 in the interest of the shareholders and the development of the Company:

Based on the number of shares held as at the record date for dividend distribution of the Company, it was proposed that a cash dividend of RMB1.0 (tax inclusive) for every 10 shares be distributed to all shareholders. If there is any change in the total share capital of the Company prior to the record date for dividend distribution, it is proposed to maintain the distribution ratio unchanged and adjust the total distribution accordingly. Based on the Company's existing share capital of 7,605,845,511 shares, the total cash dividend would be RMB760,584,551.10, and the remaining undistributed profit of RMB33,291,162,847.84 would be carried forward to the next period. The cash dividend distribution accounted for 11.76% of the net profit attributable to owners of the Company on a consolidated basis for the period from January to June 2025.

Dividends of A shares are distributed in RMB and dividends of H shares are distributed in Hong Kong dollars, the actual amount of which is calculated based on the average benchmark exchange rate for conversion between RMB and Hong Kong dollar issued by the People's Bank of China over the five working days prior to the date of convening the meeting of the Board that considered the profit distribution plan.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Interim dividend for 2025

At the Company's 2024 Annual General Meeting of Shareholders, the Proposal to the General Meeting to Authorize the Board of Directors to Decide on the Interim Profit Distribution for 2025 was considered and approved, authorizing the Board of Directors to formulate the 2025 interim profit distribution plan. Pursuant to the authorization granted at the 2024 Annual General Meeting, the Board of Directors, at its meeting, approved the following plan for distributing the Company's 2025 interim cash dividend to shareholders:

- (1) Based on the number of Shares of the Company on the record date for dividend distribution, a cash dividend of RMB1.00 (tax inclusive) will be distributed for every 10 Shares held. Cash dividends of H Shares are distributed in Hong Kong dollars, the actual amount of which is calculated based on the average central parity exchange rate of Renminbi to Hong Kong dollar announced by the People's Bank of China over five working days (i.e. August 22, August 25 to August 28, 2025) prior to the date of the board meeting (i.e. RMB0.912162 = HKD1.00). Accordingly, the interim dividend payable per 10 H Shares for 2025 is approximately HKD1.096296 (tax inclusive).
- (2) The Company will distribute the interim dividend for 2025 to H Shareholders on Wednesday, October 22, 2025. The interim dividend for 2025 will be paid to H Shareholders whose names appear on the Company's register of members on Thursday, September 18, 2025. To determine the identity of the Shareholders entitled to receive the interim dividend, the H Share register of members of the Company will be closed during the period from Monday, September 15, 2025 to Thursday, September 18, 2025 (both days inclusive), during which no share transfer will be registered. In order to be entitled to receive the interim dividend for 2025, all share certificates, together with the transfer documents, must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, on or before 4:30 p.m. on Friday, September 12, 2025.
- (3) The Company has appointed Computershare Hong Kong Trustees Limited as the receiving agent (the "Receiving Agent") in Hong Kong and will pay to the Receiving Agent the declared dividends of the Company for payment to the H Shareholders of the Company. The dividends will be paid by the Receiving Agent and the dividend warrants will be posted by Computershare Hong Kong Investor Services Limited, the Company's H Share registrar, by ordinary mail to H Shareholders who are entitled to receive the dividends at their own risk on Wednesday, October 22, 2025.
- (4) Time arrangements of the record date, ex-entitlement date and interim dividend payment date for investors of Northbound Trading of Shenzhen Connect are consistent with those for A Shareholders of the Company. Time arrangements of the record date, ex-entitlement date and interim dividend payment date for Southbound Trading investors are consistent with those for H Shareholders of the Company. For details of dividend distribution on A Shares, please refer to the announcement to be separately published by the Company on the Shenzhen Stock Exchange. The relevant announcement will also be published on the website of the Hong Kong Stock Exchange in the form of an overseas regulatory announcement in accordance with Rule 13.10B of the Hong Kong Listing Rules.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

IV. IMPLEMENTATION OF EQUITY INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVES OF THE COMPANY

During the Reporting Period, the Company had no equity incentive plan, employee stock ownership plan or other employee incentives and implementation thereof.

V. INFORMATION OF THE STAFF OF THE COMPANY

1. Number of staff

The Company implements employment in strict compliance with the external laws and regulations such as the Labor Law, the Labor Contract Law, the Employment Promotion Law and the Prohibition of Child Labor Provisions, and actively provides various employment positions for the society. The recruitment process is fair, impartial and non-discriminatory. The Company employs candidates of different genders and nationalities on an equal basis. The Company adheres to the diversified employment policy, actively fulfills its corporate social responsibilities, and arranges employment opportunities for the disabled. The Company does not use child labor or forced labor. In respect of gender equality, the Company is committed to maintaining the proportion of female employees to achieve a balance. In respect of talent pool, the Company provides comprehensive training for male and female employees who possess the experience, skills and knowledge required for operation and business, including but not limited to operation, management, accounting, finance, compliance and other aspects.

As of June 30, 2025, the Group had 13,650 employees (including labor dispatch, brokers), including 11,298 employees of the parent company and 2,352 employees of the subsidiaries.

2. Remuneration policy

The Company has stringently abided by the Labor Law, the Labor Contract Law and other external laws and regulations, and established sound human resource management systems and processes, including the Administrative Measures on the Labor Contract for Employees, the Administrative Measures on the Remuneration of Employees, the Administrative Measures on the Benefits Leave for Employee and the Administrative Measures on the Welfare of Employees of the Company which effectively protected the rights and interests of employees in labor protection, working conditions, salary payment, social insurance, working hours management, rest and vacation and the interests of female employees.

The Company continued to establish a sound remuneration restraint mechanism to promote the stable operation and high-quality development of the Company in accordance with the principles of “implementing sound business philosophy, ensuring compliance with the bottom-line requirements, promoting the formation of positive incentives and enhancing the Company’s long term value” under the Guidelines for Securities Companies to Establish a Sound Remuneration System (《證券公司建立穩健薪酬制度指引》) issued by the Securities Association of China. Employees’ remuneration is linked to the Company’s operating performance, effective functioning and compliance risk to ensure the long-term sustainable development of the Company and its business.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

The remuneration of the Company's employees primarily comprises of fixed salary, performance bonus and benefits. Fixed salary is a relatively stable remuneration that employees obtain when they meet the requirements of their job responsibilities and work normally, reflecting the basic guarantee and safety. Performance bonus is a variable remuneration set for the purpose of motivating and retaining employees, which is determined after the compliance, integrity and professional ethics of employees are included in the performance appraisal and bonus distribution. Benefits include payment of various statutory insurance, housing provident funds and enterprise annuity for employees in accordance with external laws and regulations and internal policies, as well as employee benefits, labor protection fees and union benefits, which are inclusive.

3. Training plans

In the first half of 2025, in line with the Company's overall policy of high-quality development, the Company's employee training efforts have consistently focused on building the Company's core professional capabilities, and made reference to the learning resources and learning content of leading institutions. Through efficient learning operation and advanced learning technology, the Company has achieved high-quality development in terms of "specialization, integration, digitalization and intelligence, and intensification".

Firstly, with the direction of "specialization", the Company has been committed to enhancing its core professional capabilities such as trading, internationalization, industry research and transformation by carrying out learning programs such as FICC business transformation and empowerment, equity and derivatives market making and trading capability building, core track construction and cross-border wealth management. Secondly, with the direction of "integration", the Company enhanced its integrated service capabilities for key customer groups through learning programs such as new media customer acquisition and online operation empowerment, transaction-based customer integrated services and institutional business capacity enhancement, so as to help consolidate its customer base. Thirdly, with the direction of "digitalization and intelligence", the Company assisted employees in strengthening their cognition and skills in digital and intelligence, improving office efficiency and exploring the innovative application of artificial intelligence in all business scenarios through the hierarchical learning project of artificial intelligence for all employees with the theme of artificial intelligence and the AI training camp project for young talents. Fourthly, with the direction of "intensification", the Company has been carrying out targeted empowerment projects in response to the development needs of key regions, launched hierarchical leadership training projects in light of the Company's talent development plan, and further promoted the construction of the professional capability training system for business lines including finance and investment banking, so as to help the Company achieve breakthroughs in key businesses, key population groups and key regions.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

VI. ENVIRONMENTAL INFORMATION DISCLOSURE

The Group is a financial enterprise and not a key pollutant discharge unit announced by the environmental protection authority.

The Group has strictly complied with laws and regulations, including the Environmental Protection Law of the PRC and the Energy Conservation Law of the PRC. Green operation has been applied throughout the entire course of operational management, by emphasizing on the green and environmental protection concepts in operation to realize sustainable growth and achieve the organic fusion of social, environmental and economic benefits.

1. Energy Conservation and Carbon Reduction

During the Reporting Period, the Company made full efforts in energy conservation and carbon reduction, organized the refined energy consumption monitoring and management, and effectively reduced energy consumption through various means such as formulating relevant operational requirements and standards, fixing positions and responsibilities, posting on-site management signs and carrying out personnel training. The Company also adjusted the start-up time of lighting in the office, reconstructed the lighting circuit and optimized and upgraded the air conditioning system. During the Reporting Period, the Company made further improvements in energy conservation and waste management compared to the previous year. At GF Securities Building office premises, the electricity consumption per unit GFA fell by 0.106 (kWh/m²) on a year-on-year basis, the water consumption per unit GFA remained basically the same as compared with that of the previous year, and the management of environmental key performance indicators showed a significant improvement.

2. Green Office

The Company advocates the concept of green office and regularly carries out green office promotion and training for employees. During the Reporting Period, the Company continued to promote waste classification. A total of approximately 30 tonnes of recyclable waste (including recyclables such as paper products, metal products and plastic products) were disposed of in GF Securities Building. The Company carried out the destruction of confidential documents and promoted the recycling of waste paper resources, and strictly controlled the use of official vehicles to reduce unnecessary use of Company vehicles and encourage employees to travel with low carbon. The Company promoted the construction of a fixed assets management system to achieve carbon reduction in the whole life cycle of assets and enable green office through digital management. The Company activated the internal asset circulation by constructing a dynamic cross-departmental idle asset pool, and developed an independent module to track the whole process of low-value consumables, so as to reduce the waste of consumables and paper consumption. The Company consolidated similar projects for centralized procurement according to the procurement plan, so as to save resources, improve procurement efficiency and optimize supply chain management.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

VII. SOCIAL RESPONSIBILITIES

1. Social Responsibility during the Reporting Period

During the Reporting Period, the Company fully implemented the major strategies of carbon peaking and carbon neutrality, actively responded to climate change, practiced the new development philosophy of “innovation, coordination, greenness, openness and sharing”, supported ecological civilization and green and low-carbon industries building. Based on the proper implementation of the “Five Major Areas” in finance, the Company actively leveraged the functions of the capital market, improved the quality and efficiency of serving the real economy, and promoted the concentration of factor resources in the fields of technological innovation, advanced manufacturing, green and low-carbon development, and public welfare. Focusing on the goal of building a strong financial nation, the Company adhered to being a practitioner of responsible investment and green finance, comprehensively improved its business competitiveness and comprehensive service capabilities, and realized the common growth of the Company and its customers. The Company paid attention to the health and safety of its employees, and established a sound system for the protection of employees’ rights and interests and a long-term mechanism for talent development to promote the development of employees. The Company adhered to the functional orientation of serving the country with finance and serving the people with finance, and proactively practicing the political, people-oriented, and professional nature of its financial work. The Company also took the initiative to integrate into and serve the overall national strategy, focused on “rural revitalization, educational support and promotion, financial empowerment, and medical assistance”, actively responded to the concerns of stakeholders, and effectively achieved the coordination between the Company’s economic and social benefits, and its own development and social development, so as to ensure the stable and long-term development of the Company. The Company attached great importance to the protection of investors and the return of shareholders’ interests, strengthened the overall risk management of the Group, strictly adhered to the bottom line of compliant operation, and continuously improved the level of ESG governance. The Company has complied with the mandatory disclosure requirements and the “comply or explain” provisions as set out in the Environmental, Social and Governance Reporting Code during the year.

During the Reporting Period, the Group’s social welfare expenses amounted to a total of RMB10,825.7 thousand (including the donation to the GF Charity Foundation by the Company and the social welfare expenses of its wholly-owned and holding subsidiaries). The GF Charity Foundation established by the Group has been actively participating in rural revitalization, educational support and promotion and other activities, and incurred social welfare expenses of RMB3,852.0 thousand during the Reporting Period.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Focusing on rural revitalization, educational support and promotion, financial empowerment and medical assistance, the GF Charity Foundation continued to carry out public welfare projects such as the GF Securities Micro-entrepreneurship Campaign for College Students, the Talent Empowerment Plan of GF Securities for Rural Rejuvenation and the High-quality Development of Social Organizations, the GF Securities Mantianxing Program for Enhancement of Rural Children's Reading Capabilities, and "Love for New Voices (愛予新聲)" cochlear implant treatment program; innovatively launched the "GF Securities × Westlake University" science corner project, and the "GF Companion (廣發伴飛)" Westlake doctoral international conference funding project, etc.; and continued to operate the Xinjiang Cotton Futures Public Welfare Fund, the Teaching and Research Fund and other special public welfare funds.

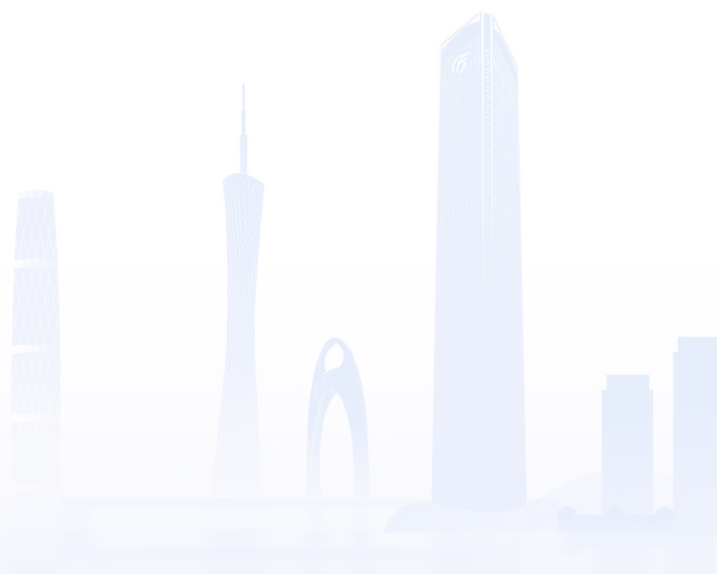
2. Efforts to Consolidate and Expand the Achievements of Poverty Alleviation and Rural Revitalization

During the Reporting Period, the Company actively carried out paired assistance under the policy of "One Company, One County". On the basis of continuous assistance to the existing national-level poverty-stricken counties such as Antu in Jilin, Nankang in Jiangxi, Makit in Xinjiang and Xinghe in Inner Mongolia, the Company has newly added a pairing with Wangqing in Jilin to formulate assistance plans and carry out work in the areas of industrial assistance, consumption assistance, and public welfare assistance. The Company provided consumption assistance, including the purchase of rice, honey and fungus from Jilin region and grey jujube from Xinjiang totaling over RMB3.3 million to broaden the sales channels of local agricultural products; sponsored 3 primary and secondary schools in Nankang District to set up "Science Corner", and organized summer popular science volunteer education activities to open courses in rural areas to cultivate rural children's interest in science; and donated 300 sets of bedding to the villagers of Yengiyer Village in Makit County to improve their quality of life.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

During the Reporting Period, the Company solidly carried out the rural revitalization tasks of Guangdong Province such as vertical assistance and town-based assistance under the “Project for Hundreds of Counties, Thousands of Towns and Ten-Thousands of Villages”, and continued to deepen and expand the effectiveness of assistance to facilitate the coordinated development of urban and rural areas. The Company steadily promoted the “Project for Hundreds of Counties, Thousands of Towns and Ten-Thousands of Villages” and provided vertical assistance to Guangning County, Zhaoqing City, focusing on areas such as state-owned enterprise reform and green ecology. The Company successfully established a new AA-rated credit platform for Guangning’s state-owned enterprises, significantly improving their financing capabilities and overall competitiveness. The Company leveraged on its advantages as an investment bank in due diligence and research to assist in attracting local investment and promote the implementation of major industrial projects; activated the kinetic energy of ecological value transformation, and coordinated and accelerated the declaration of inclusive carbon benefits in forestry; launched the voluntary charity action of star pocket distribution in Guangning Chunshui Guangfa Hope Primary School, to send caring reading bags to the students. The Company provided town-based assistance to Zhouzai Town in Guangning County, visited and expressed caring to the people facing poverty alleviation during the Spring Festival, provided free clinic services for the local people with the resources of grade 3A hospitals, and donated medical supplies to the town health center; revitalized the idle fish ponds in the villages, and used the existing wastes of the meat pigeon industry to raise fish fry, turning wastes into treasures to increase the collective income of the villages; mobilized Party members and employees to carry out voluntary tree-planting services together with the local people, actively responding to the call of “Green and Beautiful Guangdong” for ecological development and donating saplings.

During the Reporting Period, the Company participated in the June 30th Rural Revitalization Activity in Guangdong Province by donating RMB5 million to support rural revitalization and development in Guangdong Province and won the Silver Cup in the Guangdong Poverty Alleviation Red Cotton Cup.



重要事項

SIGNIFICANT EVENTS

SIGNIFICANT EVENTS

I. COMMITMENTS PERFORMED DURING THE REPORTING PERIOD OR NOT YET PERFORMED AS OF THE END OF THE REPORTING PERIOD BY THE DE FACTO CONTROLLER OF THE COMPANY, SHAREHOLDERS, RELATED PARTIES, PURCHASERS AND THE COMPANY

Cause of Commitment	Undertaking Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Performance
Share conversion undertakings/ undertakings made in acquisition report or equity changes report/ undertakings made in asset restructuring	The Company and its shareholders, Directors, Supervisors and senior management	Others	<p>1. GF Securities and its Directors, Supervisors and senior management have made undertakings that upon completion of this transaction, GF Securities, as a public company, will strictly perform its obligations in information disclosure and investor education. After listing, in addition to meeting the requirements for information disclosure by listed companies in general, GF Securities will make sufficient disclosure in regular reports on information regarding customer asset protection, risk control, compliance inspection, commencement of innovative business and risk management according to its own characteristics to enhance the unveiling of risks for investors.</p> <p>2. GF Securities and its Directors, Supervisors and senior management have made undertakings that they will strictly comply with the requirements of the Administrative Measures for Risk Control Indicators of Securities Companies, enhance the risk management system, improve the risk monitoring mechanism, establish a real-time risk monitoring system, strengthen dynamic monitoring of risks and enhance capabilities in identifying, measuring and controlling risks to enhance the level of risk management.</p> <p>3. To avoid peer competition with the surviving company after share conversion and merger by absorption and regulate possible related transactions, Liaoning Cheng Da and Jilin Aodong have made the following undertakings: ① Being the largest and second largest shareholders of the surviving company after share conversion and merger by absorption, they have undertaken not to operate the same business as that operated by the surviving company (whether at present or in future), and not to indirectly operate or participate in the investment of enterprises which compete or may compete with the business of the surviving company. At the same time, they have also warranted that they will not use their capacity as shareholders to harm the proper interest of the surviving company and other shareholders. In addition, they will procure their wholly-owned subsidiaries or subsidiaries in which they have more than 50% equity interest or relative controlling interest to comply with the above undertakings. ② With respect to related transactions conducted by Liaoning Cheng Da and Jilin Aodong and their respective related parties with the surviving company in future, the decision-making procedure for related transactions of listed companies will be strictly performed and the market pricing principles will be observed to ensure fairness, impartiality and equity and the legitimate interest of minority shareholders will not be prejudiced. 4. Liaoning Cheng Da and Jilin Aodong have issued the Undertakings on Maintaining the Independence of Yan Bian Road Construction Co., Ltd., respectively, and warrant to realize staff independence, asset independence, business independence, financial independence and organization independence with the Company.</p>	February 6, 2010	Nil	All undertaking Parties have strictly performed the undertakings.
Whether the undertakings were performed timely	Yes					

SIGNIFICANT EVENTS

II. USE OF THE LISTED COMPANY'S FUNDS BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES FOR NON-OPERATING PURPOSES

The Company did not have a controlling shareholder nor a de facto controller. During the Reporting Period, no funds of the Company were used by the largest shareholder and its related parties for non-operating purposes.

III. NON-COMPLIANCE IN EXTERNAL GUARANTEES

During the Reporting Period, there was no issue of non-compliance in external guarantees of the Company.

IV. APPOINTMENT AND REMOVAL OF ACCOUNTING FIRMS

The Group has not engaged an accounting firm to audit the 2025 interim financial information. Ernst & Young has conducted a review of the 2025 interim financial information in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

V. STATEMENT ON ACCOUNTING FIRM'S "NON-STANDARD AUDIT REPORT" OF THE REPORTING PERIOD BY THE BOARD OF DIRECTORS AND SUPERVISORY COMMITTEE

N/A.

VI. STATEMENT ON THE "NON-STANDARD AUDIT REPORT" FOR THE PREVIOUS YEAR BY THE BOARD OF DIRECTORS

N/A.

VII. RELEVANT MATTERS ABOUT BANKRUPTCY REORGANIZATION

During the Reporting Period, the Company had no relevant matters about bankruptcy reorganization.

SIGNIFICANT EVENTS

VIII. LITIGATIONS

Basic information on litigation (arbitration)	Amount involved (RMB'0,000)	Whether estimated liabilities will be generated	Progress of litigation (arbitration)
<p>Plaintiffs: Chen Weifu (陳衛福), Xu Xilong (徐習龍) and others</p> <p>Litigation representative: China Securities Investor Services Center</p> <p>Defendants: Wang Yingyan (王迎燕), Xu Jing (徐晶), Misho Ecology & Landscape Co., Ltd. (美尚生態景觀股份有限公司), GF Securities, Dongxing Securities Co., Ltd. (東興證券股份有限公司), Tianheng Certified Public Accountants (Special General Partnership) (天衡會計師事務所(特殊普通合夥)), Jonten Certified Public Accountants (Limited Liability Partnership) (中天運會計師事務所(特殊普通合夥)), AllBright Law Offices (上海市錦天城律師事務所), Jincheng Tongda & Neal Law Firm (北京金誠同達律師事務所), Qian Renyong (錢仁勇), Wu Yundi (吳運娣), Ji Bin (季斌), Zhou Fangrong (周芳蓉), Hui Feng (惠峰), Long Jun (龍俊), Shi Chenghua (石成華), Jiang Renli (江仁利), Chen Xiaolong (陳曉龍), Yu Xiaojun (俞嘯軍) and Xu Zhonghua (許中華)</p> <p>Cause of Action: Disputes of securities misrepresentation liability</p> <p>Litigation method: Special representative litigation</p> <p>Plaintiffs' Claims: An order for Wang Yingyan to compensate for the investment losses and compensate the litigation representatives for notification fees, and an order for the other defendants to bear joint and several liability for the above claims.</p>	<p>The litigation case has not yet been heard in court, and the amount involved in the litigation case for the Company remains uncertain.</p>	<p>Given that the representative action procedure will be applied to the trial of the litigation case, which has not yet been heard in court, the final amount involved in the litigation case for the Company remains uncertain. It is currently not possible to assess the impact on the Company's profits for the current period or future periods.</p>	<p>On December 31, 2024, the Intermediate People's Court of Shenzhen City issued the Notice for the Registration of Rights in the Special Representative Litigation of the Intermediate People's Court of Shenzhen City of Guangdong Province (《廣東省深圳市中級人民法院特別代表人訴訟權利登記公告》). The notice stated that on December 30, 2024, China Securities Investor Services Center accepted special authorization from 60 rights holders to apply to the Intermediate People's Court of Shenzhen City to participate in the litigation case as a representative. The Intermediate People's Court of Shenzhen City will apply the special representative litigation procedure to hear the litigation case and has issued a notice for the registration of rights in the special representative litigation.</p>

SIGNIFICANT EVENTS

For details and progress of the above material litigation, please refer to the Announcement on Material Litigation of GF Securities Co., Ltd. (Announcement No. 2024-058), the Announcement on Material Litigation of GF Securities Co., Ltd. (Announcement No. 2024-059), the Announcement on Progress on a Material Litigation of GF Securities Co., Ltd. (Announcement No. 2024-062) and the Announcement on Progress on a Material Litigation of GF Securities Co., Ltd. (Announcement No. 2024-063) disclosed by the Company on the website of Shenzhen Stock Exchange (www.szse.cn) and the website of CNINFO (www.cninfo.com.cn) on December 17, December 21 and December 31, 2024 and January 1, 2025, respectively, as well as the announcements on material litigation and the announcements on progress on a material litigation disclosed by the Company on the website of the Hong Kong Stock Exchange on December 17, December 20, December 30 and December 31, 2024, respectively.

Except for the above material litigation, as of June 30, 2025, the Group was involved in 1,224 litigation and arbitration cases (including those initiated against and by the Group) pending final judgment or ruling and completed execution, involving a total amount of claims at approximately RMB13.231 billion. Among which, 96 cases were initiated by the Group, involving a total amount of claims at approximately RMB9.194 billion; and 1,128 cases were initiated against the Group, involving a total amount of claims at approximately RMB4.038 billion.

The Group has made a provision of approximately RMB11 million in relation to the above litigation or arbitration as of June 30, 2025.

IX. PENALTY AND RECTIFICATION

As a company sponsored by the Company suffered a loss in the year of issuance and listing of securities, the Company and the relevant sponsor received the Decision on Issuing a Warning Letter to GF Securities Co., Ltd. (《關於對廣發証券股份有限公司採取出具警示函措施的決定》) (CSRC Regulatory Measures Decision [2025] No. 1) and the Decision on Conducting a Regulatory Conversation with Yang and Zhao (《關於對楊某某、趙某採取監管談話措施的決定》) (CSRC Regulatory Measures Decision [2025] No. 4) from the CSRC in January 2025.

In this regard, the Company seriously reflected on the continuous strengthening of research and judgment on the industry in the investment banking business, focused on the development prospects and growth of the industry, and timely followed up to understand the future performance of the projects under review.

X. INTEGRITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER

During the Reporting Period, the Company did not have any valid court judgments pending for execution or relatively large amount of outstanding debt pending for payment.

The Company did not have controlling shareholder or de facto controller. The largest shareholder of the Company, Jilin Aodong, and its de facto controller did not have any valid court judgment pending for execution or relatively large amount of outstanding debt pending for payment during the Reporting Period.

SIGNIFICANT EVENTS

XI. MAJOR RELATED/CONNECTED TRANSACTIONS

1. Related/connected Transactions Relating to Day-to-day Operations

The related/connected transactions of the Group are conducted strictly pursuant to the SZSE Listing Rules, the Hong Kong Listing Rules, the Connected Transaction Management Rules and the Information Disclosure Management Rules of the Company, the related/connected transactions of the Group observe the fair and reasonable principles, and the agreements on related/connected transactions were entered into under the principles of equality, willingness, pricing equality and compensation.

The Group's continuing related/connected transactions relating to day-to-day operations are transactions in which the Group provides investment banking, wealth management, trading and institution, and investment management services to its related/connected parties.

In the first half of 2025, the day-to-day related transactions of the Group were executed subject to the Proposal on Estimates of Annual Day-to-day Related/Connected Transactions in Year 2025 of the Company passed by the 2024 Annual General Meeting upon deliberation.

The investment banking, wealth management, trading and institution, and investment management services in respect of day-to-day operations provided by the Group to related/connected persons were conducted in the ordinary and usual course of business and on normal commercial terms. They were exempt continuing connected transactions under the Hong Kong Listing Rules, namely de minimis transactions, and were exempt from the requirements of reporting, announcement and approval by independent shareholders under Chapter 14A of the Hong Kong Listing Rules. Save as disclosed above, none of the related party transactions or continuing related party transactions set out in Note 49 to the condensed consolidated financial statements fall within the meaning of discloseable connected transactions or continuing connected transactions under the Hong Kong Listing Rules.

During the Reporting Period, the Company did not have related/connected transactions with any related/connected party with aggregated transaction amount of over RMB30 million and accounting for more than 5% of its latest audited net asset value during its normal and ordinary business.

2. Related Transactions in respect of Acquisition and Sale of Assets or Equity Interest

During the Reporting Period, the Company did not have any major related/connected transactions in respect of acquisition and sale of assets or equity interest.

3. Related Transactions in respect of Joint External Investment

During the Reporting Period, the Company did not have any major related/connected transactions in respect of joint external investment.

SIGNIFICANT EVENTS

4. Amount due to or from Related Parties

Amount due to or from related parties under the SZSE Listing Rules

Unit: RMB

Item Name	Related Party	Amount as of the end of the Reporting Period	Amount as of the beginning of the Reporting Period
Seats commission and trailing commission receivables	E Fund Management Co., Ltd.	15,968,696.46	12,968,107.23
Short-term structured notes payable	Shenzhen Chengda Biological Investment Co., Ltd.	70,189,503.64	70,483,345.58
Short-term structured notes payable	Liaoning Chengda Biotechnology Co., Ltd.	110,374,608.13	100,522,871.65

During the Reporting Period, the amounts due to or from related parties mentioned above facilitated the Company to expand its operations in the ordinary course of business and increase profit opportunities, and were implemented at fair prices and would not harm the interests of the Company and its small and medium shareholders.

During the Reporting Period, the Company did not have any non-operational amount due to or from related parties.

5. Transactions with Related Financial Companies

N/A.

6. Transactions between Financial Companies Controlled by the Company and Related Parties

N/A.

7. Other Material Related-Party Transactions

No other material related-party/connected transactions occurred during the Reporting Period.

SIGNIFICANT EVENTS

XII. MAJOR CONTRACTS AND THEIR PERFORMANCE

1. Custody, Contracting and Leases

(1) Custody

There was no occurrence of any custody event of the Company during the Reporting Period.

(2) Contracting

During the Reporting Period, the Company had no contracting project with profit or loss representing more than 10% of the Company's total profit for the Reporting Period.

(3) Leases

During the Reporting Period, the Company had no leasing project with profit or loss representing more than 10% of the Company's total profit for the Reporting Period.



SIGNIFICANT EVENTS

2. Material Guarantees

During the Reporting Period, the Company had no material guarantees. The guarantees of the Company and its subsidiaries are as follows:

Unit: RMB '0,000

External Guarantees Provided by the Company and its Subsidiaries (Excluding Guarantees Provided to Subsidiaries)										
Name of the Guaranteed Party	Date of Disclosure of Guarantee Amount on the Relevant Announcement		Actual Date of Occurrence	Actual Amount of Guarantee	Type of Guarantee	Collaterals	Counter guarantee	Term of Guarantee	Performance Fulfilled or Not	Guarantee Provided to Related Parties or Not
	Announcement	Amount of Guarantee								
Nil	-	-	-	-	-	-	-	-	-	-
Total amount of external guarantees approved during the Reporting Period (A1)			0	Total actual amount of external guarantees provided during the Reporting Period (A2)						0
Total amount of external guarantees approved as at the end of the Reporting Period (A3)			0	Total actual balance of external guarantees as at the end of the Reporting Period (A4)						0

Guarantees Provided to Subsidiaries by the Company										
Name of the Guaranteed Party	Date of Disclosure of Guarantee Amount on the Relevant Announcement		Actual Date of Occurrence	Actual Amount of Guarantee	Type of Guarantee	Collaterals	Counter guarantee	Term of Guarantee	Performance Fulfilled or Not	Guarantee Provided to Related Parties or Not
	Announcement	Amount of Guarantee								
GF Financial Markets (UK) Limited (the Company undertook guarantee liabilities to the extent of the amount of the letter of guarantee ultimately and actually signed)	March 29, 2025	A cumulative balance of not more than US\$140 million	September 13, 2021	US\$7,000	Joint and several guarantee	-	-	Until September 1, 2025	No	No
			August 22, 2024	US\$2,500	Joint and several guarantee	-	-	Until August 22, 2025	No	No
			November 25, 2024	US\$4,500	Joint and several guarantee	-	-	Until November 25, 2025	No	No

SIGNIFICANT EVENTS

External Guarantees Provided by the Company and its Subsidiaries (Excluding Guarantees Provided to Subsidiaries)										
Name of the Guaranteed Party	Date of Disclosure of Guarantee Amount on the Relevant Announcement	Amount of Guarantee	Actual Date of Occurrence	Actual Amount of Guarantee	Type of Guarantee	Collaterals	Counter guarantee	Term of Guarantee	Performance Fulfilled or Not	Guarantee
										Provided to Related Parties or Not
GF Financial Holdings BVI Ltd.	September 13, 2024	The Company provided unconditional and irrevocable guarantee for the repayment obligations under the Offshore Bonds of US\$300 million, and the scope of guarantee included the principal of the bonds, the corresponding interest, the Offshore Bonds and other payment obligations under the trust deed.	September 12, 2024	US\$30,000	Joint and several guarantee	-	-	Until September 12, 2027	No	No
	March 14, 2025	The Company provided unconditional and irrevocable guarantee for the repayment obligations under the Offshore Bonds of US\$380 million and RMB800 million, and the scope of guarantee included the principal of the bonds, the corresponding interest, the Offshore Bonds and other payment obligations under the trust deed.	March 13, 2025	US\$38,000 and RMB80,000	Joint and several guarantee	-	-	Until March 13, 2028	No	No

Total amount of guarantees provided to subsidiaries approved during the Reporting Period (B1)

452,247.20

Total actual amount of guarantees provided to subsidiaries during the Reporting Period (B2)

667,005.20

Total amount of guarantees provided to subsidiaries approved as at the end of the Reporting Period (B3)

667,005.20

Total actual balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B4)

667,005.20

SIGNIFICANT EVENTS

Name of the Guaranteed Party	Date of Disclosure of Guarantee Amount on the Relevant Announcement		Guarantees Provided to Subsidiaries by the Company						Guarantee Provided to Related Parties or Not	
	Amount of Guarantee	Actual Date of Occurrence	Actual Amount of Guarantee	Type of Guarantee	Collaterals	Counter guarantee	Term of Guarantee	Performance Fulfilled or Not		
GF Global Capital Limited (GFHK provided guarantee to it)	May 6, 2024	Provide performance guarantee to the guaranteed party in respect of the issue of structured notes with a total size of no more than US\$4 billion (or its equivalent in other currencies), subject to a guarantee amount of no more than US\$4 billion (or its equivalent in other currencies)	May 6, 2024	2,332,493.90	Joint and several guarantee	-	-	According to provisions of agreement	No	No
Total amount of guarantees provided to subsidiaries approved during the Reporting Period (C1)			Total actual amount of guarantees provided to subsidiaries during the Reporting Period (C2)						2,332,493.90	
Total amount of guarantees provided to subsidiaries approved as at the end of the Reporting Period (C3)			2,863,440.00	Total actual balance of guarantee provided to subsidiaries as at the end of the Reporting Period (C4)						1,205,385.12
Total Amount of Guarantees Provided by the Company (i.e. the total of the above three major items)										
Total amount of guarantees approved during the Reporting Period (A1+B1+C1)			452,247.20	Total actual amount of guarantees provided during the Reporting Period (A2+B2+C2)						2,999,499.10
Total amount of guarantees approved as at the end of the Reporting Period (A3+B3+C3)			3,530,445.20	Total actual balance of guarantees provided as at the end of the Reporting Period (A4+B4+C4)						1,872,390.32
Total actual amount of guarantees (i.e. A4+B4+C4) as a percentage of the net assets of the Company									12.40%	
Including:										
Balance of guarantees provided to shareholders, de facto controller and their related parties (D)									0	
Balance of debt guarantees provided directly or indirectly to the guaranteed parties with a gearing ratio over 70% (E)									1,285,385.12	
Amount of total guarantees above 50% of net assets (F)									0	
Total amount of the above three guarantees (D+E+F)									1,285,385.12	
For outstanding guarantees, description on the guarantee liabilities occurred or possible joint and several liabilities of repayment demonstrated during the Reporting Period (if any)									No	
Description on the provision of external guarantee with non-compliance in required procedures (if any) No									No	
Other descriptions			In February 2018, the board of directors of GFHK resolved that it agreed to provide guarantees for its wholly-owned subsidiary, GF Global Capital Limited, to the counterparties under the agreements such as ISDA and GMRA. As of June 30, 2025, the amount of such guarantee was approximately US\$16.7662 million.							

SIGNIFICANT EVENTS

Note 1: Calculated by the central parity exchange rates of Hong Kong dollar to Renminbi at 1: 0.91195, US dollar to Renminbi at 1: 7.1586, Singapore dollar to Renminbi at 1: 5.6179 and Australian Dollar to Renminbi at 1:4.6817 published by the People's Bank of China on June 30, 2025.

Note 2: "Balance of debt guarantees provided directly or indirectly to the guaranteed parties with a gearing ratio over 70% (E)" in the table above is filled based on the balance of guarantee when the gearing ratio of the guaranteed party exceeds 70% at the time of consideration of related proposals by the authorized organizations of the Company and subsidiaries.

3. Entrusted Wealth Management

The Company was not engaged in entrusted wealth management during the Reporting Period.

4. Other Major Contracts

During the Reporting Period, the Company had no other major contracts.

XIII. CHANGES OF QUALIFICATIONS FOR INDIVIDUAL BUSINESSES

During the Reporting Period, membership and qualifications of individual business obtained include:

No.	Type of License	Approval Authority	Issue Date
Membership and business qualifications obtained by GFHK			
1	Central Moneymarkets Unit (CMU) member	Hong Kong Monetary Authority	March 2025

XIV. PARTICULARS OF OTHER SIGNIFICANT ISSUES

- (I) Relocation and name change of branch companies and securities business departments: as of June 30, 2025, the Company has a total of 356 branches, including 26 branch companies and 330 securities business departments, covering 31 provinces, municipalities directly under the Central Government and autonomous regions in Mainland China. During the Reporting Period, a total of 9 branches of the Company were relocated or renamed.



SIGNIFICANT EVENTS

- (II) The Resolution on the Amendments to the Articles of Association of GF Securities Co., Ltd. was considered and approved at the 2025 first extraordinary general meeting of the Company held on February 13, 2025. On February 28, 2025, the Company published the Announcement on Completion of Change in Business Scope Under Industrial and Commercial Registration. Pursuant to the Reply on the Approval of the Qualification for Market Making Business for Listed Securities of GF Securities Co., Ltd. (Zheng Jian Xu Ke [2024] No. 1628) (關於核准廣發證券股份有限公司上市證券做市交易業務資格的批覆(證監許可[2024]1628 號)) from the CSRC, the Company amended the relevant provisions in relation to the scope of business under the Articles of Association, completed the change in business scope under industrial and commercial registration, and received the revised Business License issued by Guangdong Administration for Market Regulation. The revised business scope covers: securities business, sales of public securities investment funds, provision of futures intermediary services for futures companies; and securities investment fund custodian. (For projects subject to approval in accordance with laws, such operating activities can only be conducted upon being approved by relevant departments. Specific operating project shall be subject to approval document or permit issued by relevant departments).

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

XV. SIGNIFICANT MATTERS FOR THE SUBSIDIARIES OF THE COMPANY

- (I) On January 9, 2025, the Company published the Announcement on Increasing the Paid-up Capital of GF Holdings (Hong Kong) Corporation Limited to HK\$10.337 billion, in which the Company has increased the capital of HK\$2.137 billion to GFHK. After the capital increase, the paid-up capital of GFHK increased to HK\$10.337 billion.
- (II) On March 13, 2025, GF Financial Holdings BVI Ltd., a wholly-owned subsidiary of GFHK, which is in turn an overseas wholly-owned subsidiary of the Company, completed the issuance of 3-year floating rate offshore bonds in an amount of US\$380,000,000 and 3-year fixed rate offshore bonds in an amount of RMB800,000,000. The aforementioned offshore bonds are listed and traded in Hong Kong Stock Exchange by way of issuance of debt securities solely for professional investors. The Company (as the guarantor) and CMB WING LUNG (TRUSTEE) LIMITED (as the trustee) entered into a guarantee agreement in respect of the aforementioned offshore bonds to provide unconditional and irrevocable guarantee for the issuer's repayment obligations under the aforementioned offshore bonds, and the scope of guarantee included the principal of the bonds, the corresponding interest, the aforementioned offshore bonds and other payment obligations under the trust deed.
- (III) On March 21, 2025, GF Futures, a wholly-owned subsidiary of the Company, incorporated GF Futures (Singapore) Pte. Ltd., a wholly-owned subsidiary of GF Futures, in Singapore. The business scope of GF Futures (Singapore) Pte. Ltd. is: brokers and dealers of commodities (excluding gold) and futures, and foreign exchange brokers and dealers.

SIGNIFICANT EVENTS

(IV) In order to further promote the business development of GF Financial Markets (UK), replenish liquidity and facilitate the implementation of globalization strategy of the Company, the Resolution on Provision of Guarantee for Overseas Loans of GF Financial Markets (UK) Limited by the Company (《關於公司為廣發金融交易(英國)有限公司境外貸款提供擔保的議案》) was considered and approved at the 7th meeting of the 11th session of the Board of Directors of the Company and the 2024 annual general meeting held on March 28 and May 16, 2025, respectively, pursuant to which it is agreed to apply to domestic commercial banks for the issuance of financing letters of guarantee (or standby letters of credit) amounting to not more than US\$140 million in aggregate. The aforementioned financing letters of guarantee (or standby letters of credit) shall be no longer than 5 years, which provide guarantees for the GF Financial Markets (UK) for the application of liquidity loans to overseas commercial banks with a balance up to the corresponding amounts. The amount to be guaranteed by the Company shall be subject to the amount of the financing letters of guarantee (or standby letters of credit) ultimately and actually signed.

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

XVI. ADMINISTRATIVE LICENSE DECISIONS MADE BY REGULATORY AUTHORITIES OR BUSINESS LICENSE NOTICES BY SELF-REGULATORY ORGANIZATIONS DURING THE REPORTING PERIOD

No.	Regulatory Authority	Administrative license decisions or business license notices by self-regulatory organisations
1	SZSE	No Comment Letter on the Non-public Issuance of Corporate Bonds to Professional Investors by GF Securities Co., Ltd. in Compliance with the Conditions for Listing on the Shenzhen Stock Exchange (Shen Zheng Han [2025] No. 141) (關於廣發證券股份有限公司面向專業投資者非公開發行公司債券符合深交所掛牌條件的無異議函(深證函[2025]141 號))
2	CSRC	Approval for the Registration of Public Issuance of Short-term Corporate Bonds to Professional Investors by GF Securities Co., Ltd. (Zheng Jian Xu Ke [2025] No.818) (關於同意廣發證券股份有限公司向專業投資者公開發行短期公司債券註冊的批覆(證監許可[2025]818 號))
3	CSRC	Approval for the Registration of Public Issuance of Corporate Bonds to Professional Investors by GF Securities Co., Ltd. (Zheng Jian Xu Ke [2025] No.1214) (關於同意廣發證券股份有限公司向專業投資者公開發行公司債券註冊的批覆(證監許可[2025]1214 號))

SIGNIFICANT EVENTS

XVII. INDEX OF INFORMATION DISCLOSURE

During the Reporting Period, the Company published the following information in respect of A Shares (excluding the “Announcements on H Shares”) in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and disclosed the same on the website of CNINFO (www.cninfo.com.cn):

No.	Matters of Announcement	Date of Publication
1	Announcement on the Increase of the Paid-in Capital of GFHK to HK\$10.337 billion	January 9, 2025
2	Announcement on the Resolutions of the 6th Meeting of the 11th Session of the Board of Directors	January 21, 2025
3	Announcement on the Change of Use and Cancellation of the Repurchased A Shares	January 21, 2025
4	Appendix to Resolutions of the 2025 First Extraordinary General Meeting, the 2025 First Class Meeting of A Shareholders and the 2025 First Class Meeting of H Shareholders	January 21, 2025
5	Notices of the 2025 First Extraordinary General Meeting, the 2025 First Class Meeting of A Shareholders and the 2025 First Class Meeting of H Shareholders	January 21, 2025
6	Articles of Association of GF Securities Co., Ltd. (Draft)	January 21, 2025
7	Announcement on Reminder Notices of the 2025 First Extraordinary General Meeting, the 2025 First Class Meeting of A Shareholders and the 2025 First Class Meeting of H Shareholders	February 11, 2025
8	Legal Opinion of Jia Yuan Law Offices on the 2025 First Extraordinary General Meeting, the 2025 First Class Meeting of A Shareholders and the 2025 First Class Meeting of H Shareholders of GF Securities Co., Ltd.	February 14, 2025

SIGNIFICANT EVENTS

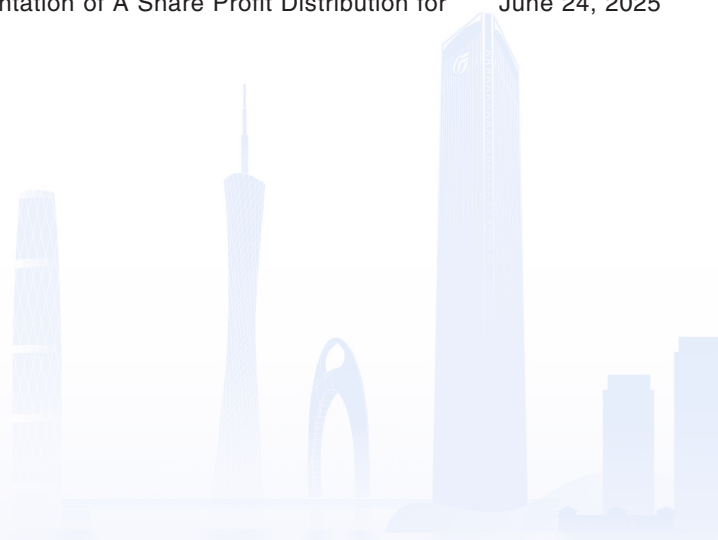
No.	Matters of Announcement	Date of Publication
9	Announcement on the Resolutions of the 2025 First Extraordinary General Meeting, the 2025 First Class Meeting of A Shareholders and the 2025 First Class Meeting of H Shareholders	February 14, 2025
10	Articles of Association of GF Securities Co., Ltd.	February 14, 2025
11	Announcement on the Repurchase and Cancellation of A Shares and Changes in Shares	February 27, 2025
12	Announcement on Completion of Change in Business Scope Under Industrial and Commercial Registration	February 28, 2025
13	Announcement on Providing Guarantee for the Issuance of Offshore Bonds by Overseas Wholly-owned Subsidiary	March 14, 2025
14	Announcement in Relation to 2024 Annual Results Presentation	March 28, 2025
15	2024 Statement of Occupation of Non-operating Funds and Fund Transactions with Other Related Parties	March 29, 2025
16	Announcement in Relation to 2024 Profit Distribution Plan of GF Securities	March 29, 2025
17	Announcement on the Resolutions of the 4th Meeting of the 11th Session of the Supervisory Committee	March 29, 2025
18	Announcement on the Estimates of Daily Related/Connected Transactions of the Company for 2025	March 29, 2025
19	Internal Control Self-evaluation Report	March 29, 2025
20	Assessment Report and Report on the Performance of Supervision Duties of the Audit Committee of the Board on the Performance of the Accounting Firm for the Year of 2024	March 29, 2025

SIGNIFICANT EVENTS

No.	Matters of Announcement	Date of Publication
21	Internal Control Audit Report	March 29, 2025
22	Announcement on the Proposed Re-appointment of Accounting Firm	March 29, 2025
23	Annual Duty Report of Independent Directors	March 29, 2025
24	Audit Report for 2024	March 29, 2025
25	Annual Specific Audit Report on Capital Occupation of Related Party Transactions	March 29, 2025
26	Announcement on the Resolutions of the 7th Meeting of the 11th Session of the Board of Directors	March 29, 2025
27	Special Opinion of the Board on the Assessment of the Independence of Independent Directors	March 29, 2025
28	2024 Annual Report	March 29, 2025
29	2024 Sustainability and Environmental, Social and Governance (ESG) Report	March 29, 2025
30	Announcement on Provision of Guarantee for Overseas Loans of GF Financial Markets (UK) Limited	March 29, 2025
31	Summary of the 2024 Annual Report	March 29, 2025
32	Announcement on New Borrowings Accumulated in the Year Exceeding 20% of Net Assets at the End of the Previous Year	April 8, 2025
33	Announcement on Obtaining Approval from the CSRC for the Registration of Public Issuance of Short-term Corporate Bonds to Professional Investors	April 24, 2025

SIGNIFICANT EVENTS

No.	Matters of Announcement	Date of Publication
34	Notice of the 2024 Annual General Meeting	April 25, 2025
35	Appendix to Notice of the 2024 Annual General Meeting	April 25, 2025
36	Announcement on the Resolutions of the 8th Meeting of the 11th Session of the Board of Directors	April 30, 2025
37	2025 First Quarterly Report	April 30, 2025
38	Announcement on the Resolutions of the 5th Meeting of the 11th Session of the Supervisory Committee	April 30, 2025
39	Articles of Association of GF Securities Co., Ltd.	May 7, 2025
40	Announcement on the Completion of Registration Capital Change Registration and Amendments to Articles of Association	May 7, 2025
41	Announcement on Reminder Notice of the 2024 Annual General Meeting	May 13, 2025
42	Legal Opinion of Jia Yuan Law Offices on the 2024 Annual General Meeting of GF Securities Co., Ltd.	May 17, 2025
43	Announcement on the Resolutions of the 2024 Annual General Meeting	May 17, 2025
44	Announcement on Obtaining Approval from the CSRC for the Registration of Public Issuance of Corporate Bonds to Professional Investors	June 24, 2025
45	Announcement on the Implementation of A Share Profit Distribution for 2024	June 24, 2025



SIGNIFICANT EVENTS

During the Reporting Period, the Company disclosed the following information on H Shares (excluding “Overseas Regulatory Announcements”) on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk):

No.	Matters of Announcement	Date of Publication
1	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended December 31, 2024	January 2, 2025
2	The Change of Use and Cancellation of the Repurchased A Shares	January 20, 2025
3	Proposed Amendments to the Articles of Association	January 20, 2025
4	Proxy Form For the 2025 First Class Meeting of H Shareholders	January 20, 2025
5	Proxy Form For the 2025 First Extraordinary General meeting	January 20, 2025
6	Proxy Form For the 2025 First Class Meeting of H Shareholders	January 20, 2025
7	Notice of the Extraordinary General Meeting	January 20, 2025
8	(1) Resolution Regarding the Amendments to the Articles of Association (2) Resolution Regarding the Change of Use and Cancellation of the Repurchased A Shares (3) Notice of the 2025 First EGM and (4) Notice of the 2025 First Class Meeting of H Shareholders	January 20, 2025
9	Monthly Return of Equity Issuer on Movements in Securities for the month ended January 31, 2025	February 5, 2025
10	Articles of Association	February 13, 2025
11	Poll Results of the 2025 First EGM, the 2025 First Class Meeting of A Shareholders and 2025 First Class Meeting of H Shareholders and Amendments to the Articles of Association	February 13, 2025
12	Next Day Disclosure Returns	February 26, 2025

SIGNIFICANT EVENTS

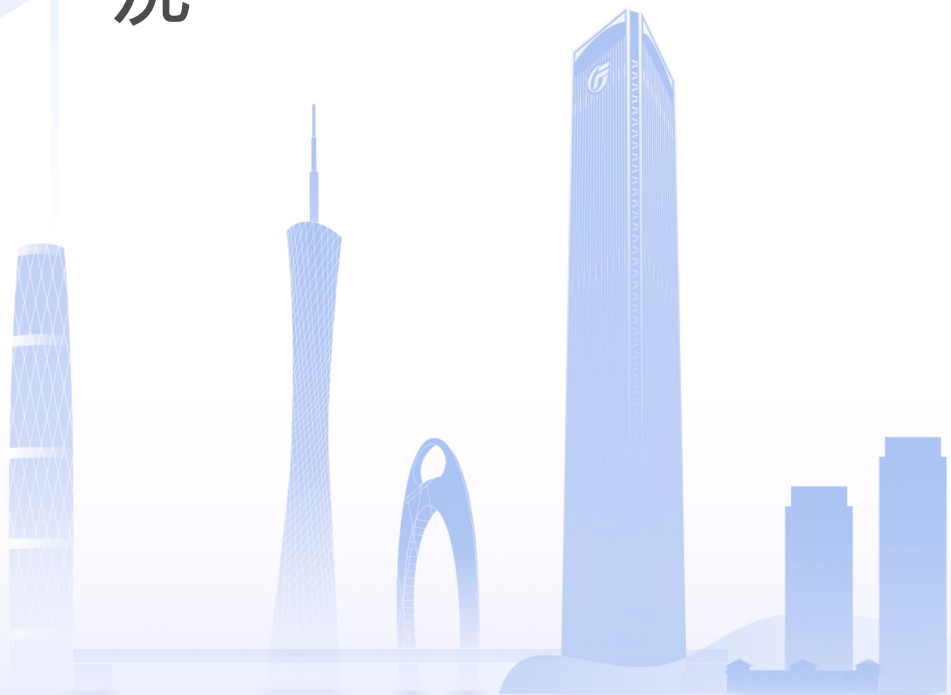
No.	Matters of Announcement	Date of Publication
13	Monthly Return of Equity Issuer on Movements in Securities for the month ended February 28, 2025	March 3, 2025
14	Notice of Listing on The Stock Exchange of Hong Kong Limited – GF Financial Holdings BVI Ltd. – CNY800,000,000 2.58 per cent. Guaranteed Bonds due 2028 unconditionally and irrevocably guaranteed by GF Securities Co., Ltd.	March 13, 2025
15	Notice of Listing on The Stock Exchange of Hong Kong Limited – GF Financial Holdings BVI Ltd. – US\$380,000,000 Floating Rate Guaranteed Bonds due 2028 unconditionally and irrevocably guaranteed by GF Securities Co., Ltd.	March 13, 2025
16	Date of Board Meeting	March 13, 2025
17	Publication of Offering Circular – GF Financial Holdings BVI Ltd. – CNY800,000,000 2.58 per cent. Guaranteed Bonds due 2028 unconditionally and irrevocably guaranteed by GF Securities Co., Ltd.	March 14, 2025
18	Publication of Offering Circular – GF Financial Holdings BVI Ltd. – US\$380,000,000 Floating Rate Guaranteed Bonds due 2028 unconditionally and irrevocably guaranteed by GF Securities Co., Ltd.	March 14, 2025
19	Announcement in Relation to 2024 Annual Results Presentation	March 27, 2025
20	Final Dividend for the Year Ended December 31, 2024	March 28, 2025
21	2024 Corporate Social Responsibility Report	March 28, 2025
22	2024 Annual Results Announcement	March 28, 2025
23	Monthly Return of Equity Issuer on Movements in Securities for the month ended March 31, 2025	April 1, 2025
24	Date of Board Meeting	April 14, 2025
25	Notification Letter and Reply Form to Non-Registered Shareholders	April 24, 2025

SIGNIFICANT EVENTS

No.	Matters of Announcement	Date of Publication
26	Notification Letter and Reply Form to Registered Shareholders	April 24, 2025
27	Final Dividend for the Year Ended December 31, 2024	April 24, 2025
28	Proxy Form For the 2024 Annual General Meeting	April 24, 2025
29	Notice of the AGM	April 24, 2025
30	2024 AGM Circular	April 24, 2025
31	2024 Annual Report	April 24, 2025
32	2025 First Quarterly Report	April 29, 2025
33	Articles of Association	May 6, 2025
34	Reduction of Registered Capital Due to Cancellation of Repurchased A Shares and Amendments of the Articles of Association	May 6, 2025
35	Monthly Return of Equity Issuer on Movements in Securities for the month ended April 30, 2025	May 8, 2025
36	Final Dividend for the Year Ended December 31, 2024 (Updated)	May 16, 2025
37	Poll Results of the 2024 Annual General Meeting and Final Dividend for the Year Ended December 31, 2024	May 16, 2025
38	Monthly Return of Equity Issuer on Movements in Securities for the month ended May 31, 2025	June 3, 2025

股份變動及股東情況

CHANGES IN SHAREHOLDINGS AND
PARTICULARS ABOUT SHAREHOLDERS



CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

I. CHANGES IN SHAREHOLDINGS

1. Changes in shareholdings

(1) Table of changes in shareholdings

During the Reporting Period, changes in the Company's shareholdings were as follows:

Unit: Shares

	Before the change		Increase or decrease in others in the current period (cancellation of A shares repurchased)	After the change	
	Number of shares	Percentage		Number of shares	Percentage
I. Shares with selling restrictions	0	0	0	0	0
II. Shares without selling restrictions	7,621,087,664	100.00%	-15,242,153	7,605,845,511	100%
1. RMB-denominated ordinary shares	5,919,291,464	77.67%	-15,242,153	5,904,049,311	77.63%
2. Domestic listed foreign shares	0	0	0	0	0
3. Overseas listed foreign shares	1,701,796,200	22.33%	0	1,701,796,200	22.37%
4. Others	0	0	0	0	0
III. Total number of shares	<u>7,621,087,664</u>	<u>100.00%</u>	<u>-15,242,153</u>	<u>7,605,845,511</u>	<u>100%</u>

(2) Reasons for and approval of changes in shareholdings

The Resolution on the Company's Proposed Repurchase of A Shares by Way of Centralised Price Bidding (《關於公司擬以集中競價方式回購 A 股股份的議案》) was considered and approved at the 23rd meeting of the 10th session of the Board of Directors of the Company held on March 30, 2022, in which based on its confidence in the Company's future development prospect and high recognition of the Company's value, the Board of Directors agreed that the Company shall repurchase A Shares of the Company by way of centralized price bidding with its own funds. The repurchased shares will be used for the A Share restricted share incentive scheme. In 2022, the plan for the repurchase of A Shares by the Company has been completed. The Company has repurchased, out of its own funds, 15,242,153 A Shares at a consideration of RMB234 million. The repurchased A shares are deposited in the securities account designated for share repurchase of the Company.

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

To safeguard the interests of investors of the Company, enhance their confidence and improve the long-term investment value of the Company, as well as to reflect the high recognition of the Company's future development prospects and the value of its Shares, the Resolution Regarding Change of Use and Cancellation of Repurchased A Shares (《關於變更回購 A 股股份用途並註銷的議案》) was considered and approved at the 6th meeting of the 11th session of the Board of Directors of the Company held on January 20, 2025 and the 2025 first extraordinary general meeting, the 2025 first class meeting of A Shareholders and the 2025 first class meeting of H Shareholders held on February 13, 2025, pursuant to which it is agreed that the above-mentioned use of repurchased A Shares shall be changed to "the shares actually repurchased are used for cancellation and reduction in registered capital" It means that all 15,242,153 A Shares deposited in the securities account designated for share repurchase of the Company shall be cancelled and the registered capital of the Company shall be reduced accordingly.

(3) Transfers of shares involving changes

As confirmed by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company has completed the aforesaid cancellation on February 25, 2025. After the cancellation, the Company no longer held treasury shares, and the total share capital of the Company was changed from 7,621,087,664 shares to 7,605,845,511 shares.

(4) Progress on the implementation of the share repurchase

During the Reporting Period, neither the Company nor its subsidiaries repurchased, sold or redeemed any of the securities of the Company (including treasury shares).

(5) Progress on the implementation of reduction in the holding of repurchased shares by way of centralised price bidding

N/A.

(6) Effects of the change in shareholdings on financial indicators such as basic earnings per share, diluted earnings per share and net assets attributable to ordinary shareholders of the Company per share for the most recent year and period

N/A.

(7) Other information disclosure which the Company deems necessary or is required by the securities regulatory authorities

N/A.

2. Changes in shares with selling restrictions

N/A.

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

II. SECURITIES ISSUANCE AND LISTING

For details about the issuance of corporate bonds and subordinated bonds, please refer to “Section 7 Bonds” of this report.

III. NUMBER OF SHAREHOLDERS AND THEIR SHAREHOLDINGS IN THE COMPANY

Unit: Shares

Total number of ordinary shareholders at the end of the Reporting Period	166,445 (of which, 165,127 were holders of A shares and 1,318 were registered holders of H shares)	Total number of preferred shareholders whose voting rights were resumed at the end of the Reporting Period	Nil
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Shareholdings of shareholders who hold more than 5% of the shares or shareholdings of the top ten shareholders (Excluding shares lending through re-financing)

Name of shareholder	Capacity of shareholder	Percentage of shareholding	Number of shares held as at the end of the Reporting Period	Increase or decrease during the Reporting Period	Number of shares held with selling restrictions	Number of shares held without selling restrictions	Pledged, marked or frozen	
							Status of shares	Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.36%	1,700,351,660	65,000	–	1,700,351,660	–	–
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.47%	1,252,768,767	0	–	1,252,768,767	–	–
Liaoning Cheng Da Co., Ltd.	Domestic general legal entity	16.44%	1,250,154,088	0	–	1,250,154,088	–	–
Zhongshan Public Utilities Group Co., Ltd.	State-owned legal entity	9.03%	686,754,216	0	–	686,754,216	–	–
China Securities Finance Corporation Limited	Domestic general legal entity	3.00%	227,870,638	0	–	227,870,638	–	–
Hong Kong Securities Clearing Company Limited	Overseas legal entity	2.95%	224,413,379	-11,655,852	–	224,413,379	–	–
Industrial and Commercial Bank of China Limited - Huatai-PB SHSZ CSI 300 Index Investment Banking & Brokerage Index Exchange-traded Fund	Funds, wealth management products, etc.	0.69%	52,684,643	1,552,507	–	52,684,643	–	–
China Construction Bank Corporation - Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Funds, wealth management products, etc.	0.60%	45,598,153	2,475,000	–	45,598,153	–	–
China Construction Bank Corporation - E Fund CSI 300 Exchange traded Open-ended Index Initiating Fund (中國建設銀行股份有限公司—易方達滬深300交易型開放式指數發起式證券投資基金)	Funds, wealth management products, etc.	0.49%	37,492,872	2,242,300	–	37,492,872	–	–
China Construction Bank Corporation - Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Funds, wealth management products, etc.	0.46%	35,284,534	-698,700	–	35,284,534	–	–

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

Shareholdings of the top ten shareholders without selling restrictions

Name of shareholder	Number of shares held without selling restrictions as at the end of the Reporting Period	Types of shares	
		Types of shares	Number of shares
HKSCC Nominees Limited	1,700,351,660	Overseas listed Foreign Shares	1,700,351,660
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,252,768,767	RMB-denominated ordinary shares	1,252,768,767
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	224,413,379	RMB-denominated ordinary shares	224,413,379
Industrial and Commercial Bank of China Limited – Huatai-PB SHSZ CSI 300 Index Investment Banking & Brokerage Index Exchange-traded Fund	52,684,643	RMB-denominated ordinary shares	52,684,643
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	45,598,153	RMB-denominated ordinary shares	45,598,153
China Construction Bank Corporation – E Fund CSI 300 Exchange traded Open-ended Index Initiating Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	37,492,872	RMB-denominated ordinary shares	37,492,872
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	35,284,534	RMB-denominated ordinary shares	35,284,534

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

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);

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

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 June 30, 2025, Jilin Aodong held 240,274,200 H Shares of the Company and held 36,868,800 H Shares of the Company through its wholly-owned subsidiary, Aodong International (Hong Kong) Industrials Co., Limited (敖東國際(香港)實業有限公司), a total of 277,143,000 H Shares, representing 3.64% of the total share capital of the Company; Liaoning Cheng Da held 115,300,000 H Shares of the Company and held 1,473,600 H Shares of the Company through Chengda Steel Hong Kong Co., Limited (成大鋼鐵香港有限公司), which is a wholly-owned subsidiary of Liaoning Chengda Steel Co., Ltd. (遼寧成大鋼鐵貿易有限公司) (a wholly-owned subsidiary of Liaoning Cheng Da), a total of 116,773,600 H Shares, representing 1.54% of the total share capital of the Company; Zhongshan Public Utilities held 116,918,400 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Ltd. (公用國際(香港)投資有限公司), representing 1.54% of the total share capital of the Company. As of June 30, 2025, the percentages of A Shares and H Shares of the Company held in aggregate by Jilin Aodong and its concert parties, Liaoning Cheng Da and its concert parties, and Zhongshan Public Utilities and its concert parties in the total share capital of the Company were 20.11%, 17.97% and 10.57%, respectively;

Note 4: According to the public information disclosed on the HKEXnews website of the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), as of June 30, 2025, other than those as set out in Note 3, shareholders holding 5% or more of the H Shares of the Company are as follows: on January 31, 2020, the labor union committee of GF Securities Co., Ltd. held a total of 272,500,600 long-position H Shares 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: At the end of the Reporting Period, no shares of the Company were held by the holders of A Shares as mentioned above through credit-based securities accounts;

Note 6: At the end of the Reporting Period, no holders of A Shares as mentioned above conducted Securities Transactions with Repurchase Agreement.

Participation in shares lending through refinancing business by shareholders who hold more than 5% of the shares, the top ten shareholders and the top ten shareholders without selling restrictions

N/A

Change in shareholding of the top ten shareholders and the top ten shareholders without selling restrictions compared with last period due to shares lending through re-financing/returning

N/A

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

IV. CHANGES IN THE SHAREHOLDINGS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the Directors, Supervisors and senior management did not directly hold shares, share options and restrictive shares of the Company.

V. CHANGES IN CONTROLLING SHAREHOLDERS OR DE FACTO CONTROLLERS

The Company has no controlling shareholder or de facto controller.

VI. PREFERENCE SHARES

During the Reporting Period, the Company did not have any preference shares.

VII. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, as far as the Directors of the Company are aware after having made all reasonable enquiries, the following persons (other than the Directors, Supervisors and chief executive of the Company) held interests or short positions in the shares or underlying shares which shall be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and were recorded in the register required to be kept by the Company under section 336 of the SFO:

No.	Name of substantial shareholders	Class of shares	Nature of interests	Number of shares held (share)	Long position ^{(Note 1)/} Short position ^(Note 2)	Percentage of total issued shares of the Company (%) ^(Note 8)	Percentage of
							A Shares/ H Shares of the Company (%) ^(Note 8)
1	Jilin Aodong	A Shares	Beneficial owner	1,252,768,767	Long position	16.47	21.22
		H Shares	Beneficial owner and interest in a controlled corporation	277,143,000 ^(Note 3)	Long position	3.64	16.29
2	Liaoning Cheng Da	A Shares	Beneficial owner	1,250,154,088	Long position	16.44	21.17
		H Shares	Beneficial owner and interest in a controlled corporation	116,773,600 ^(Note 4)	Long position	1.54	6.86
3	Zhongshan Investment Holdings Group Company Limited	A Shares	Interest in a controlled corporation	686,754,216	Long position	9.03	11.63
		H Shares	Interest in a controlled corporation	116,918,400 ^(Note 5)	Long position	1.54	6.87
4	Zhongshan Public Utilities	A Shares	Beneficial owner	686,754,216	Long position	9.03	11.63
		H Shares	Interest in a controlled corporation	116,918,400 ^(Note 5)	Long position	1.54	6.87
5	Public Utilities International (Hong Kong) Investment Company Ltd.	H Shares	Beneficial owner	116,918,400 ^(Note 5)	Long position	1.54	6.87
6	The labor union committee of GF Securities Co., Ltd	H Shares	Trustee of a trust	272,500,600 ^(Note 6)	Long position	3.58	16.01

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

Note 1: A shareholder has a “long position” if such shareholder has an interest in shares, including interests through holding, writing or issuing financial instruments (including derivatives) under which: (i) such shareholder has a right to take the underlying shares; (ii) such shareholder is under an obligation to take the underlying shares; (iii) such shareholder has a right to receive money if the price of the underlying shares increases; or (iv) such shareholder has a right to avoid or reduce a loss if the price of the underlying shares increases.

Note 2: A shareholder has a “short position” if such shareholder borrows shares under a securities borrowing and lending agreement, or holds, writes or issues financial instruments (including derivatives) under which: (i) such shareholder has a right to require another person to take the underlying shares; (ii) such shareholder is under an obligation to deliver the underlying shares; (iii) such shareholder has a right to receive money if the price of the underlying shares declines; or (iv) such shareholder has a right to avoid or reduce a loss if the price of the underlying shares declines.

Note 3: Jilin Aodong held 240,274,200 H Shares of the Company and held 36,868,800 H Shares of the Company through its wholly-owned subsidiary, namely Aodong International (Hong Kong) Industrials Co., Limited (敖東國際(香港)實業有限公司), amounting to a total of 277,143,000 H Shares, representing 3.64% of the total share capital of the Company.

Note 4: Liaoning Cheng Da held 115,300,000 H Shares of the Company and held 1,473,600 H Shares of the Company through Chengda Steel Hong Kong Co., Limited (成大鋼鐵香港有限公司), which is a wholly-owned subsidiary of Liaoning Chengda Steel Co., Ltd. (遼寧成大鋼鐵貿易有限公司) (a wholly-owned subsidiary of Liaoning Cheng Da), amounting to a total of 116,773,600 H Shares, representing 1.54% of the total share capital of the Company. Therefore, Liaoning Cheng Da and Liaoning Chengda Steel Co., Ltd. were deemed to have interests in the shares held by Chengda Steel Hong Kong Co., Limited.

Note 5: Zhongshan Public Utilities held 116,918,400 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Ltd. (公用國際(香港)投資有限公司), representing 1.54% of the total share capital of the Company. Zhongshan Investment Holdings Group Company Limited (中山投資控股集團有限公司) held 48.73% of the issued shares of Zhongshan Public Utilities. Therefore, Zhongshan Investment Holdings Group Company Limited and Zhongshan Public Utilities were deemed to have interests in the shares held by Public Utilities International (Hong Kong) Investment Company Ltd.

Note 6: The labor union committee of GF Securities Co., Ltd. held a total of 272,500,600 H Shares of the Company, representing 16.01% of the H Share capital of the Company.

Note 7: Under Part XV of the SFO, forms disclosing of interests shall be submitted by shareholders of the Company upon satisfaction of certain conditions. Changes of Shareholders' shareholdings in the Company are not required to inform the Company and the Hong Kong Stock Exchange, except for the satisfaction of certain conditions. Therefore, there could be differences between substantial Shareholders' latest shareholdings in the Company and the shareholding information as reported to the Hong Kong Stock Exchange.

Note 8: The relevant percentages are calculated based on 1,701,796,200 H Shares and/or 5,904,049,311 A Shares of the Company in issue as at June 30, 2025.

Save as disclosed above, the Company is not aware of any other person (other than the Directors, Supervisors and chief executive of the Company) having any interests or short positions in the shares or underlying shares of the Company as at June 30, 2025 required to be recorded in the register pursuant to section 336 of the SFO.

CHANGES IN SHAREHOLDINGS AND PARTICULARS ABOUT SHAREHOLDERS

VIII. DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

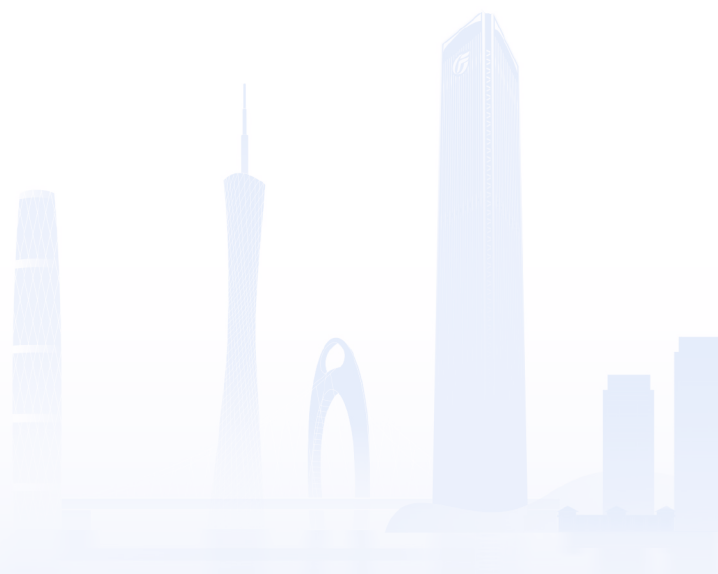
As of June 30, 2025, none of the Directors, Supervisors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would be required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company; or which would be required, pursuant to Model Code for, to be notified to the Company and the Hong Kong Stock Exchange.

As of June 30, 2025, none of the Company, its holding company, any of its subsidiaries or fellow subsidiaries was a party to any arrangements during the year to enable the Directors of the Company, including their spouses and children under 18 years of age, to acquire any interests by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

IX. REPURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY AND ITS SUBSIDIARIES

For details of the Company's repurchase of its A Shares during the Reporting Period, please refer to "I. Changes in shareholdings" in this section, and for details of the public issuance of perpetual subordinated bonds, please refer to section 7 "Bonds".

Except for the above, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any of the listed securities (including sale of treasure shares) of the Company and its subsidiaries.



債券相關情況

BONDS

BONDS

I. ENTERPRISE BONDS

During the Reporting Period, the Company did not have any enterprise bonds.

II. CORPORATE BONDS

(I) Basic Information of Corporate Bond

1. Public Issuance of Corporate Bonds in 2021

Unit: RMB' 0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (First Tranche) (Type II)	21 GF 04	149500	2021-06-07	2021-06-08	2026-06-08	100,000	3.68%	Bonds use simple interest to accrue interest on an annual basis without compound interest. Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Second Tranche) (Type II)	21 GF 06	149563	2021-07-22	2021-07-23	2026-07-23	450,000	3.45%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Second Tranche) (Type III)	21 GF 07	149564	2021-07-22	2021-07-23	2031-07-23	150,000	3.77%		

BONDS

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Fourth Tranche) (Type II)	21 GF 11	149634	2021-09-15	2021-09-16	2026-09-16	200,000	3.50%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Fourth Tranche) (Type III)	21 GF 12	149635	2021-09-15	2021-09-16	2031-09-16	200,000	3.90%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Seventh Tranche) (Type II)	21 GF 20	149703	2021-11-16	2021-11-17	2026-11-17	350,000	3.50%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2021 (Seventh Tranche) (Type III)	21 GF 21	149704	2021-11-16	2021-11-17	2031-11-17	100,000	3.85%		

BONDS

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Suitability arrangement of investors (if any)									Target investors are professional investors who comply with the Management Measures on Corporate Bond Issuance and Trading and open an eligible securities account with China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).
Applicable trading system									Listed and traded on Call Auction Mechanism and the integrated agreement trading platform of SZSE simultaneously.
Any risk of suspension of trading in the shares of the listed company and the response									N/A

2. Non-public Issuance of Perpetual Subordinated Bonds in 2021

Unit: RMB'0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Non-public Issuance of Perpetual Subordinated Bonds by GF Securities Co., Ltd. in 2021 (First Tranche)	21 GF Y1	115125	2021-09-03	2021-09-06	The issuer has an option to redeem the bonds at principal amounts plus any accrued interest (including all deferred interest and its yield) on the fifth interest payment date or any interest payment date afterwards.	100,000	3.95%	Interest will be paid annually if the issuer does not exercise the right to defer interest payment.	SZSE
Suitability arrangement of investors (if any)									Target investors are professional institutional investors who hold an A-share securities account of China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).
Applicable trading system									Listed and transferred on the integrated agreement trading platform of SZSE, and offered to professional institutional investors.
Any risk of suspension of trading in the shares of the listed company and the response									N/A

BONDS

3. Public Issuance of Corporate Bonds in 2022

Unit: RMB'0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (First Tranche) (Type II)	22 GF 02	149990	2022-07-14	2022-07-15	2027-07-15	200,000	3.24%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (First Tranche) (Type III)	22 GF 03	149991	2022-07-14	2022-07-15	2032-07-15	60,000	3.70%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Second Tranche) (Type II)	22 GF 05	148010	2022-08-03	2022-08-04	2027-08-04	300,000	3.03%		

BONDS

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Second Tranche) (Type III)	22 GF 06	148011	2022-08-03	2022-08-04	2032-08-04	150,000	3.59%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Third Tranche) (Type II)	22 GF 08	148027	2022-08-15	2022-08-16	2027-08-16	250,000	3.12%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Third Tranche) (Type III)	22 GF 09	148028	2022-08-15	2022-08-16	2032-08-16	120,000	3.60%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Fifth Tranche) (Type I)	22 GF 11	148066	2022-09-16	2022-09-19	2025-09-19	100,000	2.55%		



BONDS

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Fifth Tranche) (Type II)	22 GF 12	148067	2022-09-16	2022-09-19	2027-09-19	50,000	2.95%		
Suitability arrangement of investors (if any)			Target investors are professional institutional investors who hold an A-share securities account of China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).						
Applicable trading system			Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.						
Any risk of suspension of trading in the shares of the listed company and the response			N/A						

BONDS

4. Public Issuance of Subordinated Bonds in 2022

Unit: RMB'0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (First Tranche) (Type I)	22 GF C1	148085	2022-10-14	2022-10-17	2025-10-17	300,000	2.85%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (First Tranche) (Type II)	22 GF C2	148086	2022-10-14	2022-10-17	2027-10-17	50,000	3.20%		
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Second Tranche) (Type I)	22 GF C3	148121	2022-11-11	2022-11-14	2025-11-14	200,000	2.86%		
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Second Tranche) (Type II)	22 GF C4	148122	2022-11-11	2022-11-14	2027-11-14	50,000	3.20%		

Suitability arrangement of investors (if any)

Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).

Applicable trading system

Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.

Any risk of suspension of trading in the shares of the listed company and the response

N/A

BONDS

5. Public Issuance of Perpetual Subordinated Bonds in 2022

Unit: RMB'0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (First Tranche)	22 GF Y1	149967	2022-06-29	2022-06-30	The issuer has an option to redeem the bonds at principal amounts plus any accrued interest (including all deferred interest and its yield) on the fifth interest payment date or any interest payment date afterwards.	270,000	3.75%	Interest will be paid annually if the issuer does not exercise the right to defer interest payment.	SZSE
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Second Tranche)	22 GF Y2	148004	2022-07-26	2022-07-27		500,000	3.53%		
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2022 (Third Tranche)	22 GF Y3	148016	2022-08-10	2022-08-11		230,000	3.48%		
Suitability arrangement of investors (if any)								Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).	
Applicable trading system								Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.	
Any risk of suspension of trading in the shares of the listed company and the response								N/A	

BONDS

6. Public Issuance of Corporate Bonds in 2023

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (First Tranche) (Type I)	23 GF 04	148270	2023-04-21	2023-04-24	2026-04-24	350,000	3.06%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (First Tranche) (Type II)	23 GF 05	148271	2023-04-21	2023-04-24	2028-04-24	100,000	3.21%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (Second Tranche)	23 GF 06	148376	2023-07-14	2023-07-17	2026-07-17	150,000	2.75%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (Third Tranche)	23 GF 09	148484	2023-10-23	2023-10-24	2026-10-24	210,000	3.00%		

Suitability arrangement of investors (if any) Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).

Applicable trading system Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.

Any risk of suspension of trading in the shares of the listed company and the response N/A

BONDS

7. Non-public Issuance of Corporate Bonds in 2023

Unit: RMB '0000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Non-publicly Issued Corporate Bonds of GF Securities Co., Ltd. in 2023 (Second Tranche) (Type II)	23 GF 03	133443	2023-03-10	2023-03-13	2026-03-13	200,000	3.30%	Interest shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).								
Applicable trading system	Listed and transferred on the SZSE, and the transaction methods include click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								

BONDS

8. Public Issuance of Subordinated Bonds in 2023

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (First Tranche)	23 GF C1	148441	2023-08-24	2023-08-25	2026-08-25	100,000	2.95%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).								
Applicable trading system	Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								



BONDS

9. Public Issuance of Perpetual Subordinated Bonds in 2023

Unit: RMB'0,000

Name of bond	Abbreviation of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (First Tranche)	23 GF Y1	148192	2023-03-03	2023-03-06	The issuer has an option to redeem the bonds at principal amounts plus any accrued interest (including all deferred interest and its yield) on the fifth interest payment date or any interest payment date afterwards.	50,000	4.20%	Interest will be paid annually if the issuer does not exercise the right to defer interest payment.	SZSE
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (Second Tranche)	23 GF Y2	148253	2023-04-14	2023-04-17		300,000	4.10%		
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (Third Tranche)	23 GF Y3	148286	2023-05-12	2023-05-15		500,000	3.78%		
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2023 (Fourth Tranche)	23 GF Y4	148309	2023-06-02	2023-06-05		300,000	3.73%		
Suitability arrangement of investors (if any)								Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).	
Applicable trading system								Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.	
Any risk of suspension of trading in the shares of the listed company and the response								N/A	

BONDS

10. Public Issuance of Corporate Bonds in 2024

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche) (Type I)	24 GF 01	148583	2024-01-18	2024-01-19	2027-01-19	260,000	2.75%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche) (Type II)	24 GF 02	148584	2024-01-18	2024-01-19	2029-01-19	200,000	2.93%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche) (Type III)	24 GF 03	148585	2024-01-18	2024-01-19	2034-01-19	140,000	3.07%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Second Tranche) (Type I)	24 GF 04	148603	2024-02-23	2024-02-26	2027-02-26	170,000	2.56%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Second Tranche) (Type II)	24 GF 05	148604	2024-02-23	2024-02-26	2029-02-26	130,000	2.70%		

BONDS

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Third Tranche)	24 GF 06	148711	2024-04-22	2024-04-23	2027-04-23	290,000	2.30%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Fourth Tranche) (Type I)	24 GF 08	148988	2024-11-07	2024-11-08	2026-11-08	240,000	2.14%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Fourth Tranche) (Type II)	24 GF 09	148989	2024-11-07	2024-11-08	2027-11-08	120,000	2.20%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Fifth Tranche) (Type I)	24 GF 12	524029	2024-11-25	2024-11-26	2026-11-26	280,000	2.07%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Fifth Tranche) (Type II)	24 GF 13	524030	2024-11-25	2024-11-26	2027-11-26	220,000	2.14%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Sixth Tranche)	24 GF 14	524084	2024-12-23	2024-12-24	2026-06-28	500,000	1.80%	The principal and interest shall be fully repaid upon maturity.	

BONDS

Name of bond	Abbreviation							Trading place
	of bond	Code of bond	Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	
Suitability arrangement of investors (if any)								Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).
Applicable trading system								Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.
Any risk of suspension of trading in the shares of the listed company and the response								N/A



BONDS

11. Non-Public Issuance of Corporate Bonds in 2024

Unit: RMB '0000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Corporate Bonds Non-Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche)	24 GF 07	134062	2024-10-25	2024-10-28	2025-11-13	300,000	2.05%	Interests and the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Non-Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Second Tranche) (Type I)	24 GF 10	134079	2024-11-15	2024-11-18	2025-12-03	330,000	1.98%		
Corporate Bonds Non-Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Second Tranche) (Type II)	24 GF 11	134080	2024-11-15	2024-11-18	2026-04-10	80,000	2.09%		
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).								
Applicable trading system	Listed and transferred on the SZSE, and the transaction methods include click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								

BONDS

12. Public Issuance of Subordinated Bonds in 2024

Unit: RMB '0000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche)	24 GF C1	148567	2024-01-11	2024-01-12	2027-01-12	300,000	2.90%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).								
Applicable trading system	Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								



BONDS

13. Public Issuance of Perpetual Subordinated Bonds in 2024

Unit: RMB '0000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (First Tranche)	24 GF Y1	148591	2024-01-25	2024-01-26	The issuer has an option to redeem the bonds at principal amounts plus any accrued interest (including all deferred interest and its yield) on the fifth interest payment date or any interest payment date afterwards.	200,000	3.15%	Interest will be paid annually if the issuer does not exercise the right to defer interest payment.	SZSE
Perpetual Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2024 (Second Tranche)	24 GF Y2	148942	2024-11-13	2024-11-14		210,000	2.50%		
Suitability arrangement of investors (if any)			Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).						
Applicable trading system			Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.						
Any risk of suspension of trading in the shares of the listed company and the response			N/A						

BONDS

14. Public Issuance of Corporate Bonds in 2025

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (First Tranche) (Type I)	25 GF 01	524121	2025-01-20	2025-01-21	2028-01-21	160,000	1.83%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	SZSE
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (First Tranche) (Type II)	25 GF 02	524122	2025-01-20	2025-01-21	2030-01-21	150,000	1.90%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Second Tranche) (Type I)	25 GF 03	524149	2025-02-26	2025-02-27	2028-02-27	330,000	2.10%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) (Type I)	25 GF 05	524393	2025-08-06	2025-08-07	2028-08-07	470,000	1.80%		
Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) (Type II)	25 GF 06	524394	2025-08-06	2025-08-07	2030-08-07	110,000	1.88%		
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).								
Applicable trading system	Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								

Note: Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) (Type I) amounting to RMB3.90 billion was issued on August 7, 2025. On August 26, 2025, the Company completed the additional issuance of Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) (Type I) amounting to RMB0.80 billion. The abbreviation, code, coupon rate, maturity date and other issuance elements of the additionally issued bonds were consistent with those of the existing bonds.

BONDS

15. Public Issuance of Subordinated Bonds in 2025

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (First Tranche) (Type I)	25 GF C1	524181	2025-03-18	2025-03-19	2026-04-17	350,000	2.10%	Interests and the principal shall be fully repaid upon maturity.	SZSE
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Second Tranche) (Type I)	25 GF C3	524265	2025-05-21	2025-05-22	2028-05-22	200,000	1.95%	Interests shall be paid annually while the principal shall be fully repaid upon maturity.	
Sci-tech Innovation Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (First Tranche)	25 GF KC1	524282	2025-05-28	2025-05-29	2028-05-29	100,000	1.75%		
Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche)	25 GF C5	524375	2025-07-17	2025-07-18	2028-07-18	190,000	1.85%		
Suitability arrangement of investors (if any)			Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (excluding purchasers prohibited by laws and regulations).						
Applicable trading system			Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.						
Any risk of suspension of trading in the shares of the listed company and the response			N/A						

Note: Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) amounting to RMB1.40 billion was issued on July 18, 2025. On August 19, 2025, the Company completed the additional issuance of Subordinated Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche) amounting to RMB0.50 billion. The abbreviation, code, coupon rate, maturity date and other issuance elements of the additionally issued bonds were consistent with those of the existing bonds.

BONDS

16. Public Issuance of Short-term Corporate Bonds in 2025

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Second Tranche)	25 GF D3	524135	2025-02-20	2025-02-21	2025-09-07	350,000	1.95%	Interests and the principal shall be fully repaid upon maturity.	SZSE
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Third Tranche)	25 GF D4	524159	2025-03-06	2025-03-07	2025-09-10	300,000	2.02%		
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Fourth Tranche)	25 GF D6	524272	2025-05-14	2025-05-15	2025-10-23	500,000	1.60%		
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Fifth Tranche)	25 GF D7	524303	2025-06-11	2025-06-12	2026-01-09	300,000	1.64%		
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Sixth Tranche)	25 GF D8	524361	2025-07-10	2025-07-11	2026-02-05	300,000	1.58%		
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Seventh Tranche)	25 GF D9	524389	2025-08-04	2025-08-05	2026-02-13	500,000	1.61%		
Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Eighth Tranche)	25 廣 D10	524418	2025-08-28	2025-08-29	2026-08-24	500,000	1.73%		

BONDS

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Suitability arrangement of investors (if any)									Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).
Applicable trading system									Listed on the SZSE, and the transaction methods include matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.
Any risk of suspension of trading in the shares of the listed company and the response									N/A

Note: Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Fifth Tranche) amounting to RMB3.00 billion was issued on June 12, 2025. On July 29, 2025, the Company completed the additional issuance of Short-term Corporate Bonds Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Fifth Tranche) amounting to RMB2.00 billion. The abbreviation, code, coupon rate, maturity date and other issuance elements of the additionally issued bonds were consistent with those of the existing bonds.

BONDS

17. Non-Public Issuance of Short-term Corporate Bonds in 2025

Unit: RMB'0,000

Name of bond	Abbreviation		Issue date	Value date	Maturity date	Balance of Bond	Coupon rate	Debt service	Trading place
	of bond	Code of bond							
Short-term Corporate Bonds Non-Publicly Issued by GF Securities Co., Ltd. to Professional Investors in 2025 (Second Tranche)	25 GF D5	133962	2025-03-10	2025-03-11	2025-11-06	446,000	2.10%	Interests and the principal shall be fully repaid upon maturity.	SZSE
Suitability arrangement of investors (if any)	Target investors are professional institutional investors who hold an A-share security account in China Securities Depository and Clearing Corporation Limited, Shenzhen Branch (unless otherwise provided by laws and regulations).								
Applicable trading system	Listed and transferred on the SZSE, and the transaction methods include click transaction, inquiry transaction, bidding transaction and negotiation transaction.								
Any risk of suspension of trading in the shares of the listed company and the response	N/A								

Outstanding Overdue Bonds

N/A.



BONDS

(II) Trigger and Performance of the Issuer or Investor Option Terms and Investor Protection Terms

The “21GF Y1”, “22GFY1”, “22GFY2”, “22GFY3”, “23GFY1”, “23GFY2”, “23GFY3”, “23GFY4”, “24GFY1” and “24GFY2” Perpetual Subordinated Bonds issued by the Company include issuer’s option to renew, issuer’s option to defer interest payment and issuer’s option to redemption. These options had not been triggered and there were no renewal, interest hike and deferred interest during the Reporting Period. The Company had fully paid the interest for the current period in a timely manner.

The resolution regarding the change of use and cancellation of the repurchased A shares was considered and approved at the 6th meeting of the 11th session of the Board of the Company held on January 20, 2025, at the 2025 first extraordinary general meeting, the 2025 first class meeting of A Shareholders and the 2025 first class meeting of H Shareholders of the Company held on February 13, 2025, respectively, which agreed to change the use of the repurchased A Shares as follows: the repurchased Shares shall be cancelled and the registered capital shall be reduced accordingly. All 15,242,153 A Shares held in the Company’s designated securities account for repurchase shall be cancelled and the registered capital of the Company shall be reduced accordingly. Notice to Creditors Regarding the Cancellation of Repurchased A Shares and Reduction of Registered Capital was disclosed by the Company on February 14, 2025 to inform creditors of the above matters.

(III) Adjustments to Credit Rating Results During the Reporting Period

N/A.

(IV) Performance of and Changes in Guarantees, Debt Repayment Plans and Other Debt Repayment Safeguard Measures During the Reporting Period and the Effects on the Interests of Bond Investors

The above corporate bonds bear no warranties.

The debt repayment plans of the above corporate bonds are as follows: The Company will fulfil the obligation of interest payment on a timely basis as agreed in the bond prospectus. Such interest payment date shall be postponed to the next business day if the interest payment date or the repayment date falls on a statutory holiday or rest day, and no interest shall be accrued during such period. The principal and interest of corporate bonds shall be paid through registration authorities and relevant institutions. The detailed matters about principal and interest payment shall be explained by the Company in the relevant announcement published through the media designated by the CSRC according to the relevant national provisions. During the Reporting Period, there was no delayed payment of principal and interests for these corporate bonds and there was no default in debt settlement thereof.

BONDS

The safeguard measures on debt repayment of the above corporate bonds include but are not limited to: retaining a bond manager; establishing special repayment work team; establishing the Bondholder Meeting Rules; and disclosing information strictly. Furthermore, if it is predicted that the principal and interest of the bonds cannot be repaid on time when due or if the principal and interest of the bonds cannot be repaid at the end of the period, the Company shall adopt the following measures in accordance with the mandatory requirements (if applicable) under laws, regulations or regulatory documents: 1. the proportion of discretionary surplus reserve fund and the proportion of general risk reserves shall be increased during the duration of the bonds in order to reduce the solvency risk; 2. no profit shall be distributed to the shareholders; 3. Significant external investment, mergers and acquisitions, and other capital expenditure projects shall be postponed; 4. salary and bonus of the Directors and senior management shall be reduced or suspended; and 5. the main responsible person shall not be transferred.

During the Reporting Period, the above corporate bonds' credit enhancement mechanism, debt repayment plan and the other debt repayment safeguard measures were not changed.

III. DEBT FINANCING INSTRUMENTS FOR NON-FINANCIAL BUSINESSES

As of the approval date of this report, the Company had no debt financing instruments for non-financial businesses.

IV. CONVERTIBLE CORPORATE BONDS

During the Reporting Period, the Company had no convertible corporate bonds.

V. LOSSES DURING THE REPORTING PERIOD REPRESENTING MORE THAN 10% OF NET ASSETS AS AT THE END OF LAST YEAR ON A CONSOLIDATED BASIS

N/A.

VI. BUSINESS OF INCOME CERTIFICATES DURING THE REPORTING PERIOD

As of June 30, 2025, the scale of existing income certificates of the Company was RMB27.123 billion. During the Reporting Period, all income certificates issued by the Company were redeemed in accordance with the redemption date agreed in the contract, and there was no delay in redemption. The Company has sufficient liquidity to meet the needs of daily operations and repayment of due debts. During the Reporting Period, there was no significant change in the liquidity risk and credit risk of the income certificates.

財務報告

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

I. REVIEW REPORT

The 2025 interim financial report of the Group prepared in accordance with the International Accounting Standards is unaudited but has been reviewed by Ernst & Young, and the review report is enclosed hereinafter.

II. FINANCIAL STATEMENTS AND NOTES (ENCLOSED HEREINAFTER)



REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



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To the Board of Directors of GF Securities Co., Ltd.

(Established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the accompanying interim financial information set out on pages 134 to 228, which comprises the condensed consolidated statement of financial position of GF Securities Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statement of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" as issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong

29 August 2025



INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2025

	Notes	Six months ended 30 June	
		2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited) (restated)
Revenue			
Commission and fee income	4	8,367,183	6,783,555
Interest income	5	5,908,230	6,248,160
Net investment gains	6	5,506,526	3,651,538
Total revenue		19,781,939	16,683,253
Other income and gains or losses	7	134,501	133,360
Total revenue and other income		19,916,440	16,816,613
Depreciation and amortisation	8	(539,354)	(502,157)
Staff costs	9	(4,537,430)	(3,853,637)
Commission and fee expenses	10	(168,900)	(123,998)
Interest expenses	11	(4,849,119)	(5,354,093)
Other operating expenses	12	(2,099,769)	(1,996,928)
Credit impairment reverses	13	98,474	23,889
Other assets impairment losses		(982)	(12,781)
Total expenses		(12,097,080)	(11,819,705)
Share of results of associates and joint ventures		499,879	120,563
Profit before income tax		8,319,239	5,117,471
Income tax expense	14	(1,313,731)	(382,052)
Profit for the period		7,005,508	4,735,419
Attributable to:			
Owners of the Company		6,469,748	4,362,372
Non-controlling interests		535,760	373,047
		7,005,508	4,735,419
Earnings per share (Expressed in RMB Yuan per share)			
– Basic/Diluted	15	0.79	0.52

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Profit for the period	7,005,508	4,735,419
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Revaluation gains on equity instruments at fair value through other comprehensive income	1,388,773	1,381,918
Income tax related to the above	<u>(346,502)</u>	<u>(318,144)</u>
Total items that will not be reclassified to profit or loss in subsequent periods	<u>1,042,271</u>	<u>1,063,774</u>
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	<u>(197,527)</u>	<u>28,202</u>
Debt instruments at fair value through other comprehensive income:		
– Net fair value changes during the period	(492,618)	1,139,336
– Reclassification to profit or loss on disposal	(131,321)	(504,305)
– Reclassification to profit or loss on impairment	(24,687)	(79,316)
– Income tax related to the above	<u>167,192</u>	<u>(136,924)</u>
Net (losses)/gains on debt instruments at fair value through other comprehensive income	<u>(481,434)</u>	<u>418,791</u>
Share of other comprehensive income of associates:		
– Share of fair value losses on financial assets of associates	–	(5)
– Share of exchange differences arising on translation of associates	<u>(561)</u>	<u>438</u>
Net (losses)/gains on other comprehensive income of associates	<u>(561)</u>	<u>433</u>
Total items that may be reclassified to profit or loss in subsequent periods	<u>(679,522)</u>	<u>447,426</u>

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025	2024
	RMB' 000	RMB' 000
	(unaudited)	(unaudited)
Other comprehensive income for the period, net of tax	<u>362,749</u>	<u>1,511,200</u>
Total comprehensive income for the period	<u><u>7,368,257</u></u>	<u><u>6,246,619</u></u>
Attributable to:		
Owners of the Company	<u>6,834,116</u>	<u>5,872,549</u>
Non-controlling interests	<u>534,141</u>	<u>374,070</u>
	<u><u>7,368,257</u></u>	<u><u>6,246,619</u></u>

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current assets			
Property and equipment	16	3,282,630	3,271,412
Right-of-use assets	17	1,922,419	1,999,128
Investment properties		249,680	242,977
Goodwill		2,367	2,403
Other intangible assets		483,820	515,112
Investments in associates	18	8,869,472	8,912,004
Investments in joint ventures	19	2,351,995	2,097,754
Debt instruments at amortised cost	20	5,091	5,091
Equity instruments at fair value through other comprehensive income	21	35,063,281	22,317,775
Advances to customers	23	1,998	20,240
Other accounts receivable, other receivables and prepayments	25	–	12,000
Financial assets held under resale agreements	27	9,927	–
Financial assets at fair value through profit or loss	28	9,133,779	8,844,547
Deferred tax assets	34	2,100,904	1,855,661
Total non-current assets		63,477,363	50,096,104
Current assets			
Debt instruments at amortised cost	20	89,352	30,554
Debt instruments at fair value through other comprehensive income	22	91,178,499	104,334,355
Advances to customers	23	108,658,844	108,919,686
Accounts receivable	24	10,526,897	8,604,402
Other accounts receivable, other receivables and prepayments	25	1,049,797	983,829
Financial leasing receivables	26	14,533	14,087
Amounts due from joint ventures and associates		93,616	74,691
Financial assets held under resale agreements	27	18,948,245	20,565,244
Financial assets at fair value through profit or loss	28	279,581,708	233,976,850
Derivative financial assets	29	3,289,619	3,879,447
Deposits with exchanges and non-bank financial institutions	30	26,962,604	22,681,989
Clearing settlement funds	31	36,601,648	35,188,242
Bank balances	32	175,366,558	169,395,629
Total current assets		752,361,920	708,649,005
Total assets		815,839,283	758,745,109

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Current liabilities			
Borrowings	36	4,694,099	4,324,296
Short-term financing payables	37	58,059,831	71,983,519
Financial liabilities at fair value through profit or loss	38	18,136,460	7,661,116
Due to banks and other financial institutions		37,446,660	14,605,858
Accounts payable to brokerage clients	39	191,915,606	175,339,655
Accounts payable to underwriting clients		7,001	–
Accrued staff costs	40	4,319,746	4,596,514
Other accounts payable, other payables and accruals	41	45,928,372	36,675,423
Contract liabilities		113,270	123,280
Amounts due to joint ventures and associates		10,896	10,191
Provisions	42	33,611	33,519
Current tax liabilities		473,654	279,438
Other liabilities	43	771,454	571,210
Derivative financial liabilities	29	8,041,485	6,757,754
Financial assets sold under repurchase agreements	44	169,970,658	171,313,952
Bonds payable	45	40,062,581	32,688,789
Lease liabilities	17	310,202	311,310
		<u>580,295,586</u>	<u>527,275,824</u>
Total current liabilities			
		<u>172,066,334</u>	<u>181,373,181</u>
Net current assets			
		<u>235,543,697</u>	<u>231,469,285</u>
Total assets less current liabilities			

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current liabilities			
Financial liabilities at fair value through profit or loss	38	549,443	544,415
Accrued staff costs	40	5,809,667	5,809,278
Deferred tax liabilities	34	234,829	149,424
Bonds payable	45	70,981,392	70,602,188
Lease liabilities	17	638,039	688,243
Other liabilities	43	750,066	590,355
Total non-current liabilities		<u>78,963,436</u>	<u>78,383,903</u>
Net assets		<u>156,580,261</u>	<u>153,085,382</u>
Capital and reserves			
Share capital		7,605,846	7,621,088
Other equity instruments	46	26,600,000	26,600,000
Capital reserve		31,057,716	31,274,035
Treasury shares	47	–	(233,609)
Investment revaluation reserve		3,272,415	2,870,647
Translation reserve		460,030	656,545
General reserves		36,573,152	36,378,553
Retained profits		45,378,083	42,434,657
Equity attributable to owners of the Company		<u>150,947,242</u>	<u>147,601,916</u>
Non-controlling interests		<u>5,633,019</u>	<u>5,483,466</u>
Total equity		<u>156,580,261</u>	<u>153,085,382</u>

Approved and authorised for issue by the Board of Directors on 29 August 2025.

Lin Chuanhui

Executive Director, Chairman

Qin Li

Executive Director, General Manager

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025

	Equity attributable to owners of the Company										
	Share capital	Other equity instruments	Capital reserve	Treasury shares	Investment revaluation reserve	Translation reserve	General reserves	Retained profits	Subtotal	Non-controlling interests	Total equity
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
As at 1 January 2025	7,621,088	26,600,000	31,274,035	(233,609)	2,870,647	656,545	36,378,553	42,434,657	147,601,916	5,483,466	153,085,382
Profit for the period	-	-	-	-	-	-	-	6,469,748	6,469,748	535,760	7,005,508
Other comprehensive income for the period	-	-	-	-	560,883	(196,515)	-	-	364,368	(1,619)	362,749
Total comprehensive income for the period	-	-	-	-	560,883	(196,515)	-	6,469,748	6,834,116	534,141	7,368,257
Issue of perpetual bonds	-	-	-	-	-	-	-	-	-	-	-
Appropriation to general reserves	-	-	-	-	-	-	194,599	(194,599)	-	-	-
Ordinary share dividends recognised as distribution (Note 48)	-	-	-	-	-	-	-	(3,042,338)	(3,042,338)	(384,588)	(3,426,926)
Distribution to other equity instrument holders (Note 48)	-	-	-	-	-	-	-	(448,500)	(448,500)	-	(448,500)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	(159,115)	-	-	159,115	-	-	-
Others	(15,242)	-	(216,319)	233,609	-	-	-	-	2,048	-	2,048
As at 30 June 2025 (unaudited)	7,605,846	26,600,000	31,057,716	-	3,272,415	460,030	36,573,152	45,378,083	150,947,242	5,633,019	156,580,261

	Equity attributable to owners of the Company										
	Share capital	Other equity instruments	Capital reserve	Treasury shares	Investment revaluation reserve	Translation reserve	General reserves	Retained profits	Subtotal	Non-controlling interests	Total equity
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
As at 1 January 2024	7,621,088	22,478,500	31,296,848	(233,609)	840,235	498,473	33,066,912	40,149,201	135,717,648	4,958,062	140,675,710
Profit for the period	-	-	-	-	-	-	-	4,362,372	4,362,372	373,047	4,735,419
Other comprehensive income for the period	-	-	-	-	1,482,560	27,617	-	-	1,510,177	1,023	1,511,200
Total comprehensive income for the period	-	-	-	-	1,482,560	27,617	-	4,362,372	5,872,549	374,070	6,246,619
Issue of perpetual bonds	-	2,021,500	(23,500)	-	-	-	-	-	1,998,000	-	1,998,000
Appropriation to general reserves	-	-	-	-	-	-	179,524	(179,524)	-	-	-
Ordinary share dividends recognised as distribution (Note 48)	-	-	-	-	-	-	-	(2,281,754)	(2,281,754)	(384,588)	(2,666,342)
Distribution to other equity instrument holders (Note 48)	-	-	-	-	-	-	-	(604,290)	(604,290)	-	(604,290)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	(108,986)	-	-	108,986	-	-	-
Others	-	-	800	-	-	-	-	-	800	-	800
As at 30 June 2024 (unaudited)	7,621,088	24,500,000	31,274,148	(233,609)	2,213,809	526,090	33,246,436	41,554,991	140,702,953	4,947,544	145,650,497

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
OPERATING ACTIVITIES		
Profit before income tax	8,319,239	5,117,471
Adjustments for:		
Interest expenses	4,849,119	5,354,093
Share of results of associates and joint ventures	(499,879)	(120,563)
Depreciation and amortisation	539,354	502,157
Credit impairment reverses	(98,474)	(23,889)
Other assets impairment losses	982	12,781
Losses/(gains) on disposal of property and equipment and other intangible assets	2,382	(3,573)
Gains on disposal of subsidiaries, associates and joint ventures	(445)	(4,288)
Foreign exchange losses/(gains), net	211,928	(15,309)
Net realised gains from disposal of financial instruments at fair value through other comprehensive income	(131,321)	(504,305)
Dividend income and interest income from financial instruments at fair value through other comprehensive income	(1,885,369)	(1,937,374)
Interest income from debt instruments at amortised cost	(1,311)	(4,014)
Unrealised fair value changes in financial assets at fair value through profit or loss	(3,426,243)	(638,745)
Unrealised fair value changes in financial liabilities at fair value through profit or loss	154,034	(368,716)
Unrealised fair value changes in derivatives	2,079,787	1,432,625
Unrealised fair value changes in hedged items	(238)	–

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Operating cash flows before movements in working capital	10,113,545	8,798,351
Decrease in advances to customers	272,659	6,112,498
Decrease in financial assets held under resale agreements	1,482,068	486,868
Increase in financial assets at fair value through profit or loss	(42,934,773)	(38,525,681)
(Increase)/decrease in deposits with exchanges and non-bank financial institutions	(4,288,195)	2,395,259
(Increase)/decrease in restricted bank deposits	(1,212,475)	513,623
Increase in other current assets	(1,929,501)	(1,116,681)
(Increase)/decrease in clearing settlement funds for clients	(2,470,689)	3,806,806
Increase in cash held on behalf of customers	(10,371,071)	(7,709,453)
Increase/(decrease) in financial liabilities at fair value through profit or loss	10,403,888	(7,186,621)
Increase in accounts payable to brokerage clients	16,615,816	4,467,044
Decrease in accrued staff costs	(273,411)	(1,015,816)
Increase/(decrease) in other accounts payable, other payables and accruals and other liabilities	9,299,004	(1,888,047)
Decrease in financial assets sold under repurchase agreements	(1,101,971)	(23,584,952)
Increase in amounts due to banks and other financial institutions	22,926,313	20,312,740
Increase/(decrease) in provision	92	(550)
Cash from/(used in) operations	6,531,299	(34,134,612)
Income taxes paid	(1,401,037)	(456,101)
Interest paid	(2,449,144)	(2,871,821)
Net cash from/(used in) operating activities	2,681,118	(37,462,534)

The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
INVESTING ACTIVITIES		
Dividends and interest received from investments	1,975,688	2,652,995
Purchases of property and equipment and other intangible assets	(376,588)	(345,757)
Proceeds from disposal of property and equipment and other intangible assets	1,099	12,109
Capital injection to associates and joint ventures	(239,843)	(1,407,080)
Proceeds from disposals of interests in associates and joint ventures	135,655	326,011
Purchase of or proceeds from disposal of financial instruments at fair value through other comprehensive income, net	1,357,237	33,613,039
Purchase of or proceeds from disposal of debt instruments at amortised cost, net	(47,342)	21,249
Net cash from investing activities	2,805,906	34,872,566



The accompanying notes form an integral part of these condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
FINANCING ACTIVITIES		
Proceeds from perpetual subordinated bonds issued	–	2,000,000
Dividends paid to shareholders and non-controlling interests	(4,036,076)	(1,158,439)
Repayment of interest of borrowings	(122,248)	(213,759)
Repayment of short-term financing payables and bonds interest	(2,167,769)	(1,272,882)
Proceeds from short-term financing payables and bonds issued	70,108,326	41,272,540
Repayment of short-term financing payables and bonds	(76,227,887)	(37,415,176)
Proceeds from borrowings	609,129	58,455
Repayment of borrowings	(128,030)	(1,540,245)
Payment of principal and interest on lease liabilities	(174,738)	(184,351)
Proceeds from other financing activities	–	2,438,729
Repayment of other financing activities	–	(68,175)
	<hr/>	<hr/>
Net cash (used in)/from financing activities	(12,139,293)	3,916,697
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(6,652,269)	1,326,729
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period	32,238,193	21,741,361
Effect of foreign exchange rate changes, net	83,057	20,515
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	<u>25,668,981</u>	<u>23,088,605</u>

The accompanying notes form an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

1. GENERAL INFORMATION OF THE GROUP

With the approval of the People's Bank of China, Guangdong Development Bank (廣東發展銀行) (now known as China Guangfa Bank) established a securities department on 9 April 1991. With the approval of the Guangdong Administration for Industry and Commerce, GF Securities Co., Ltd. (the "Company") was duly established as the Securities Department of Guangdong Development Bank (廣東發展銀行證券業務部) on 21 May 1993. On 25 January 1994, the Company was converted into Guangdong Guangfa Securities Company (廣東廣發證券公司), whose capital was contributed by Guangdong Development Bank with its own funds. On 26 December 1996, the Company was converted into a limited liability company and changed its name to Guangfa Securities Limited Liability Company (廣發證券有限責任公司). On 26 August 1999, the Company was spun off from Guangdong Development Bank as required by the sectoral regulation of the financial industries under PRC laws. On 25 July 2001, the Company was converted into a joint stock company and changed its name to GF Securities Co., Ltd. (廣發證券股份有限公司). On 12 February 2010, the Company was listed on the Shenzhen Stock Exchange by completing a reverse takeover of Yan Bian Road Construction Co., Ltd. (延邊公路建設股份有限公司) ("Yan Bian Road"), with the stock code 000776. On 10 April 2015, the Company issued H Shares which were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

The registered office of the Company is located at Room 618, 2 Tengfei 1st Road, Sino-Singapore Guangzhou Knowledge City, Huangpu District, Guangzhou, Guangdong, People's Republic of China ("PRC").

The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in securities business, the proxy sale of securities investment funds, the provision of futures intermediary services for futures companies, securities investment fund custodian, fund raising, fund sales, asset management, project and investment management, commodity futures brokerage, financial futures brokerage and futures investment advisory, etc.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

The unaudited condensed consolidated financial statements were approved by the Board of Directors (the "Board") on 29 August 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. BASIS OF PREPARATION AND CHANGES ON ACCOUNTING POLICIES

Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024.

Except as described below, the principal accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2024.

Changes in accounting policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS/CAS Accounting Standard for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

In addition, The Ministry of Finance of the People’s Republic of China issued implementation Questions&Answers on the accounting treatment for standard warehouse receipt transactions on July 8, 2025, clarifying that contracts for trading standard warehouse receipts on futures exchanges without physical delivery should be treated as financial instruments and accounted for in accordance with the China’s Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments. For contracts where standard warehouse receipts are obtained and then sold within a short period, sales revenue should not be recognized. Instead, the difference between the sales proceeds and the carrying amount of the sold standard warehouse receipts should be recognized as net investment gains. The standard warehouse receipts held at period-end that remain unsold should be classified as other current assets.

The Group has implemented the above Q&A provisions. For standard warehouse receipt contracts which meeting the specific conditions mentioned above, the difference between sales proceeds and the carrying amount of the sold standard warehouse receipts is recognized as net investment gains, with no sales revenue recognized. The Group has accordingly adjusted and restated the comparative financial information.

The adoption of the amended accounting policies mentioned above does not have a significant impact on the Group’s interim condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

3. SEGMENT REPORTING

The operating and reportable segment information provided to the chief operating decision maker (the “CODM”) for the six months ended 30 June 2025 and 30 June 2024 is as follows:

	Investment banking RMB' 000	Wealth management RMB' 000	Trading and institution RMB' 000	Investment management RMB' 000	Others RMB' 000	Consolidated total RMB' 000
Unaudited						
For the six months ended 30 June 2025						
Segment revenue and results						
Segment revenue	339,592	7,483,710	8,805,668	3,100,319	52,650	19,781,939
Segment other income and gains or losses	193	75,153	(229,840)	288,135	860	134,501
Segment revenue and other income	339,785	7,558,863	8,575,828	3,388,454	53,510	19,916,440
Segment expenses	(335,033)	(3,575,320)	(4,441,076)	(2,494,011)	(1,251,640)	(12,097,080)
Segment results	4,752	3,983,543	4,134,752	894,443	(1,198,130)	7,819,360
Share of results of associates and joint ventures	–	477	(14,734)	468,184	45,952	499,879
Profit/(loss) before income tax	4,752	3,984,020	4,120,018	1,362,627	(1,152,178)	8,319,239
Unaudited						
As at 30 June 2025						
Segment assets and liabilities						
Segment assets	231,902	198,190,954	392,857,191	36,855,249	185,603,083	813,738,379
Deferred tax assets						2,100,904
Group's total assets						<u>815,839,283</u>
Segment liabilities	173,603	176,429,857	365,066,760	15,427,393	101,926,580	659,024,193
Deferred tax liabilities						234,829
Group's total liabilities						<u>659,259,022</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

3. SEGMENT REPORTING – continued

	Investment banking RMB' 000	Wealth management RMB' 000	Trading and institution RMB' 000	Investment management RMB' 000	Others RMB' 000	Consolidated total RMB' 000
Unaudited (restated)						
For the six months ended 30 June 2024						
Segment revenue and results						
Segment revenue	352,394	6,271,867	6,734,642	3,247,002	77,348	16,683,253
Segment other income and gains or losses	(191)	56,022	40,726	15,621	21,182	133,360
Segment revenue and other income	352,203	6,327,889	6,775,368	3,262,623	98,530	16,816,613
Segment expenses	(333,490)	(3,334,371)	(4,807,427)	(2,293,659)	(1,050,758)	(11,819,705)
Segment results	18,713	2,993,518	1,967,941	968,964	(952,228)	4,996,908
Share of results of associates and joint ventures	–	148	(25,417)	193,387	(47,555)	120,563
Profit/(loss) before income tax	18,713	2,993,666	1,942,524	1,162,351	(999,783)	5,117,471
Audited						
As at 31 December 2024						
Segment assets and liabilities						
Segment assets	295,233	185,565,204	345,545,242	35,522,417	189,961,352	756,889,448
Deferred tax assets						1,855,661
Group's total assets						<u>758,745,109</u>
Segment liabilities	165,187	160,764,324	220,083,025	11,460,715	213,037,052	605,510,303
Deferred tax liabilities						149,424
Group's total liabilities						<u>605,659,727</u>

The Group's non-current assets are mainly located in the PRC (country of domicile). The Group's revenue is substantially derived from its operations in the PRC.

There were no sales to a single customer from which the revenue amounted to over 10% to the Group's revenue for the six months ended 30 June 2025 and 30 June 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

4. COMMISSION AND FEE INCOME

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Securities brokerage business commission and fee income	3,695,809	2,585,266
Asset management and fund management fee income	3,668,604	3,383,012
Futures brokerage business commission and fee income	372,199	285,946
Underwriting and sponsorship fee income	307,224	328,565
Consultancy and financial advisory fee income	91,180	58,303
Others	232,167	142,463
	<u>8,367,183</u>	<u>6,783,555</u>

5. INTEREST INCOME

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Margin financing and securities lending	2,679,517	2,526,173
Deposits with exchanges and financial institutions	1,650,522	1,763,530
Debt instruments at fair value through other comprehensive income	1,204,276	1,562,464
Financial assets held under resale agreements	358,604	379,269
Debt instruments at amortised cost	1,311	4,014
Leasing business	542	1,716
Others	13,458	10,994
	<u>5,908,230</u>	<u>6,248,160</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

6. NET INVESTMENT GAINS

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited) (restated)
Net realised gains from disposal of financial instruments at fair value through other comprehensive income	131,321	504,305
Net realised gains/(losses) from disposal of financial instruments at fair value through profit or loss	2,219,273	(3,340,678)
Interest income and dividend income from financial instruments at fair value through profit or loss	2,109,798	2,560,628
Interest income and dividend income from financial instruments at fair value through other comprehensive income	681,093	374,910
Net realised (losses)/gains from derivatives	(762,885)	3,466,408
Unrealised fair value changes of financial instruments at fair value through profit or loss		
– Financial assets at fair value through profit or loss	3,426,243	638,745
– Financial liabilities at fair value through profit or loss	(154,034)	368,716
– Derivatives	(2,147,507)	(918,796)
Gains on fair value hedges	6,491	–
Others	(3,267)	(2,700)
	<u>5,506,526</u>	<u>3,651,538</u>

7. OTHER INCOME AND GAINS OR LOSSES

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited) (restated)
Government grants	329,631	2,507
Commission from tax withholding and remitting	39,164	52,562
Gains on disposal of subsidiaries, associates and joint ventures	445	4,288
Profit or loss attributable to third parties in consolidated structured entities	(55,736)	(748)
Foreign exchange (losses)/gains	(211,928)	15,309
Others	32,925	59,442
	<u>134,501</u>	<u>133,360</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

8. DEPRECIATION AND AMORTISATION

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Depreciation of property and equipment	252,224	217,676
Depreciation of right-of-use assets	188,090	194,611
Amortisation of other intangible assets	93,146	85,581
Depreciation of investment properties	5,894	4,289
	<u>539,354</u>	<u>502,157</u>

9. STAFF COSTS

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Salaries, bonuses and allowances and other long-term benefits	3,747,624	3,078,014
Defined contribution plans	362,944	337,472
Short-term social welfares	231,886	236,673
Others	194,976	201,478
	<u>4,537,430</u>	<u>3,853,637</u>

10. COMMISSION AND FEE EXPENSES

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Securities and futures brokerage business expenses	146,982	109,044
Underwriting and sponsorship fee expenses	10,110	9,185
Other service expenses	11,808	5,769
	<u>168,900</u>	<u>123,998</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

11. INTEREST EXPENSES

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Financial assets sold under repurchase agreements	1,851,636	1,793,510
Bonds payable	1,525,402	1,763,104
Short-term financing payables	782,562	469,675
Due to banks and other financial institutions	334,446	596,316
Accounts payable to brokerage clients	219,341	274,274
Borrowings	77,042	223,310
Lease liabilities	18,270	20,454
Others	40,420	213,450
	<u>4,849,119</u>	<u>5,354,093</u>

12. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited) (restated)
Distribution expenses for fund and asset management business	831,736	818,329
General and administrative expenses	522,713	530,673
Post and telecommunications expenses	150,584	139,022
Advertisement and business development expenses	123,890	81,419
Taxes and surcharges	93,686	87,157
Rents and utilities	75,440	79,047
Securities and futures investor protection funds	50,468	39,950
Others	251,252	221,331
	<u>2,099,769</u>	<u>1,996,928</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

13. CREDIT IMPAIRMENT REVERSES

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Debt instruments at amortised cost	(11,194)	4,153
Debt instruments at fair value through other comprehensive income	(24,687)	(79,316)
Advances to customers	(5,353)	51,714
Accounts receivable	4,089	9,466
Lease receivables	(722)	(21,187)
Financial assets held under resale agreements	(62,259)	11,502
Others	1,652	(221)
	<u>(98,474)</u>	<u>(23,889)</u>

14. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Current tax:		
PRC Enterprise Income Tax	1,568,703	708,456
Hong Kong Profits Tax and other jurisdictions	29,110	56,430
Subtotal	1,597,813	764,886
Deferred tax (Note 34)	(284,082)	(382,834)
	<u>1,313,731</u>	<u>382,052</u>

Under the Enterprise Income Tax Law of the PRC (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the Company and its main subsidiaries in the PRC is 25%.

Hong Kong Profits Tax was calculated at 16.5% of the estimated assessable profits. Tax arising in other jurisdictions is calculated at the applicable tax rates in the relevant jurisdictions.

On 28 May 2025, the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Bill 2024 was passed by the Legislative Council of Hong Kong. The Global Minimum Tax and the Hong Kong Minimum Top-up Tax was implemented in Hong Kong with effect from 1 January 2025. The Group expects that the implementation of the above legislation will have no significant impact on the Group's financial condition and operating results.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

15. EARNINGS PER SHARE

The calculation of earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Earnings for the purpose of basic earnings per share:		
Profit for the period attributable to owners of the Company (RMB in thousand)	6,469,748	4,362,372
Less: Profit for the period attributable to other equity instrument holders of the Company (RMB in thousand)	474,909	444,560
	<u>5,994,839</u>	<u>3,917,812</u>
Profit for the period attributable to ordinary shareholders of the Company (RMB in thousand)		
	<u>7,605,846</u>	<u>7,605,846</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)		
	<u>7,605,846</u>	<u>7,605,846</u>
Earnings per share (RMB)		
– Basic	<u>0.79</u>	<u>0.52</u>
– Diluted	<u>0.79</u>	<u>0.52</u>

There were no potential dilutive ordinary shares outstanding for the six months ended 30 June 2025 and 30 June 2024.

The calculation of the basic earnings per share is based on the profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding, the Company cancelled its treasury shares on 25 February 2025 as detailed in Note 47, which did not have an impact on the calculation of earnings per share for the current period nor for the comparative period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

16. PROPERTY AND EQUIPMENT

	Properties and buildings RMB' 000	Electronic and communication equipment RMB' 000	Motor vehicles RMB' 000	Office equipment RMB' 000	Improvements RMB' 000	Construction in progress RMB' 000	Total RMB' 000
Unaudited							
Cost							
As at 1 January 2025	2,600,291	1,803,404	148,023	309,227	1,075,194	251,071	6,187,210
Additions	-	220,720	7,019	16,775	34,925	-	279,439
Transfers during the period	(11,655)	-	-	-	-	-	(11,655)
Disposals/write-off	-	(27,050)	(8,264)	(3,093)	(38,854)	-	(77,261)
Effect of foreign currency exchange differences and others	-	(641)	(35)	(75)	(895)	-	(1,646)
As at 30 June 2025	<u>2,588,636</u>	<u>1,996,433</u>	<u>146,743</u>	<u>322,834</u>	<u>1,070,370</u>	<u>251,071</u>	<u>6,376,087</u>
Accumulated depreciation and impairment							
As at 1 January 2025	784,867	1,084,308	110,320	245,722	690,581	-	2,915,798
Charge for the period	37,343	130,805	6,175	12,010	67,765	-	254,098
Transfers during the period	(1,725)	-	-	-	-	-	(1,725)
Disposals/write-off	-	(26,882)	(8,264)	(3,064)	(35,580)	-	(73,790)
Effect of foreign currency exchange differences and others	-	(487)	(21)	(24)	(392)	-	(924)
As at 30 June 2025	<u>820,485</u>	<u>1,187,744</u>	<u>108,210</u>	<u>254,644</u>	<u>722,374</u>	<u>-</u>	<u>3,093,457</u>
Net carrying amount							
As at 30 June 2025	<u>1,768,151</u>	<u>808,689</u>	<u>38,533</u>	<u>68,190</u>	<u>347,996</u>	<u>251,071</u>	<u>3,282,630</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

16. PROPERTY AND EQUIPMENT – continued

	Properties and buildings RMB' 000	Electronic and communication equipment RMB' 000	Motor vehicles RMB' 000	Office equipment RMB' 000	Improvements RMB' 000	Construction in progress RMB' 000	Total RMB' 000
Audited							
Cost							
As at 1 January 2024	2,635,400	1,529,448	132,264	281,449	1,012,132	246,301	5,836,994
Additions	-	330,653	9,176	29,141	170,643	4,770	544,383
Transfers during the year	(57,165)	-	-	-	-	-	(57,165)
Disposals/write-off	(2,515)	(84,408)	(7,257)	(11,374)	(108,193)	-	(213,747)
Effect of foreign currency exchange differences and others	24,571	27,711	13,840	10,011	612	-	76,745
As at 31 December 2024	<u>2,600,291</u>	<u>1,803,404</u>	<u>148,023</u>	<u>309,227</u>	<u>1,075,194</u>	<u>251,071</u>	<u>6,187,210</u>
Accumulated depreciation and impairment							
As at 1 January 2024	692,351	919,217	90,861	221,086	683,104	-	2,606,619
Charge for the year	72,493	221,648	12,579	25,445	114,634	-	446,799
Transfers during the year	(4,505)	-	-	-	-	-	(4,505)
Disposals/write-off	(43)	(84,157)	(6,934)	(10,824)	(108,000)	-	(209,958)
Effect of foreign currency exchange differences and others	24,571	27,600	13,814	10,015	843	-	76,843
As at 31 December 2024	<u>784,867</u>	<u>1,084,308</u>	<u>110,320</u>	<u>245,722</u>	<u>690,581</u>	<u>-</u>	<u>2,915,798</u>
Net carrying amount							
As at 31 December 2024	<u>1,815,424</u>	<u>719,096</u>	<u>37,703</u>	<u>63,505</u>	<u>384,613</u>	<u>251,071</u>	<u>3,271,412</u>

As at 30 June 2025, the Group's properties and buildings amounting to RMB249.85 million (31 December 2024: RMB262.92 million) included the leasehold interest in land as the leasehold payments could not be allocated reliably between the land and building elements, and therefore the entire lease is accounted for as properties and buildings.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

17. LEASES

The Group as a lessee

The Group has lease contracts for various items of properties and buildings used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(1) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period/year are as follows:

	Properties and buildings RMB' 000	Land use rights RMB' 000	Total RMB' 000
Unaudited			
Cost			
As at 1 January 2025	1,896,410	1,274,130	3,170,540
Additions	129,272	–	129,272
Disposals/write-off	(87,764)	–	(87,764)
Transfers during the period	–	(3,130)	(3,130)
Effect of foreign currency	(2,806)	–	(2,806)
	<u>1,935,112</u>	<u>1,271,000</u>	<u>3,206,112</u>
As at 30 June 2025			
Accumulated depreciation and impairment			
As at 1 January 2025	932,662	238,750	1,171,412
Charge for the period	173,901	14,189	188,090
Disposals/write-off	(73,946)	–	(73,946)
Transfers during the period	–	(463)	(463)
Effect of foreign currency	(1,400)	–	(1,400)
	<u>1,031,217</u>	<u>252,476</u>	<u>1,283,693</u>
As at 30 June 2025			
Net carrying amount			
As at 30 June 2025	<u>903,895</u>	<u>1,018,524</u>	<u>1,922,419</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

17. LEASES – continued

The Group as a lessee – continued

(1) Right-of-use assets – continued

	Properties and buildings RMB' 000	Land use rights RMB' 000	Total RMB' 000
Audited			
Cost			
As at 1 January 2024	1,825,779	1,292,056	3,117,835
Additions	449,031	–	449,031
Disposals/write-off	(383,919)	–	(383,919)
Transfers during the year	–	(17,926)	(17,926)
Effect of foreign currency exchange differences	5,519	–	5,519
As at 31 December 2024	<u>1,896,410</u>	<u>1,274,130</u>	<u>3,170,540</u>
Accumulated depreciation and impairment			
As at 1 January 2024	877,843	215,147	1,092,990
Charge for the year	359,010	29,261	388,271
Disposals/write-off	(307,568)	–	(307,568)
Transfers during the year	–	(5,658)	(5,658)
Effect of foreign currency exchange differences	3,377	–	3,377
As at 31 December 2024	<u>932,662</u>	<u>238,750</u>	<u>1,171,412</u>
Net carrying amount			
As at 31 December 2024	<u><u>963,748</u></u>	<u><u>1,035,380</u></u>	<u><u>1,999,128</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

17. LEASES – continued

The Group as a lessee – continued

(2) Lease liabilities

The carrying amounts of the Group's lease liabilities are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Properties and buildings		
Current	310,202	311,310
Non-current	638,039	688,243
	<u>948,241</u>	<u>999,553</u>
Total	<u>948,241</u>	<u>999,553</u>

As at 30 June 2025 and 31 December 2024, the future cash outflows relating to leases that have not yet commenced were insignificant.

18. INVESTMENTS IN ASSOCIATES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Cost of investments in associates	4,165,508	4,264,412
Share of post-acquisition profits and other comprehensive income, net of dividends received	4,701,792	4,644,753
	<u>8,867,300</u>	<u>8,909,165</u>
Investment in an associate at fair value through profit or loss (Note)	2,172	2,839
	<u>8,869,472</u>	<u>8,912,004</u>

Note: The Group elects to measure its investment in GEJIA Corporation of RMB2.17 million (31 December 2024: RMB2.84 million) held through GF Beacon Capital Management Limited, a venture capital organisation and an indirectly wholly-owned subsidiary, at fair value through profit or loss as management measured the performance of this associate on a fair value basis as at 30 June 2025. The valuation determinations, including valuation techniques, key inputs and fair value information for the associate measured at fair value through profit or loss, are set out in note 52.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

18. INVESTMENTS IN ASSOCIATES – continued

Details of the Group's significant associate at the end of the period are as follows:

Name of associate	Place and date of establishment	Equity interest held by the Group		Principal activities
		As at 30 June 2025	As at 31 December 2024	
易方達基金管理有限公司 E Fund Management Co., Limited ("E Fund")	PRC 17 April 2001	22.65%	22.65%	Publicly offered securities investment fund management, fund sale, asset management for specific customers

19. INVESTMENTS IN JOINT VENTURES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Cost of investments in joint ventures	2,594,406	2,409,865
Share of post-acquisition profits and other comprehensive income, net of dividends received	(242,411)	(312,111)
	<u>2,351,995</u>	<u>2,097,754</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

20. DEBT INSTRUMENTS AT AMORTISED COST

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Others	290,657	290,657
Less: Allowance for ECLs	<u>285,566</u>	<u>285,566</u>
	<u>5,091</u>	<u>5,091</u>
Analysed as:		
Unlisted	<u>5,091</u>	<u>5,091</u>
Current		
Debt securities	63,451	15,934
Entrusted loans	14,510	14,510
Others	186,602	186,515
Less: Allowance for ECLs	<u>175,211</u>	<u>186,405</u>
	<u>89,352</u>	<u>30,554</u>
Analysed as:		
Unlisted	<u>89,352</u>	<u>30,554</u>
Total	<u>94,443</u>	<u>35,645</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

20. DEBT INSTRUMENTS AT AMORTISED COST – *continued*

Movements of allowance for the expected credit losses (“ECLs”) during the period/year are as follows:

	As at 30 June 2025 RMB’ 000 (unaudited)	As at 31 December 2024 RMB’ 000 (audited)
At the beginning of the period/year	471,971	477,224
Charge for the period/year ⁽ⁱ⁾	1,420	4,650
Reversal	(12,614)	(9,905)
Effect of foreign currency exchange differences	–	2
	<u>460,777</u>	<u>471,971</u>
At 30 June 2025/31 December 2024	<u>460,777</u>	<u>471,971</u>

- (i) Charge for the period/year comprises the impairment losses from new and remaining debt instruments at amortised cost, model/risk parameter adjustments, etc.

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB’ 000	Stage 2 RMB’ 000	Stage 3 RMB’ 000	Total RMB’ 000
As at 30 June 2025	<u>–</u>	<u>–</u>	<u>460,777</u>	<u>460,777</u>
As at 31 December 2024	<u>–</u>	<u>–</u>	<u>471,971</u>	<u>471,971</u>

During the period, the debt instruments at amortised cost were not transferred between stages.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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21. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Equity securities	15,566,822	13,223,124
Perpetual bonds	18,732,075	8,306,758
Others	764,384	787,893
	<u>35,063,281</u>	<u>22,317,775</u>
Analysed as:		
Listed in Hong Kong	9,673,421	8,825,986
Listed outside Hong Kong ⁽ⁱ⁾	6,690,326	5,218,878
Unlisted	18,699,534	8,272,911
	<u>35,063,281</u>	<u>22,317,775</u>
Total	<u>35,063,281</u>	<u>22,317,775</u>

- (i) Securities traded on the Shanghai Stock Exchange and the Shenzhen Stock Exchange are included in the "Listed outside Hong Kong" category.

As at 30 June 2025, equity instruments at fair value through other comprehensive income ("FVTOCI") included non-traded equity instruments held by the Group. As the equity instruments are not held for trading purposes, the Group has designated these investments as equity instruments at FVTOCI.

During the period, due to the Group's disposal of equity instruments measured at fair value through other comprehensive income, other comprehensive income of RMB159.11 million was transferred into retained earnings (six months ended 30 June 2024: 108.99 million).

During the period, the dividend income from equity instruments at fair value through other comprehensive income held by the Group is disclosed in note 6.

Fair values of the Group's equity instruments at FVTOCI are determined in the manner described in note 52.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

22. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Current		
Debt securities	<u>91,178,499</u>	<u>104,334,355</u>
Analysed as:		
Listed outside Hong Kong ⁽ⁱ⁾	<u>41,225,001</u>	30,401,390
Unlisted	<u>49,953,498</u>	<u>73,932,965</u>
	<u>91,178,499</u>	<u>104,334,355</u>

- (i) Securities traded on the Shanghai Stock Exchange and the Shenzhen Stock Exchange are included in the "Listed outside Hong Kong" category.

Movements of allowance for ECLs during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	301,584	359,297
Charge for the period/year ⁽ⁱⁱ⁾	10,261	90,023
Reversal	(34,948)	(148,697)
Effect of foreign currency exchange differences	<u>(684)</u>	<u>961</u>
At 30 June 2025/31 December 2024	<u>276,213</u>	<u>301,584</u>

- (ii) Charge for the period/year comprises the impairment losses from new and remaining debt instruments at fair value through other comprehensive income, model/risk parameter adjustments, etc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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22. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – *continued*

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
As at 30 June 2025	<u>34,798</u>	<u>–</u>	<u>241,415</u>	<u>276,213</u>
As at 31 December 2024	<u>59,989</u>	<u>–</u>	<u>241,595</u>	<u>301,584</u>

During the period, the debt instruments at fair value through other comprehensive income were not transferred between stages.

Fair values of the Group's debt instruments at FVTOCI are determined in the manner described in note 52.

23. ADVANCES TO CUSTOMERS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Non-Current		
Restricted equity incentive financing	2,013	20,389
Less: Allowance for ECLs	<u>15</u>	<u>149</u>
	<u>1,998</u>	<u>20,240</u>
Current		
Loans to margin clients	108,958,603	109,241,527
Restricted equity incentive financing	93,543	80,573
Less: Allowance for ECLs	<u>393,302</u>	<u>402,414</u>
	<u>108,658,844</u>	<u>108,919,686</u>
Total	<u>108,660,842</u>	<u>108,939,926</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

23. ADVANCES TO CUSTOMERS – continued

Movements of allowance for ECLs during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	402,563	402,216
Charge for the period/year ⁽ⁱ⁾	31,341	54,251
Reversal	(36,694)	(59,448)
Effect of foreign currency exchange differences	(3,893)	5,544
	<u>393,317</u>	<u>402,563</u>
At 30 June 2025/31 December 2024		

- (i) Charge for the period/year comprises the impairment losses from new and remaining advances to customers, model/risk parameter adjustments, etc.

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB' 000	Stage 2 RMB' 000	Stage 3 RMB' 000	Total RMB' 000
As at 30 June 2025	<u>123,037</u>	<u>5,078</u>	<u>265,202</u>	<u>393,317</u>
As at 31 December 2024	<u>127,438</u>	<u>6,016</u>	<u>269,109</u>	<u>402,563</u>

During the period, advances to customers with gross carrying amount of RMB101.24 million was transferred from Stage 1 to Stage 2, with the corresponding impairment allowance of RMB3.52 million at the beginning of the period being transferred, advances to customers with gross carrying amount of RMB112.03 million was transferred from Stage 2 to Stage 1, with the corresponding impairment allowance of RMB0.50 million at the beginning of the period being transferred. Other transfers among stages were not significant.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

24. ACCOUNTS RECEIVABLE

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Accounts receivable from/related to:		
Current		
Commission and fee	1,624,815	1,652,476
Brokers	2,987,791	1,442,527
Cash clients	589,739	361,862
Clearing house	30,436	32,144
Deposits for OTC business	2,643,682	4,221,336
Settlement and Other receivables	2,932,552	1,172,758
Less: Allowance for ECLs	282,118	278,701
	<u>10,526,897</u>	<u>8,604,402</u>

The following is an ageing analysis of accounts receivable net of allowance for ECLs:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Current		
Within 1 year	10,292,850	8,421,456
Between 1 and 2 years	124,840	58,166
Between 2 and 3 years	13,433	24,074
More than 3 years	95,774	100,706
	<u>10,526,897</u>	<u>8,604,402</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

24. ACCOUNTS RECEIVABLE – continued

Movements of allowance for ECLs during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	278,701	289,169
Charge for the period/year ⁽ⁱ⁾	4,955	52,838
Reversal	(866)	(26,937)
Amounts written off as uncollectible	(485)	(40,337)
Effect of foreign currency exchange differences	(187)	3,968
	<u>282,118</u>	<u>278,701</u>
At 30 June 2025/31 December 2024	<u>282,118</u>	<u>278,701</u>

(i) Charge for the period/year comprises the impairment losses from new and remaining accounts receivable, model/risk parameter adjustments, etc.

25. OTHER ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-Current		
Investment prepayments	–	12,000
Current		
Investment prepayments	133,726	114,641
Receivables arising from sale and leaseback arrangements ⁽ⁱⁱ⁾	41,646	41,641
Other receivables	608,989	696,993
Others	388,053	252,083
Less: Allowance for impairment	122,617	121,529
	<u>1,049,797</u>	<u>983,829</u>
Total	<u>1,049,797</u>	<u>995,829</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

25. OTHER ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND PREPAYMENTS – *continued*

Movements of allowance for ECLs/allowance for impairment during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	121,529	125,261
Charge for the period/year ⁽ⁱ⁾	1,913	36,271
Reversal	(344)	(31,752)
Amounts written off as uncollectible	(474)	(8,263)
Effect of foreign currency exchange differences	(7)	12
	<u>122,617</u>	<u>121,529</u>
At 30 June 2025/31 December 2024	122,617	121,529

- (i) Charge for the period/year comprises the impairment losses from new and remaining other accounts receivable, other receivables and prepayments, model/risk parameter adjustments, etc.
- (ii) Minimum lease payments to be received and the corresponding present value are as follows:

	As at 30 June 2025		As at 31 December 2024	
	Original value RMB' 000 (unaudited)	Present value RMB' 000 (unaudited)	Original value RMB' 000 (audited)	Present value RMB' 000 (audited)
Minimum lease payments	41,679	41,646	41,674	41,641
Total	41,679	41,646	41,674	41,641
Less: Unrealised finance income	33	N/A	33	N/A
Balance of receivables arising from sale and leaseback arrangements	41,646	41,646	41,641	41,641
Less: Allowance for ECLs	41,517	41,517	41,410	41,410
Receivables arising from sale and leaseback arrangements, net	<u>129</u>	<u>129</u>	<u>231</u>	<u>231</u>

As at 30 June 2025, the effective interest rates ranged from 8% to 9% (31 December 2024: 8% to 9%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

25. OTHER ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND PREPAYMENTS – *continued*

Movements of allowance for ECLs during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	41,410	40,728
Charge for the period/year ⁽ⁱⁱⁱ⁾	<u>107</u>	<u>682</u>
At 30 June 2025/31 December 2024	<u><u>41,517</u></u>	<u><u>41,410</u></u>

(iii) Charge for the period/year comprises the impairment losses from remaining receivables arising from sale and leaseback arrangements, model/risk parameter adjustments, etc.

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB' 000	Stage 2 RMB' 000	Stage 3 RMB' 000	Total RMB' 000
As at 30 June 2025	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>41,517</u></u>	<u><u>41,517</u></u>
As at 31 December 2024	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>41,410</u></u>	<u><u>41,410</u></u>

During the period, the receivables arising from sale and leaseback arrangements were not transferred between stages.

26. FINANCIAL LEASING RECEIVABLES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Analysed as:		
Current assets	<u>14,533</u>	<u>14,087</u>
	<u><u>14,533</u></u>	<u><u>14,087</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

26. FINANCIAL LEASING RECEIVABLES – continued

Minimum lease payments to be received and the corresponding present value are as follows:

	As at 30 June 2025		As at 31 December 2024	
	Original value RMB' 000 (unaudited)	Present value RMB' 000 (unaudited)	Original value RMB' 000 (audited)	Present value RMB' 000 (audited)
Minimum lease payments	544,184	543,134	544,575	543,517
Total	544,184	543,134	544,575	543,517
Less: Unrealised finance income	1,050	N/A	1,058	N/A
Balance of financial leasing receivables	543,134	543,134	543,517	543,517
Less: Allowance for ECLs	528,601	528,601	529,430	529,430
Financial leasing receivables, net	14,533	14,533	14,087	14,087

As at 30 June 2025, the effective interest rates ranged from 7% to 17% (31 December 2024: 7% to 17%) per annum.

Movements of allowance for ECLs during the period/year are as follows:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	529,430	557,269
Charge for the period/year ⁽ⁱ⁾	–	146
Reversal	(829)	(27,985)
At 30 June 2025/31 December 2024	528,601	529,430

(i) Charge for the period/year comprises the impairment losses from remaining financial leasing receivables, model/risk parameter adjustments, etc.

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB' 000	Stage 2 RMB' 000	Stage 3 RMB' 000	Total RMB' 000
As at 30 June 2025	–	–	528,601	528,601
As at 31 December 2024	–	–	529,430	529,430

During the period, the financial leasing receivables were not transferred between stages.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

27. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Analysed by collateral type:		
Stocks ⁽ⁱⁱ⁾	10,000	–
Less: Allowance for ECLs	73	–
	<u>9,927</u>	<u>–</u>
Analysed by market:		
Stock exchanges	<u>9,927</u>	<u>–</u>
Current		
Analysed by collateral type:		
Bonds ⁽ⁱ⁾	11,574,850	11,605,744
Stocks ⁽ⁱⁱ⁾	7,894,676	9,543,113
Less: Allowance for ECLs	521,281	583,613
	<u>18,948,245</u>	<u>20,565,244</u>
Analysed by market:		
Over the counter	8,535,559	7,548,956
Stock exchanges	7,695,576	9,052,231
Interbank bond market	2,717,110	3,964,057
	<u>18,948,245</u>	<u>20,565,244</u>
Total	<u>18,958,172</u>	<u>20,565,244</u>

(i) The financial assets (bonds as collateral) held under resale agreements are mainly for pledged resale agreements and outright resale agreements, and the fair value of bond collateral amounted to RMB20,984.64 million as at 30 June 2025 (31 December 2024: RMB20,865.12 million).

(ii) The financial assets (stocks as collateral) held under resale agreements are for stock-pledged repos and security transactions with repurchase agreements. The fair value of the stock collateral amounted to RMB24,843.63 million as at 30 June 2025 (31 December 2024: RMB28,876.79 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

27. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS – *continued*

Movements of allowance for ECLs during the period/year are as follows:

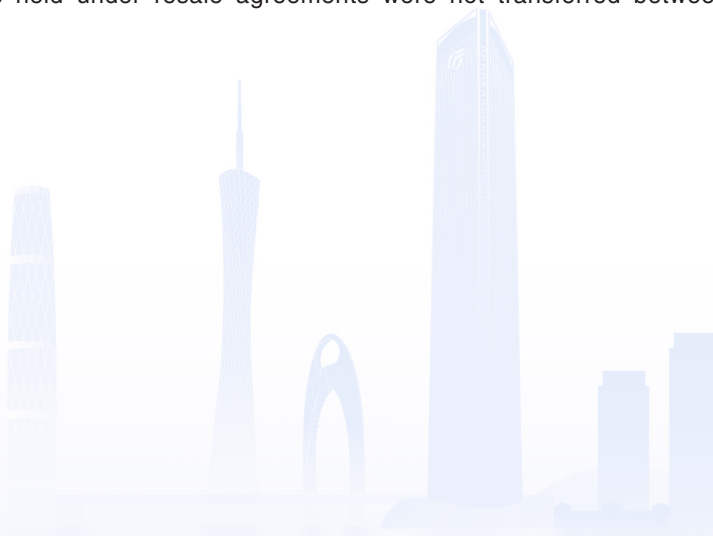
	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	583,613	576,813
Charge for the period/year ⁽ⁱⁱⁱ⁾	34,520	134,906
Reversal	(96,779)	(128,106)
At 30 June 2025/31 December 2024	<u>521,354</u>	<u>583,613</u>

(iii) Charge for the period/year comprises the impairment losses from new and remaining financial assets held under resale agreements, model/risk parameter adjustments, etc.

Analysis of the stages of allowance for ECLs:

	Stage 1 RMB' 000	Stage 2 RMB' 000	Stage 3 RMB' 000	Total RMB' 000
As at 30 June 2025	<u>107,203</u>	<u>–</u>	<u>414,151</u>	<u>521,354</u>
As at 31 December 2024	<u>131,832</u>	<u>8,173</u>	<u>443,608</u>	<u>583,613</u>

During the period, the financial assets held under resale agreements were not transferred between stages.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
At fair value through profit or loss ⁽ⁱ⁾ :		
Equity securities	8,595,582	8,491,893
Mutual funds	298,811	–
Asset management schemes launched by securities companies ^{(ii),(iii)}	59,544	67,689
Other investments ⁽ⁱⁱⁱ⁾	179,842	284,965
	<u>9,133,779</u>	<u>8,844,547</u>
Analysed as:		
Unlisted ^(v)	<u>9,133,779</u>	<u>8,844,547</u>
Current		
At fair value through profit or loss ⁽ⁱ⁾ :		
Debt securities	133,509,255	110,399,056
Equity securities	35,235,389	30,024,550
Mutual funds	66,846,789	56,774,373
Asset management schemes launched by securities companies ^{(ii),(iii)}	1,395,110	1,592,483
Wealth management products launched by banks ⁽ⁱⁱⁱ⁾	7,941,335	6,797,337
Other investments ⁽ⁱⁱⁱ⁾	34,653,830	28,389,051
	<u>279,581,708</u>	<u>233,976,850</u>
Analysed as:		
Listed in Hong Kong	7,356,247	5,396,213
Listed outside Hong Kong ^(iv)	70,549,032	54,560,484
Unlisted ^(v)	<u>201,676,429</u>	<u>174,020,153</u>
	<u>279,581,708</u>	<u>233,976,850</u>
Total	<u>288,715,487</u>	<u>242,821,397</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

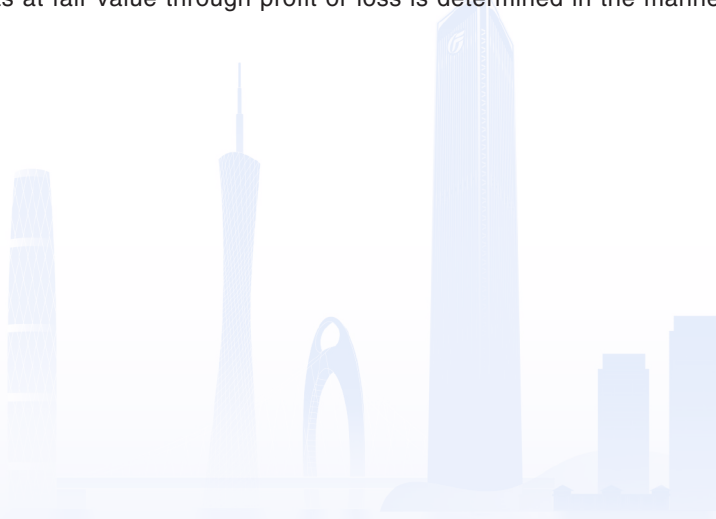
28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS – *continued*

- (i) During the period, the Group classified the following financial assets at fair value through profit or loss: debt instruments that do not qualify for measurement at either amortised cost or FVTOCI; equity instruments that are held for trading, and equity instruments for which the Group has not elected to recognise fair value gains and losses through other comprehensive income.
- (ii) The Group has committed to hold some of its investments in asset management schemes managed by the Group for specified periods due to contractual or regulatory requirements, the amount of which was RMB55.02 million as at 30 June 2025 (31 December 2024: RMB26.40 million).
- (iii) These investments include private funds, asset management schemes and other products launched and managed by the Group and other financial institutions. The Group's interests in these asset management schemes managed by the Group are not individually significant.
- (iv) Securities and funds traded on the Shanghai Stock Exchange and the Shenzhen Stock Exchange are included in the "Listed outside Hong Kong" category.
- (v) Unlisted securities mainly comprise unlisted funds, debt securities traded on the Interbank Bond Market, unlisted equity instruments, convertible debt instruments, convertible preference shares, as well as private funds, asset management schemes and other products launched by financial institutions.

As at 30 June 2025, the equity securities of the Group included restricted shares of approximately RMB2,107.98 million (31 December 2024: RMB316.42 million). The restricted shares are listed with a legally enforceable restriction on these securities that prevents the Group from disposing of them within the specified period.

As at 30 June 2025, the Group entered into securities lending arrangements with clients that resulted in the transfer of financial assets at fair value through profit or loss ("FVTPL") (including equity securities and exchange traded funds) with a total fair value of RMB462.82 million (31 December 2024: RMB257.13 million) to clients. These securities continued to be recognised as financial assets of the Group.

Fair value of the Group's financial assets at fair value through profit or loss is determined in the manner described in note 52.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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29. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2025			As at 31 December 2024		
	Notional amount RMB' 000	Assets RMB' 000 (unaudited)	Liabilities RMB' 000 (unaudited)	Notional amount RMB' 000	Assets RMB' 000 (audited)	Liabilities RMB' 000 (audited)
Non-hedging instruments						
Interest rate derivatives						
– Interest rate swaps ⁽ⁱ⁾	1,724,354,781	25,894	10,899	1,633,924,533	13,421	9,747
– Standard bond forward ⁽ⁱ⁾	54,647	–	–	–	–	–
– Interest rate options	910,831	–	1,300	8,000,000	–	156
– Treasury bond futures ⁽ⁱ⁾	39,332,581	5,773	1,446	9,255,512	–	16,105
Currency derivatives						
– Currency swaps	1,149,413	63	5,146	232,240	217	–
– Currency forward	25,385,254	108,593	150,433	18,732,263	196,530	202,158
– Currency futures	1,902,048	3,085	16	222,699	1,153	–
Equity derivatives						
– Stock index futures ⁽ⁱ⁾	25,355,819	49,720	55,997	31,934,059	16,120	39,508
– Exchange-traded options	29,544,530	423,788	710,524	25,960,373	476,734	694,922
– Over-the-counter equity derivatives transactions	90,482,603	2,438,711	6,253,762	120,224,914	2,935,442	4,324,144
Credit derivatives						
– Credit risk mitigation warrants	–	–	–	50,000	–	2,857
– Credit default swaps	750,000	414	20,706	1,100,000	881	2
Others						
– Commodity futures ⁽ⁱ⁾	17,956,777	36	15,576	12,641,812	18,311	11,332
– Others	50,700,647	233,542	815,680	47,896,832	220,638	1,456,823
Hedging instruments⁽ⁱ⁾						
Others						
– Commodity futures ⁽ⁱ⁾	–	–	–	107,440	–	–
Total	2,007,879,931	3,289,619	8,041,485	1,910,282,677	3,879,447	6,757,754

- (i) Under the daily mark-to-market and settlement arrangement, the position profit or loss for the Group's domestic futures contracts, as well as interest rate swap contracts and standard bond forward contracts traded through the Shanghai Clearing House were settled daily and the corresponding receipts and payments were included in "clearing settlement funds" as at 30 June 2025 and 31 December 2024. Accordingly, the net position of the above contracts was nil at the period/year-end date. Balances as at 30 June 2025 were the unrealised profits and losses from contracts in Hong Kong or other overseas areas.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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29. DERIVATIVE FINANCIAL INSTRUMENTS – continued

(ii) Hedging instruments

(a) Fair value hedges

Fair value hedges are used by the Group to protect against changes in the fair value of spot commodities due to fluctuations in market prices. Commodity futures are used to hedge the price risk of certain spot commodities.

The gain arising from the ineffective portion of hedging recognised in net investment gains were RMB6.49 million for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

The analysis on the notional amounts of the items designated as hedging instruments in fair value hedges by tenure is presented as follows:

	Less than 6 months RMB' 000	6 months to 1 year RMB' 000	More than 1 year RMB' 000	Total RMB' 000
As at 30.6.2025	–	–	–	–
As at 31.12.2024	107,440	–	–	107,440

As at 30 June 2025, the Group had no hedging instruments in fair value hedges.

The following table sets out the details of the hedged items covered by the Group's fair value hedging strategies:

	As at 31.12.2024				Line item in the statement of financial position
	Carrying amount of hedged items		Accumulated amount of fair value adjustments on the hedged items		
	Assets RMB' 000	Liabilities RMB' 000	Assets RMB' 000	Liabilities RMB' 000	
Spot commodities	107,400	–	(4,993)	–	Other accounts receivable, other receivables and prepayments

As at 30 June 2025, the Group had no hedged items in fair value hedges.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

30. DEPOSITS WITH EXCHANGES AND NON-BANK FINANCIAL INSTITUTIONS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Trading deposits	25,977,835	21,710,233
Credit deposits	96,562	77,188
Performance deposits	888,207	894,568
	<hr/>	<hr/>
Total	<u>26,962,604</u>	<u>22,681,989</u>

31. CLEARING SETTLEMENT FUNDS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Clearing settlement funds held with clearing houses for:		
House accounts	8,550,632	9,603,467
Clients	28,051,016	25,584,775
	<hr/>	<hr/>
Total	<u>36,601,648</u>	<u>35,188,242</u>

These clearing settlement funds are held by the clearing houses for the Group and these balances bear interest at prevailing market interest rates.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

32. BANK BALANCES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Bank balances:		
House accounts	25,628,254	30,027,200
Cash held on behalf of customers ⁽ⁱ⁾	149,738,304	<u>139,368,429</u>
Total	<u>175,366,558</u>	<u>169,395,629</u>

Bank balances comprise term and demand deposits at banks which bear interest at the prevailing market rates.

As at 30 June 2025, the Group's bank balances with restricted rights of use is detailed in Note 35.

- (i) The Group maintains accounts with banks to hold customers' deposits arising from normal business transactions. The Group has recognised the corresponding amount in accounts payable to brokerage clients (Note 39).

33. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Bank balances – house accounts	17,119,179	22,638,911
Clearing settlement funds – house accounts	8,549,802	<u>9,599,282</u>
Total	<u>25,668,981</u>	<u>32,238,193</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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34. DEFERRED TAX

For presentation purposes, certain deferred tax assets and deferred tax liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Deferred tax assets	2,100,904	1,855,661
Deferred tax liabilities	(234,829)	(149,424)
Total	<u>1,866,075</u>	<u>1,706,237</u>

The following is the major deferred tax assets/(liabilities) recognised and movements thereon during the current period and prior year:

	Financial instruments at fair value through profit or loss/ derivatives RMB' 000	Financial instruments at fair value through other comprehensive income RMB' 000	Accrued staff costs RMB' 000	Allowance for impairment losses RMB' 000	Property and equipment RMB' 000	Others RMB' 000	Total RMB' 000
At 1 January 2024 (audited)	205,376	(193,028)	1,514,453	529,013	(13,230)	70,866	2,113,450
Charge/(credit) to profit or loss	(93,750)	(14,943)	154,869	(9,467)	984	232,416	270,109
Charge/(credit) to other comprehensive income	(5,135)	(776,014)	-	5	-	3,623	(777,521)
Other additions	-	100,199	-	-	-	-	100,199
At 31 December 2024 (audited)	<u>106,491</u>	<u>(883,786)</u>	<u>1,669,322</u>	<u>519,551</u>	<u>(12,246)</u>	<u>306,905</u>	<u>1,706,237</u>
Charge/(credit) to profit or loss (Note 14)	(192,561)	(6,170)	495,818	(18,795)	492	5,298	284,082
Charge/(credit) to other comprehensive income	5,383	(179,309)	-	(3)	-	(3,353)	(177,282)
Other additions	-	53,038	-	-	-	-	53,038
At 30 June 2025 (unaudited)	<u>(80,687)</u>	<u>(1,016,227)</u>	<u>2,165,140</u>	<u>500,753</u>	<u>(11,754)</u>	<u>308,850</u>	<u>1,866,075</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

35. RESTRICTED ASSET RIGHTS

	As at 30 June 2025 RMB' 000 (unaudited)	Reason of restrictions
Bank balances	7,285,563	Risk reserves, etc
Financial assets at fair value through profit or loss	96,552,662	Security for repurchase, margin financing and securities lending, bond lending, due to banks and other financial institutions and deposits for futures business
Equity instruments at fair value through other comprehensive income	99,059	Deposits for refinancing business
Debt instruments at fair value through other comprehensive income	86,520,303	Security for repurchase, bond lending, due to banks and other financial institutions and deposits for refinancing business and futures business
Others	300,000	Frozen for litigation
Total	<u>190,757,587</u>	

36. BORROWINGS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Secured short-term loans	210,872	–
Unsecured short-term loans ⁽ⁱ⁾	4,483,227	4,324,296
Total	<u>4,694,099</u>	<u>4,324,296</u>

- (i) As at 30 June 2025, the Group's unsecured short-term bank loans bear interest rates ranging from 0.21% to 5.05% (31 December 2024: 3.00% to 5.96%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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37. SHORT-TERM FINANCING PAYABLES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Corporate bonds (Note 1)	25,785,503	41,189,718
Structured notes (Note 2)	32,274,328	30,793,801
Total	<u>58,059,831</u>	<u>71,983,519</u>

Note 1: Corporate bonds

The details of corporate bonds as at 30 June 2025 are as follows:

Name	Par value RMB' 000	Value date	Maturity date	Coupon rate
25GFD1	4,200,000	2025/01/13	2025/08/13	1.68%
25GFD2	2,500,000	2025/02/13	2025/08/13	1.79%
25GFD3	3,500,000	2025/02/21	2025/09/07	1.95%
25GFD4	3,000,000	2025/03/07	2025/09/10	2.02%
25GFD5	4,460,000	2025/03/11	2025/11/06	2.10%
25GFD6	5,000,000	2025/05/15	2025/10/23	1.60%
25GFD7	3,000,000	2025/06/12	2026/01/09	1.64%

Note 2: Structured notes

The amount represents principals received from investors for subscription of structured notes issued by the Company and accrued interest. As at 30 June 2025, the undue structured notes bear interest at fixed rates ranging from 1.45% to 5.60% per annum (31 December 2024: 1.60% to 6.10%) or variable rate linked to certain underlying assets. The structured notes with variable rates contain non-closely related embedded derivatives linked to the fluctuation of underlying assets. Those embedded derivatives are presented as derivative financial instruments separately.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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38. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Non-current		
Financial liabilities designated at fair value through profit or loss:		
Structured notes	425,693	462,946
Others	123,750	81,469
	<u>549,443</u>	<u>544,415</u>
Current		
Financial liabilities at fair value through profit or loss:		
Bonds	14,538,687	4,046,908
Stocks	771,041	472,857
Others	58,856	550
Financial liabilities designated at fair value through profit or loss:		
Structured notes	2,767,876	3,140,801
	<u>18,136,460</u>	<u>7,661,116</u>
Total	<u>18,685,903</u>	<u>8,205,531</u>

As at 30 June 2025, the fair values of the Group's financial liabilities designated at fair value through profit or loss had no significant change related to the changes in the credit risk of the Group.

The fair values of the Group's financial liabilities at fair value through profit or loss are determined in the manner described in note 52.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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39. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

Accounts payable to brokerage clients mainly include money held on behalf of clients at banks and at clearing houses by the Group respectively, and bear interest at the prevailing market interest rate.

As at 30 June 2025, accounts payable to brokerage clients of approximately RMB13,124.85 million (31 December 2024: RMB13,408.16 million) were related to cash collateral received from clients for margin financing and securities lending arrangements.

40. ACCRUED STAFF COSTS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Other long-term benefits	<u>5,809,667</u>	<u>5,809,278</u>
Current		
Salaries, bonuses and allowances	4,110,953	4,265,359
Defined contribution plans ⁽ⁱ⁾	99,406	210,942
Short-term social welfares	297	301
Others	<u>109,090</u>	<u>119,912</u>
	<u>4,319,746</u>	<u>4,596,514</u>
Total	<u>10,129,413</u>	<u>10,405,792</u>

- (i) The defined contribution plans refer to the social pension insurance plan and the unemployment insurance plan required by the government, and the annuity schemes launched by the Group. The Group participates in the social pension insurance plan and unemployment insurance plan pursuant to pertinent regulations and contributes to the funds set up by the Government on a monthly basis. Besides, the Group sets up the annuity schemes and Mandatory Provident Fund Scheme for qualified employees in Chinese Mainland and Hong Kong and contributes to the schemes which are managed by third parties on an annual basis or on a monthly basis. Except for the amounts contributed, the Group will assume no further payment obligations. The amounts accrued have been paid in subsequent periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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41. OTHER ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Current		
Business margin payable to clients	37,917,624	29,031,838
Payables for open-ended fund clearing and other clearing	2,020,562	1,571,766
Accrued expenses	472,221	454,846
Interest payables for the perpetual subordinated bonds	744,540	905,190
Commission payable and related accrued expenses for the sale of products	737,845	939,980
Other taxes	493,380	516,377
Futures risk reserve	252,635	241,020
Fund risk reserve	185,476	136,030
Payable for property and equipment purchases	66,521	75,597
Payables for securities investor protection fund and futures investor protection fund	50,327	49,527
Interest payable	13,889	33,390
Others ⁽ⁱ⁾	2,973,352	2,719,862
Total	45,928,372	36,675,423

- (i) Others represent primarily other accounts payable and accrued operating expenses which are non-interest-bearing and are repayable within one year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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42. PROVISIONS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
At the beginning of the period/year	33,519	446,850
Addition	92	753
Reduction	–	(414,084)
	<u>33,611</u>	<u>33,519</u>
At 30 June 2025/31 December 2024 (Note)	<u>33,611</u>	<u>33,519</u>

Note: The Group has assessed provisions arising from legal litigations regularly. Based on advice of internal and external counsel, coupled with management's reassessment of the financial implications of these matters, the carrying amounts of related provisions were adjusted during the reporting period.

43. OTHER LIABILITIES

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Third-party interests in consolidated structured entities	<u>750,066</u>	<u>590,355</u>
Current		
Third-party interests in consolidated structured entities	<u>771,454</u>	<u>571,210</u>
Total	<u>1,521,520</u>	<u>1,161,565</u>

Third-party interests in consolidated structured entities consist of third-party unit holders' interests in these consolidated structured entities which are reflected as liabilities since there is a contractual obligation for the Group to repurchase or redeem the unit for cash.

The realisation of third-party interests in consolidated structured entities cannot be predicted with accuracy since these interests are subject to market risk and the actions of third-party investors.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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44. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Current		
Analysed by collateral type:		
Bonds ⁽ⁱ⁾	159,937,237	156,930,833
Gold ⁽ⁱⁱ⁾	–	4,531,837
Others	10,033,421	9,851,282
	<u>169,970,658</u>	<u>171,313,952</u>
Analysed by market:		
Stock exchanges	63,374,164	33,314,729
Interbank bond market	85,550,689	117,582,975
Shanghai Gold Exchange	–	4,582,775
Over the counter	21,045,805	15,833,473
	<u>169,970,658</u>	<u>171,313,952</u>
Total	<u>169,970,658</u>	<u>171,313,952</u>

- (i) As at 30 June 2025, included in the balance was an amount of RMB17,372.30 million (31 December 2024: RMB10,066.95 million), which was secured by the bonds borrowed, which were not recognised in the consolidated financial statements as the Group was not subject to any risk or return of the bonds, and the fair value of such bonds was RMB18,392.94 million (31 December 2024: RMB11,320.93 million).
- (ii) As at 30 June 2025, the fair value of gold transferred, which was obtained from leasing and is not recognised in the Group's condensed consolidated financial statements was nil (31 December 2024: RMB5,262.69 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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45. BONDS PAYABLE

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Non-current		
Corporate bonds (Note 1)	62,900,624	65,283,986
Subordinated bonds (Note 1)	7,994,712	4,996,851
Structured notes (Note 2)	86,056	321,351
	<u>70,981,392</u>	<u>70,602,188</u>
Current		
Corporate bonds (Note 1)	28,816,791	20,349,834
Subordinated bonds (Note 1)	8,706,635	7,703,313
Structured notes (Note 2)	2,539,155	4,635,642
	<u>40,062,581</u>	<u>32,688,789</u>
Total	<u>111,043,973</u>	<u>103,290,977</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

45. BONDS PAYABLE – continued

Note 1: Details of bonds as of 30 June 2025 are as follows:

Name	Par value RMB' 000	Value date	Maturity date	Coupon rate
Corporate bonds				
21GF04	1,000,000	2021/06/08	2026/06/08	3.68%
21GF06	4,500,000	2021/07/23	2026/07/23	3.45%
21GF07	1,500,000	2021/07/23	2031/07/23	3.77%
21GF11	2,000,000	2021/09/16	2026/09/16	3.50%
21GF12	2,000,000	2021/09/16	2031/09/16	3.90%
21GF20	3,500,000	2021/11/17	2026/11/17	3.50%
21GF21	1,000,000	2021/11/17	2031/11/17	3.85%
22GF01	3,400,000	2022/07/15	2025/07/15	2.85%
22GF02	2,000,000	2022/07/15	2027/07/15	3.24%
22GF03	600,000	2022/07/15	2032/07/15	3.70%
22GF04	2,500,000	2022/08/04	2025/08/04	2.59%
22GF05	3,000,000	2022/08/04	2027/08/04	3.03%
22GF06	1,500,000	2022/08/04	2032/08/04	3.59%
22GF07	800,000	2022/08/16	2025/08/16	2.68%
22GF08	2,500,000	2022/08/16	2027/08/16	3.12%
22GF09	1,200,000	2022/08/16	2032/08/16	3.60%
22GF10	1,000,000	2022/08/29	2025/08/29	2.60%
22GF11	1,000,000	2022/09/19	2025/09/19	2.55%
22GF12	500,000	2022/09/19	2027/09/19	2.95%
23GF03	2,000,000	2023/03/13	2026/03/13	3.30%
23GF04	3,500,000	2023/04/24	2026/04/24	3.06%
23GF05	1,000,000	2023/04/24	2028/04/24	3.21%
23GF06	1,500,000	2023/07/17	2026/07/17	2.75%
23GF09	2,100,000	2023/10/24	2026/10/24	3.00%
24GF01	2,600,000	2024/01/19	2027/01/19	2.75%
24GF02	2,000,000	2024/01/19	2029/01/19	2.93%
24GF03	1,400,000	2024/01/19	2034/01/19	3.07%
24GF04	1,700,000	2024/02/26	2027/02/26	2.56%
24GF05	1,300,000	2024/02/26	2029/02/26	2.70%
24GF06	2,900,000	2024/04/23	2027/04/23	2.30%
24GF07	3,000,000	2024/10/28	2025/11/13	2.05%
24GF08	2,400,000	2024/11/08	2026/11/08	2.14%
24GF09	1,200,000	2024/11/08	2027/11/08	2.20%
24GF10	3,300,000	2024/11/18	2025/12/03	1.98%
24GF11	800,000	2024/11/18	2026/04/10	2.09%
24GF12	2,800,000	2024/11/26	2026/11/26	2.07%
24GF13	2,200,000	2024/11/26	2027/11/26	2.14%
24GF14	5,000,000	2024/12/24	2026/06/28	1.80%
25GF01	1,600,000	2025/01/21	2028/01/21	1.83%
25GF02	1,500,000	2025/01/21	2030/01/21	1.90%
25GF03	3,300,000	2025/02/27	2028/02/27	2.10%
GF FH B2709	USD300,000	2024/09/12	2027/09/12	SOFR+0.67%
GF FH B2803	USD380,000	2025/03/13	2028/03/13	SOFR+0.62%
GF FH B2803-R	RMB800,000	2025/03/13	2028/03/13	2.58%
Subordinated bonds				
22GFC2	500,000	2022/10/17	2027/10/17	3.20%
22GFC1	3,000,000	2022/10/17	2025/10/17	2.85%
22GFC3	2,000,000	2022/11/14	2025/11/14	2.86%
22GFC4	500,000	2022/11/14	2027/11/14	3.20%
23GFC1	1,000,000	2023/08/25	2026/08/25	2.95%
24GFC1	3,000,000	2024/01/12	2027/01/12	2.90%
25GFC1	3,500,000	2025/03/19	2026/04/17	2.10%
25GFC3	2,000,000	2025/05/22	2028/05/22	1.95%
25GFKC1	1,000,000	2025/05/29	2028/05/29	1.75%

Note 2: Structured notes

The amount represents principals received from investors for subscription of structured notes issued by the Group and accrued interest. As at 30 June 2025, the undue structured notes bear interest at fixed rates ranging from 1.65% to 2.92% per annum (31 December 2024: 1.95% to 3.40%) or variable rate linked to certain underlying assets. The structured notes with variable rates contain non-closely related embedded derivatives linked to the fluctuation of underlying assets. Those embedded derivatives are presented as derivative financial instruments separately.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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46. OTHER EQUITY INSTRUMENTS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Perpetual subordinated bonds	<u>26,600,000</u>	<u>26,600,000</u>

The details of perpetual subordinated bonds as at 30 June 2025 are as follows:

Issue date	Name	Par value RMB' 000	Coupon rate
2021/09	21 GF Y1	1,000,000	3.95%
2022/06	22 GF Y1	2,700,000	3.75%
2022/07	22 GF Y2	5,000,000	3.53%
2022/08	22 GF Y3	2,300,000	3.48%
2023/03	23 GF Y1	500,000	4.20%
2023/04	23 GF Y2	3,000,000	4.10%
2023/05	23 GF Y3	5,000,000	3.78%
2023/06	23 GF Y4	3,000,000	3.73%
2024/01	24 GF Y1	2,000,000	3.15%
2024/11	24 GF Y2	2,100,000	2.50%

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

46. OTHER EQUITY INSTRUMENTS – continued

As approved by the CSRC, the Company issued ten batches of perpetual subordinated bonds. The Company has options to redeem the bonds at principal amounts plus any accrued interest (all deferred interest payments and accreted interest thereon included) on the fifth interest payment date or any interest payment date afterwards. The coupon rates for the perpetual subordinated bonds are fixed in the first 5 years. If the Company does not use the right of redemption, the coupon rates will be repriced every 5 years from the 6th year. The perpetual bonds “21 GF Y1”, “22 GF Y1”, “22 GF Y2”, “22 GF Y3”, “23 GF Y1”, “23 GF Y2”, “23 GF Y3”, “23 GF Y4”, and “24 GF Y1” shall reset their coupon rates based on the current benchmark rate plus the initial spread plus 300 basis points; and the perpetual bond “24 GF Y2” shall reset its coupon rate based on the current benchmark rate plus the initial spread plus 200 basis points. The current basis rate is defined as the average yields of 5 years treasury bonds from the interbank fixed rate bond yield curve published on the China Bond website 5 working days before the interest repricing date.

The issuer has the right to defer interest payments, unless “mandatory interest payment events” have been triggered, so that at each interest payment date, the issuer may choose to defer the current interest payment, as well as any previously deferred interest payments and accreted interest thereon, to the next payment date, without being subject to any limitation with respect to the number of deferrals. Mandatory interest payment events are limited to dividend distributions to ordinary equity holders and reductions of registered capital 12 months before the interest payment date. When the mandatory interest payment events occur, the Company cannot defer the payment of the current interest as well as any previously deferred interest and accreted interest thereon.

The perpetual subordinated bonds issued by the Company are classified as equity instruments and presented under equity in the consolidated statement of financial position of the Group.

47. TREASURY SHARES

	As at 31 December 2024 RMB'000 (audited)	Increase RMB'000	Decrease RMB'000	As at 30 June 2025 RMB'000 (unaudited)
Treasury shares	233,609	–	233,609	–

On 30 March 2022, the 23rd meeting of the 10th session of the Board of Directors of the Company approved the Resolution on the Company’s Proposed Repurchase of A Shares by Way of Centralised Price Bidding. A total of 15,242,153 of A shares had been repurchased from the Shenzhen Stock Exchange by centralised price bidding. The total repurchasing cost was RMB233.61 million (transaction expenses included). The repurchased shares were cancelled on February 25, 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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48. DIVIDENDS

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Ordinary share dividends recognised as distribution ⁽ⁱ⁾	3,042,338	2,281,754
Distribution to other equity instrument holders ⁽ⁱⁱ⁾	448,500	604,290
Total	<u>3,490,838</u>	<u>2,886,044</u>

- (i) Pursuant to the resolution the shareholders' meeting held on 16 May 2025, the Company distributed cash dividends of RMB4.00 for every 10 shares (tax included) based on 7.61 billion shares held amounting to RMB3.04 billion in total for the year ended 31 December 2024.
- (ii) The dividend distributions by the Company triggered the mandatory interest payments event for perpetual subordinated bonds. The Company recognised dividends to other equity instrument holders of RMB448.50 million during the period ended 30 June 2025.

49. RELATED PARTY TRANSACTIONS

(1) Shareholders holding more than 5% of the Company's shares and their subsidiaries

Holding interest in shareholders and their subsidiaries

	As at 30 June 2025		As at 31 December 2024	
	Number of shares ' 000 (unaudited)	Carrying amount RMB' 000 (unaudited)	Number of shares ' 000 (audited)	Carrying amount RMB' 000 (audited)
Financial assets at FVTPL – stocks				
遼寧成大生物股份有限公司				
– Liaoning Cheng Da Biotechnology Co., Ltd.* (Note)	50	1,313	21	536
遼寧成大股份有限公司				
– Liaoning Cheng Da Co., Ltd.*	83	908	95	984
中山公用事業集團股份有限公司				
– Zhongshan Public Utilities Group Co., Ltd.*	75	655	123	1,139
吉林敖東藥業集團股份有限公司				
– Jilin Aodong Pharmaceutical Group Co., Ltd.*	3	45	4	72
	<u>3</u>	<u>45</u>	<u>4</u>	<u>72</u>

* English names are translated for identification purposes only.

Note: Liaoning Chengda Biotechnology Co., Ltd. is a subsidiary of Liaoning Cheng Da Co., Ltd.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(1) Shareholders holding more than 5% of the Company's shares and their subsidiaries – continued

Holding interest in shareholders and their subsidiaries – continued

	As at 30 June 2025		As at 31 December 2024	
	Number of shares '000 (unaudited)	Carrying amount RMB'000 (unaudited)	Number of shares '000 (audited)	Carrying amount RMB'000 (audited)
Financial assets at FVTOCI – stocks				
吉林敖東藥業集團股份有限公司				
– Jilin Aodong Pharmaceutical Group Co., Ltd.*	43,312	734,147	43,312	748,007

* English names are translated for identification purposes only.

Cash dividends arising from equity interests in shareholders and their subsidiaries

The Group received cash dividends of RMB52,764.40 from Liaoning Chengda Biotechnology Co., Ltd. during the period ended 30 June 2025, received cash dividends of RMB42,350.00 from Zhongshan Public Utilities Group Co., Ltd. during the period ended 30 June 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

49. RELATED PARTY TRANSACTIONS – continued

(1) Shareholders holding more than 5% of the Company's shares and their subsidiaries – continued

Transactions with shareholders and their subsidiaries

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income	<u>772</u>	<u>5,306</u>
Other income	<u>376</u>	<u>358</u>
Expenses on structured notes	<u>1,190</u>	<u>1,115</u>
Other operating expenses	<u>39</u>	<u>32</u>

Balances with shareholders and their subsidiaries

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
	Accounts receivable	<u>15</u>
Other payables	<u>129</u>	<u>129</u>
Short-term structured notes	<u>180,564</u>	<u>171,006</u>
Contract liability	<u>205</u>	<u>151</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties

Transactions with associates/joint ventures

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income		
易方達基金管理有限公司及其子公司		
– E Fund Management Co., Ltd. and its subsidiaries	47,547	44,715
中山公用廣發信德新能源產業投資基金(有限合夥)		
– Zhongshan Public GF Xinde New Energy Industry Investment Fund L.P.*	8,480	6,502
珠海格金廣發信德三期科技創業投資基金(有限合夥)		
– Zhuhai Gejin GF Xinde Phase III Technology Venture Capital Fund L.P.*	7,967	8,703
廣發信德(漳州薌城區)數字產業投資發展合夥企業(有限合夥)		
– GF Xinde (Zhangzhou Xiangcheng District) Digital Industry Investment Development Partnership L.P.*	7,521	2,817
廣發信德嵐湖二期(蘇州)健康產業創業投資合夥企業(有限合夥)		
– GF Xinde Lanhu Phase II (Suzhou) Health Industry Venture Capital Partnership L.P.*	6,678	6,715
安徽省新一代信創產業基金合夥企業(有限合夥)		
– Anhui New Generation Information and Innovation Industry Fund Partnership L.P.*	5,124	3,996
廣發信德皖能(含山)股權投資基金合夥企業(有限合夥)		
– GF Xinde Wanneng (Hanshan) Equity Investment Fund Partnership L.P.*	4,758	4,939
廣州南沙區信德厚威創業投資基金合夥企業(有限合夥)		
– Guangzhou Nansha District Xinde Houwei Venture Capital Fund Partnership L.P.*	3,992	4,014
中山廣發信德致遠科技創業投資合夥企業(有限合夥)		
– Zhongshan GF Xinde Zhiyuan Technology Venture Capital Partnership L.P.*	2,936	3,221

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Transactions with associates/joint ventures – continued

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income – continued		
廣州廣發信德戰新創業投資合夥企業(有限合夥)		
– Guangzhou GF Xinde Zhanxin Venture Capital Partnership L.P.*	2,900	2,801
廣發信德(蘇州)健康產業創業投資合夥企業(有限合夥)		
– GF Xinde (Suzhou) Health Industry Venture Capital Partnership L.P.*	2,875	3,295
廣州廣發信德健康創業投資基金合夥企業(有限合夥)		
– Guangzhou GF Xinde Health Venture Capital Fund Partnership L.P.*	2,765	4,704
中山中匯廣發信德股權投資基金(有限合夥)		
– Zhongshan Zhonghui GF Xinde Equity Investment Fund L.P.*	2,456	2,582
珠海格金廣發信德智能製造產業投資基金(有限合夥)		
– Zhuhai Gejin GF Xinde Intelligent Manufacturing Industry Investment Fund L.P.*	1,956	4,623
廣發信德(開平)創業投資基金合夥企業(有限合夥)		
– GF Xinde (Kaiping) Venture Capital Fund Partnership L.P.*	1,871	941
惠理集團有限公司		
– Value Partners Group Limited	1,530	–
珠海廣發信德中鼎創業投資基金(有限合夥)		
– Zhuhai GF Xinde Zhongding Venture Capital Fund L.P.*	1,422	1,430
湖南湘投信德能源智造創業投資基金合夥企業(有限合夥)		
– Hunan Xiangtou Xinde Energy Manufacturing Venture Capital Fund Partnership L.P.*	1,419	–
珠海廣發信德瑞騰創業投資基金合夥企業(有限合夥)		
– Zhuhai GF Xinde Ruiteng Venture Capital Fund Partnership L.P.*	1,403	2,489

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Transactions with associates/joint ventures – continued

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income – continued		
潮州市廣發信德創業投資基金合夥企業(有限合夥)		
– Chaozhou GF Xinde Venture Capital Fund Partnership L.P.*	1,123	1,129
廣發信德(安徽)創業投資基金合夥企業(有限合夥)		
– GF Xinde (Anhui) Venture Capital Fund Partnership L.P.*	1,123	639
東莞廣發信德水鄉創業投資基金合夥企業(有限合夥)		
– Dongguan GF Xinde Water Township Venture Capital Fund Partnership L.P.*	1,029	541
珠海廣發信德新州一號創業投資基金(有限合夥)		
– Zhuhai GF Xinde Xinzhou No. 1 Venture Capital Fund L.P.*	928	933
珠海廣發信德智能創新升級股權投資基金(有限合夥)		
– Zhuhai GF Xinde Upgraded Intelligent Innovation Equity Fund L.P.*	815	1,453
廣州廣發信德廣顧投創業投資基金合夥企業(有限合夥)		
– Guangzhou GF Xinde Guanggu Investment Venture Capital Fund Partnership L.P.*	692	467
杭州廣發信德乒乓鴻鵠股權投資基金合夥企業(有限合夥)		
– Hangzhou GF Xinde Pingpang Honghu Equity Investment Fund Partnership L.P.*	688	721
佛山市廣發信德粵盈新產業股權投資合夥企業(有限合夥)		
– Foshan GF Xinde Yueying New Industry Equity Investment Partnership L.P.*	632	635
珠海廣發信德厚疆創業投資基金(有限合夥)		
– Zhuhai GF Xinde Houjiang Venture Capital Fund L.P.*	610	613
廣州知城琶洲信德產業投資基金合夥企業(有限合夥)		
– Guangzhou Zhicheng Pazhou Xinde Industry Investment Fund Partnership L.P.*	565	347

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Transactions with associates/joint ventures – continued

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income – continued		
佛山市三水建發廣發信德創業投資基金合夥企業(有限合夥)		
– Foshan Sanshui Jianfa GF Xinde Venture Capital Fund Partnership L.P.*	491	–
江門市新控信德碳科創業投資基金合夥企業(有限合夥)		
– Jiangmen Xinkong Xinde Carbon Tech Venture Capital Fund Partnership L.P.*	468	–
宿遷智能製造產業投資基金(有限合夥)		
– Suqian Intelligent Manufacturing Industry Investment Fund L.P.*	458	460
廣州廣發信德厚倫創業投資基金合夥企業(有限合夥)		
– Guangzhou GF Xinde Houlun Venture Capital Fund Partnership L.P.*	409	412
中山公用廣發信德基礎設施投資基金(有限合夥)		
– Zhongshan Public GF Xinde Infrastructure Investment Fund L.P.*	393	282
珠海廣發信德厚合股權投資合夥企業(有限合夥)		
– Zhuhai GF Xinde Houhe Equity Investment Partnership L.P.*	351	353
珠海廣發信德賽德創業投資合夥企業(有限合夥)		
– Zhuhai GF Xinde Saide Venture Capital Partnership L.P.*	298	315
廣州廣發信德二期創業投資合夥企業(有限合夥)		
– Guangzhou GF Xinde Phase II Venture Capital Partnership L.P.*	207	2,587
珠海廣發信德厚澤創業投資合夥企業(有限合夥)		
– Zhuhai GF Xinde Houze Venture Capital Partnership L.P.*	187	188
珠海廣發信德東盈創業投資基金合夥企業(有限合夥)		
– Zhuhai GF Xinde Dongying Venture Capital Fund Partnership L.P.*	134	–

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Transactions with associates/joint ventures – continued

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Commission and fee income – continued		
珠海廣發信德康延創業投資基金(有限合夥)		
– Zhuhai GF Xinde Kangyan Venture Capital Fund L.P.*	132	76
廣發信德中恒匯金(龍岩)股權投資合夥企業(有限合夥)		
– GF Xinde Zhongheng Huijin (Longyan) Equity Investment Partnership L.P.*	–	3,741
廣州信德創業營股權投資合夥企業(有限合夥)		
– Guangzhou Xinde Venture Camp Equity Investment Partnership L.P.*	–	1,702
廣州南鑫珠海港股權投資合夥企業(有限合夥)		
– Guangzhou Nanxin Zhuhai Port Equity Investment Partnership L.P.*	–	1,125
珠海廣發信德高成長現代服務業股權投資企業(有限合夥)		
– Zhuhai GF Xinde High – growth Modern Service Industry Equity Investment Enterprise L.P.*	–	860
高投信德(廣東)創新創業投資基金合夥企業(有限合夥)		
– Gaotou Xinde (Guangdong) Innovation Venture Capital Fund Partnership L.P.*	–	370
Other associates/joint ventures	<u>157</u>	<u>576</u>
Interest income		
GHS Investment Management (Cayman) Company Limited	70	71
珠海盈米基金銷售有限公司		
– Zhuhai Yingmi Fund Selling Co., Ltd.*	–	81
Other income		
GHS Investment Management (Hong Kong) Company Limited	–	547
Other operating expenses		
珠海盈米基金銷售有限公司		
– Zhuhai Yingmi Fund Selling Co., Ltd.*	8,543	8,646
Other associates	<u>113</u>	<u>113</u>

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

49. RELATED PARTY TRANSACTIONS – *continued*

(2) Other related parties – *continued*

Balances with associates/joint ventures

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Commission receivable for exchange trading units and distributing financial products		
易方達基金管理有限公司 – E Fund Management Co., Ltd.	<u>15,969</u>	<u>12,968</u>
Receivables for asset and fund management fee income		
廣發信德嵐湖二期(蘇州)健康產業創業投資合夥企業(有限合夥) – GF Xinde Lanhu Phase II (Suzhou) Health Industry Venture Capital Partnership L.P.*	7,079	–
珠海廣發信德高成長現代服務業股權投資企業(有限合夥) – Zhuhai GF Xinde High – growth Modern Service Industry Equity Investment Enterprise L.P.*	6,369	6,369
廣州廣發信德二期創業投資合夥企業(有限合夥) – Guangzhou GF Xinde Phase II Venture Capital Partnership L.P.*	5,667	5,447
安徽省新一代信創產業基金合夥企業(有限合夥) – Anhui New Generation Information and Innovation Industry Fund Partnership L.P.*	5,454	8,423
珠海格金廣發信德智能製造產業投資基金(有限合夥) – Zhuhai Gejin GF Xinde Intelligent Manufacturing Industry Investment Fund L.P.*	4,103	2,169
珠海廣發信德厚合股權投資合夥企業(有限合夥) – Zhuhai GF Xinde Houhe Equity Investment Partnership L.P.*	3,175	2,803
中山廣發信德致遠科技創業投資合夥企業(有限合夥) – Zhongshan GF Xinde Zhiyuan Technology Venture Capital Partnership L.P.*	3,112	3,253
廣州廣發信德戰新創業投資合夥企業(有限合夥) – Guangzhou GF Xinde Zhanxin Venture Capital Partnership L.P.*	3,075	–
廣發信德(蘇州)健康產業創業投資合夥企業(有限合夥) – GF Xinde (Suzhou) Health Industry Venture Capital Partnership L.P.*	3,048	1,724

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Balances with associates/joint ventures – continued

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Receivables for asset and fund management fee income – continued		
珠海廣發信德瑞騰創業投資基金合夥企業(有限合夥) – Zhuhai GF Xinde Ruiteng Venture Capital Fund Partnership L.P.*	3,000	1,512
廣州廣發信德健康創業投資基金合夥企業(有限合夥) – Guangzhou GF Xinde Health Venture Capital Fund Partnership L.P.*	2,931	–
廣州信德創業營股權投資合夥企業(有限合夥) – Guangzhou Xinde Venture Camp Equity Investment Partnership L.P.*	1,932	1,932
宿遷智能製造產業投資基金(有限合夥) – Suqian Intelligent Manufacturing Industry Investment Fund L.P.*	1,764	1,279
廣州廣發信德一期互聯網改造傳統產業投資企業(有限合夥) – Guangzhou GF Xinde Phase I Internet Transformation of Traditional Industry Investment Enterprise L.P.*	1,668	1,668
廣發信德(安徽)創業投資基金合夥企業(有限合夥) – GF Xinde (Anhui) Venture Capital Fund Partnership L.P.*	1,190	–
廣州市廣投壹號基礎設施股權投資基金合夥企業(有限合夥) – Guangzhou Guangtou No. 1 Infrastructure Equity Investment Fund Partnership L.P.*	1,064	1,400
珠海廣發信德智能創新升級股權投資基金(有限合夥) – Zhuhai GF Xinde Upgraded Intelligent Innovation Equity Fund L.P.*	872	8
珠海廣發信德厚澤創業投資合夥企業(有限合夥) – Zhuhai GF Xinde Houze Venture Capital Partnership L.P.*	774	576
杭州廣發信德乒乓鴻鵠股權投資基金合夥企業(有限合夥) – Hangzhou GF Xinde Pingpang Honghu Equity Investment Fund Partnership L.P.*	729	–

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Balances with associates/joint ventures – continued

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Receivables for asset and fund management fee income – continued		
江門市新控信德碳科創業投資基金合夥企業(有限合夥) – Jiangmen Xinkong Xinde Carbon Tech Venture Capital Fund Partnership L.P.*	496	197
廣州南沙區信德厚湃創業投資基金合夥企業(有限合夥) – Guangzhou Nansha District Xinde Houpai Venture Capital Fund Partnership L.P.*	103	89
廣發信德(漳州薌城區)數字產業投資發展合夥企業(有限合夥) – GF Xinde (Zhangzhou Xiangcheng District) Digital Industry Investment Development Partnership L.P.*	–	2,027
珠海廣發信德康延創業投資基金(有限合夥) – Zhuhai GF Xinde Kangyan Venture Capital Fund L.P.*	–	163
廣州知城琶洲信德產業投資基金合夥企業(有限合夥) – Guangzhou Zhicheng Pazhou Xinde Industry Investment Fund Partnership L.P.*	–	609
珠海廣發信德東盈創業投資基金合夥企業(有限合夥) – Zhuhai GF Xinde Dongying Venture Capital Fund Partnership L.P.*	–	13
	<u>–</u>	<u>13</u>
Amounts due from joint ventures and associates – other receivables		
Global Health Science Fund II, L.P.	11,808	11,858
GHS Investment Management (Cayman) Company Limited	8,234	8,197
Other associates/joint ventures	–	7
	<u>–</u>	<u>7</u>

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

49. RELATED PARTY TRANSACTIONS – continued

(2) Other related parties – continued

Balances with associates/joint ventures – continued

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Amounts due to joint ventures and associates – advance from customers and other payables		
珠海盈米基金銷售有限公司		
– Zhuhai Yingmi Fund Selling Co., Ltd.*	4,758	4,621
珠海廣發信德厚疆創業投資基金(有限合夥)		
– Zhuhai GF Xinde Houjiang Venture Capital Fund L.P.*	3,635	4,281
湖南湘投信德能源智造創業投資基金合夥企業(有限合夥)		
– Hunan Xiangtou Xinde Energy Manufacturing Venture Capital Fund Partnership L.P.*	1,530	–
珠海廣發信德賽德創業投資合夥企業(有限合夥)		
– Zhuhai GF Xinde Saide Venture Capital Partnership L.P.*	<u>973</u>	<u>1,289</u>

(3) Key management personnel

During the period, the paid remuneration attributable to the reporting period for key management personnel was RMB14.29 million, among which, salaries, allowance and bonuses were RMB13.34 million, the employer's contribution to pension schemes and annuity schemes were RMB0.95 million.

* English names are translated for identification purposes only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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50. CAPITAL COMMITMENTS

	As at 30 June 2025 RMB' 000 (unaudited)	As at 31 December 2024 RMB' 000 (audited)
Capital expenditure in respect of acquisition of property and equipment:		
– Contracted but not provided for	<u>199,995</u>	<u>159,509</u>

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT

51.1 Risk management policies and organisation structure

(1) Risk management policies

The objective of risk management of the Group is to strike for an appropriate balance between risks and revenue and to minimise the negative effect of the risks on the Group's operating results to the lowest level, so as to ensure that the risks borne by the Company match well with the regulatory standards, development strategies, capital capability and its risk tolerance and to maximise yields for shareholders and other equity investors. In pursuit of such objective of risk management, the basic strategies of the Group are to identify and analyse the risks with which the Group is facing, to implement risk management within the range of risk tolerance and risk limit setting and to identify, assess, measure, monitor, report and address the risks comprehensively and accurately on a timely basis. The Group has adhered to the Three Ideas about Risk Management which are "to manage risks cautiously"; "the three departments cooperate with each other and each focuses on specific aspects"; and "be people-oriented", and follow the Five Basic Principles which are "comprehensive management; objectiveness and fairness; checks and balance; separate and well-defined duties and power; openness and transparency".

The risks to which the Group is exposed to in daily operating activities mainly include market risk, credit risk and liquidity risk. The Group has established policies and procedures accordingly to identify and analyse the risks. The Group has set up appropriate risk indicators, risk limits, risk criteria and internal control process. The Group also monitors and manages the risks with an information system on a continuous basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.1 Risk management policies and organisation structure – *continued*

(2) *Structure of the risk-management organization*

The Group adopts a four-level risk management organization structure system, namely “board of directors and its subordinated risk management committee, management executives and relevant professional committees, various control and supporting departments, and business departments”. First-line risk management organisations or staff have been set up in all major business departments of the Company. Organisations and staff of all levels perform their authorised risk management duties with clear segregation of duties and emphasis on mutual collaboration. The business department, risk management department, compliance and legal affairs department and internal auditing department cooperate with each other and each focuses on specific aspects, and they perform risk assessment before the projects are implemented, on-going control, investigation and evaluation after completion. They also continuously monitor and manage various risks faced by the Group at various levels and in a comprehensive manner, and contribute to the sustainable development of the business of the Company.

The risk management department is primarily responsible for conducting independent evaluation and monitoring of market risk, credit risk and liquidity risk of the Group and establishing the operational risk management system and coordinating with other departments to manage operational risk, money laundering risk, model risk and reputation risk; assessing, monitoring, reporting on and advising on the management of the Company’s venture capital; and handling daily routine of the Risk Control Committee of the Company as a standing body of the Risk Management Committee. The compliance and legal department is the Group’s function department for compliance and legal risk management, primarily responsible for formulating the Group’s management policies in respect of compliance and legal risk, conducting independent evaluation and monitoring of compliance and legal risks, organizing and carrying out money laundering risk management, prevention and control in accordance with the Company’s anti-money laundering management policy, coordinating with other departments to manage operational risk and performing compliance inspection and management on operational administration activities and code of conduct of the employees of the Group. The auditing department is the third defensive line of risk control. It is responsible for the checking, supervision, evaluation, and relative internal auditing consultation of internal control, risk management, governance procedures, and operating management performance.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk

Credit risk is the probability that the market value of debts may change due to the fact that the issuer or counterparty fails to perform the obligations specified in the contract or due to the change in credit rating and performance capability, thereby causing loss to the Group. The credit risk the Group is exposed to mainly relates to the following assets: (i) fixed income financial assets; (ii) financing businesses such as advances to customers, financial leasing receivables and financial assets held under resale agreements (mainly referring to securities transactions with repurchase agreements and stock-pledged repos); and (iii) over-the-counter derivative financial assets.

Fixed income financial assets include bank balances, clearing settlement funds, deposits with exchanges and non-bank financial institutions, accounts receivable and bonds. Credit risk mainly includes the risk caused by its counterparties and securities issuer's default risk. The maximum credit risk exposure equals to the carrying amounts of these instruments.

In terms of the financing business, the credit risk exposure of margin financing and securities lending, securities transactions with repurchase agreements and stock-pledged repos is derived from the default risk of counterparties due to their failure to repay the principal and interest of debts when due. As at 30 June 2025, the average ratio of guarantee maintained for all the clients who have liabilities in margin financing and securities lending of the Group was 265.85% (31 December 2024: 254.28%), the average coverage ratio of contract performance for clients of security transactions with repurchase agreements was 292.98% (31 December 2024: 343.23%), and the average coverage ratio of contract performance for clients of the stock-pledged repos business (the fund lender was the securities company) was 293.28% (31 December 2024: 284.97%). The collateral provided is sufficient and the credit risk of the financing business is managed at an acceptable level.

The credit risk of over-the-counter derivative transactions is mainly the counterparty default risk in conducting over-the-counter derivative transactions such as forward, swaps and options.

The credit risk of the bond investments is mainly mitigated by means of credit rating management, transaction limits, position limits, exposure limits on issuers.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk – *continued*

The credit risk of the financing business of the Group is mainly managed through the following measures: (i) the establishment of customer due diligence requirements and business admission criteria, the review on the creditworthiness and business qualification of counterparties prior to the conduction of business, and the preliminary identification and assessment of business credit risks; (ii) the establishment of layered approval process, guarantees and other elements of transactions, and the adoption of tailored risk mitigating measures; and (iii) the continuous post-transaction tracking and management on counterparties, guarantees and the actual performance of transaction agreements, the collection of transaction-related information on a regular basis and assessment of risks, risk inspections and stress testing conducted on a regular or irregular basis to implement asset risk classification, enhancement of asset risk classification management, as well as timely actions adopted upon the occurrence of risk events.

In terms of managing counterparty credit risks of over-the-counter derivative transactions, the Group applies the following measures: (i) strengthening due diligence of counterparties, improving the mechanism for regular return visits and specifying the admission criteria for various types of business counterparties through internal credit rating management; (ii) controlling the counterparty credit risk exposure through credit limit, single transaction size, total business scale and identical client management; (iii) mitigating counterparty risk through collateral, guarantees, netting agreements, etc., for over-the-counter derivative transactions not using Central Counterparty (CCP) settlement; and (iv) timely monitoring changes in counterparty credit exposure based on market changes and stress testing results and preventing the excess or further deterioration of counterparty credit risk exposure through mark-to-market monitoring, margin calls, margin closeout and loss recovery measures.

During the report period, the Group's impairment assessment was based on an expected credit loss model. The Group applies the simplified approach to measure ECLs on accounts receivable and contract assets that do not contain a significant financing component according to accounting policies and the general approach to measure ECLs on other financial assets such as bank balances, clearing settlement funds, advances to customers, financial assets held under resale agreements, deposits with exchanges and non-bank financial institutions, debt instruments at fair value through other comprehensive income, debt instruments at amortised cost and financial leasing receivables. Under the simplified approach, the Group measures the loss allowance at an amount equal to the lifetime ECL. Under the general approach, the Group measures the allowance of financial assets in the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-month ECL, Stage 2: Lifetime ECL — not credit-impaired and Stage 3: Lifetime ECL — credit-impaired.

The Group considers both quantitative and qualitative information and analysis based on the Group's historical experience and expert credit risk assessment when determining whether the risk of default has increased significantly since initial recognition.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk – *continued*

Criteria for judging significant increases in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at the end of the reporting period. While determining whether the credit risk has significantly increased since initial recognition or not, the Group takes into account the reasonable and substantiated information that is accessible without exerting unnecessary cost or effort, including qualitative and quantitative analysis based on the historical data of the Group, external credit risk rating, and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Group compares the risk of default of financial instruments at the end of the reporting period with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments.

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria have been met:

- Quantitative criteria mainly includes the case where debtor's defaulting days have been over certain days by the end of the reporting period; and the case where mark-to-market ratios are unable to meet certain criteria.
- Qualitative criteria mainly refer to a significant adverse change in debtor's operation or financial status or their collateral, or debtor being listed on the watch-list.

For the securities financing business, the Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria have been met:

- The ratio of the guarantee maintained lower than 130% for 5 consecutive trading days (inclusive);
- The debtor's principal or interest overdue for more than 5 trading days;
- The ratio of the guarantee maintained lower than 100%; or
- Other circumstances in which the Group considers that credit risk experienced a significant increase.

For debt securities investments, the Group uses the internal rating method to estimate the probability of default (PD) and the change of rating is the main criterion for assessing significant increase in credit risks. Debt securities investments are considered to have significant increase in credit risks and classified under Stage 2 if the latest internal rating of the issuers of debt securities has undergone two notches of downward migration or more, compared with those ratings as at the acquisition date; or if the rating of the issuers or the debt securities is downgraded by the rating institution in Mainland China, and the downgraded level is below A+(inclusive), or below AA- and the outlook is negative. The aforesaid downgrade usually indicates that there has been a significant change in the issuer's main financial indicators, or that the rights of the issuer's major assets have been restricted, such as mortgage, pledge, judicial seizure or freezing, which has a material adverse impact on the issuer's performance ability.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk – *continued*

Definition of credit-impaired financial asset

The standard adopted by the Group to determine whether a credit impairment occurs is consistent with the internal credit risk management objectives of the relevant financial instrument, taking into account quantitative and qualitative criteria. When a financial instrument meets one or more of the following criteria as follows, it will be defined as credit-impaired and classified under Stage 3:

- Significant financial difficulty of the issuer of debt securities or the debtor;
- The issuers or debtors of debt securities are in breach of contract, such as defaults on interest or becoming overdue on interest or principal payments;
- The creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession that the creditor would not otherwise consider;
- It is becoming probable that the issuers or debtors will enter bankruptcy or other financial restructuring;
- The disappearance of an active market for that financial asset because of financial difficulties of the issuers or debtors of debt securities; or
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Group considers a financial instrument to be credit-impaired and classified under Stage 3 when one or more of the following quantitative or qualitative criteria have been met:

- The securities financing asset is past due for 22 trading days or more;
- The ratio of the guarantee maintained below 100% for ten consecutive trading days (inclusive);
- The internal rate of securities financing assets below D; or
- Other circumstances in which the Group considers that credit impairment has occurred.

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51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk – *continued*

Parameters of ECL measurement

According to whether there is a significant increase in credit risk and whether there is an impairment of assets, the Group measures the impairment loss for different assets with ECL of 12 months or the entire lifetime respectively. The key measuring parameters of ECL include PD, loss given default (LGD) and exposure at default (EAD). The Group takes into account the quantitative analysis of historical statistics (such as ratings of counterparties, manners of guarantees and types of collateral, and repayments) and forward-looking information in order to establish the model of PD, LGD and EAD.

Relative definitions are as follows:

- PD refers to the possibility that the debtor will not be able to fulfil its obligations of repayment over the next 12 months or throughout the entire remaining lifetime. The Group's PD is adjusted based on the results of the Internal Rating Model of GF Securities Co., Ltd., taking into account the forward-looking information to reflect the debtor's PD under the current macroeconomic environment.
- LGD refers to the Group's expectation of the extent of the loss resulting from the default exposure. Depending on the type of counterparty, the method and priority of the recourse, and the type of collateral, the LGD varies. LGD is the percentage of the loss of EAD when default occurs, calculated based on the next 12 months or throughout the entire remaining lifetime.
- EAD is the amount that the Group should be reimbursed at the time of the default in the next 12 months or throughout the entire remaining lifetime.

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51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.2 Credit risk – *continued*

Forward-looking information

The assessment of a significant increase in credit risk and the calculation of ECL both involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risk and ECL of various business types, mainly the China Coincident Index.

The Group preliminarily forecasts key economic indicators under optimistic, neutral and pessimistic scenarios through statistical analysis. Considering the forecasts of domestic and foreign financial institutions for the future economic situation, the Group applies experts' judgement in this process and determines the impact of these economic indicators on PD and LGD. The impact of these economic indicators on PD and LGD varies for different businesses. The Group evaluates and forecasts these economic indicators at least annually, and represents its best estimate for the future and regularly monitors the results of the evaluation.

During the report period, based on statistical analysis and expert judgement, also considering the range of possible outcomes represented by each scenario, the Group determined the final macroeconomic scenarios and weights.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes as at the financial statement date.



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51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.3 Market risk

Market risks faced by the Group refer to the risk that causes loss of the Group's each business as a result of unfavourable changes in market prices, including equity securities price risk, interest rate risk, exchange rate risk and commodity price risk.

In order to manage market risks effectively, the Group determines the policy for the maximum market exposure the Group is willing to assume, based on the risk preference, capital position and risk tolerance. Taking its business development plan, business scale and other factors into account, the Group disaggregates risk limits into different investment units through risk limit authorisation management system and each investment unit operates business within the range of risk limit authorisation. When concretely operating the business, the Group comprehensively manages market risks faced by various types of business by means of admission management, size control, concentration, Value at Risk (VaR), sensitivity analysis, stress testing, risk assessment and monitoring of profit and loss. The front desk serves as the first line management directly responsible for market risks, which dynamically manages the market risks resulting from the portion of positions held and actively takes actions to reduce risk exposure or performs risk hedging when the risk exposure is high.

The Risk Management Department is independent of business departments when performing market risk management duty and it sustainably optimises the Group's market risk framework, comprehensively evaluates and dynamically monitors the market risk exposure and changes of the Group and business departments and continuously communicates risk information directly with teams of business departments to discuss risk status and extreme loss scenarios. Meanwhile, market risk conditions and their changes of the Company as a whole and each business department are reported in a timely manner to the Company's management through regular risk reporting.

The Risk Management Department uses a series of quantitative methods to estimate possible losses resulting from market risks, including VaR, sensitivity analysis, stress testing and Expected Shortfall (ES). The Group's VaR is measured using the historical simulation method with a confidence level of 95%. Meanwhile, the Group disaggregates combined VaR based on types of market risk factors in order to have a command of the contribution made by various risk factors to combined market risk. The Group is clearly aware that VaR involves certain limitations because it is a risk indicator. Possible losses in extreme cases, such as significant adverse changes on market price and severe risk events, are estimated by means of stress testing or ES, etc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – continued

51.3 Market risk – continued

Interest rate risk

Interest rate risk is the risk of fluctuation in the Group's financial position and cash flows arising from movements in interest rates. The Group's interest-bearing assets mainly include bank balances, clearing settlement funds, deposits with exchanges and non-bank financial institutions and fixed-income investments. Interest-bearing financial liabilities mainly include borrowings, short-term financing payables, due to banks and other financial institutions, financial assets sold under repurchase agreements, accounts payable to brokerage clients and bonds payable. Fixed-income investments of the Group mainly include government bonds, financial bonds, interbank negotiable certificates of deposit, medium-term notes, high-quality short-term papers, corporate bonds, asset-backed securities, treasury bond futures, interest rate swaps and standard bond forward. In order to manage interest rate risks, the Group uses VaR, stress testing and sensitivity indicators (duration, convexity and DV01, etc.) to measure and monitor the interest rate risk on a daily basis.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest-bearing assets and liabilities. Assuming interest-bearing assets and liabilities outstanding at the end of the respective reporting period were outstanding for the whole period and other variables held constant, the analysis is to show the impact on profit before income tax and other comprehensive income before income tax due to a 100 basis points increase or decrease in the relevant interest rates. A positive number below indicates an increase in profit before income tax and other comprehensive income before income tax and a negative number indicates a decrease.

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Profit before income tax for the period		
Interest rate increase by 100bps	(2,218,274)	(1,551,940)
Interest rate decrease by 100bps	2,363,458	1,631,881
	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Other comprehensive income before income tax		
Interest rate increase by 100bps	(2,368,964)	(1,727,329)
Interest rate decrease by 100bps	2,544,574	1,830,220

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.3 Market risk – *continued*

Currency risk

Currency risk is the risk of fluctuation in the fair value of financial instruments or future cash flows arising from adverse movements in foreign exchange rates. The Group's currency risk primarily relates to the Group's operating activities, whose settlements and payments are denominated in foreign currencies different from the Group's functional currency, and its net investment in foreign subsidiaries. Currently, the currency risk arising from the Group's assets and liabilities denominated in foreign currencies is monitored and managed through exposure and VaR, and hedged by foreign currency derivatives. The currency risk of the Group is relatively manageable.

Price risk

Price risk is primarily about the unfavourable changes of share prices of equity investments, financial derivative instrument prices, and commodity prices that cause financial loss during the Group's on-balance and off-balance business. The Group is exposed to price risk which arises from price fluctuation of the financial assets at fair value through profit or loss and the financial assets at fair value through other comprehensive income, mainly including equity investments, shares (with share index included), funds and commodities and related financial derivative instruments such as swaps, futures and options. Other than daily monitoring the investment position, trading and earnings indicators, the Group mainly uses VaR, sensitivity indicators, stress testing indicators in the daily risk monitoring of price risk.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.3 Market risk – *continued*

Sensitivity analysis

The analysis below is to show the impact on profit before income tax and other comprehensive income before income tax due to change in the prices of equity securities, funds, convertible bonds, derivatives and collective asset management schemes by 10% with all other variables held constant. A positive number below indicates an increase in profit before income tax and other comprehensive income before income tax and a negative number indicates a decrease.

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Profit before income tax for the period		
Price increase by 10%	876,961	1,091,536
Price decrease by 10%	(695,930)	(1,178,512)

	Six months ended 30 June	
	2025 RMB' 000 (unaudited)	2024 RMB' 000 (unaudited)
Other comprehensive income before income tax		
Price increase by 10%	1,627,328	1,383,511
Price decrease by 10%	(1,627,328)	(1,383,511)

51.4 Liquidity risk

Liquidity risk of a securities company refers to the risk of failure to obtain sufficient funds at a reasonable cost and in a timely manner to pay the debts as they fall due, perform other payment obligations and satisfy the capital requirements to carry out businesses in the ordinary course. During the Group's ordinary course of business, the triggers of liquidity risk include poor operations, lack of asset liquidity, significant mismatch of asset and liability terms, limitation on financing channels, unreasonableness of financing liability term structure, insufficiency of market liquidity, adverse impacts on the Group's reputation and effects of other risk types to liquidity risk. Liquidity risk events have strong diffusion and are widespread. Once liquidity risk events occur, the Group must respond in a short time to make emergency decisions and disposal.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.4 Liquidity risk – *continued*

As at 30 June 2025, cash and bank deposits held by the Group amounted to RMB149.43 billion (31 December 2024: RMB161.82 billion), and financial assets such as monetary funds, government bonds and short-term financing bills amounted to RMB149.86 billion (31 December 2024: RMB95.22 billion), providing a strong capability of quick liquidation to meet the foreseeable demands on financing liabilities and businesses. Therefore, the Group considers the exposure to liquidity risk to be insignificant.

The Group implements stable liquidity risk preference management strategy to guarantee that the Company will have adequate liquidity reserve and fundraising capability under the normal situation and pressure state through scientific asset-liability management and fund management, multi-level liquidity reserve, effective liquidity emergency disposal and monitoring and pre-warning about the liquidity risk index to prevent liquidity risk. Measures for liquidity risk management include the following: the Group established a frame for liquidity risk management with the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) as the core indicator strictly according to the requirements of *Guidelines for the Liquidity Risk Management of Listed Companies* 《證券公司流動性風險管理指引》, and based on the control and projection of LCR and NSFR, each of the operational activities is assured to be complied with the requirements of liquidity risk management as stated in the regulatory requirements; asset allocation and arrangement of structure of assets and liabilities based on flexible adjustments to protect the Company from risk of maturity mismatch; established a multiple system of quality assets with on-going control and maintained an adequate liquidity reserve; constructed a system for risk limits, which includes capital leverage, maturity structure and concentration of financial liabilities and liquidity reserve, and performed routine monitoring and report on indicators; regularly or irregularly evaluated liquidity risk stress testing and carried out liquidity risk drill, optimised and perfected liquidity risk emergency disposal processes and mechanism of the Company.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

51. FINANCIAL INSTRUMENTS RISK MANAGEMENT – *continued*

51.4 Liquidity risk – *continued*

Currently, the Group has set up two departments for liquidity risk management, namely treasury department and risk management department. The treasury department is mainly responsible for coordinating sources of funds, addressing capital needs, formulating and optimising financial strategies, implementing liquidity management during daytime and taking initiative to prevent liquidity risks. The risk management department is responsible for performing independent identification, evaluation, measuring and monitoring of liquidity risks of the Group together with management of market risks and credit risks, and paying attention on an on-going basis to the conversion of other types of risk to liquidity risk. The Group uses concentration control, trading limit control and monitoring of the market liquidity of financial instruments held by the Group to address the liquidity risk of financial instruments. In order to meet the regulatory requirements, the Group has set up a multi-level, omni-directional and information-based management system to monitor and control the overall liquidity risk.

52. FAIR VALUE OF FINANCIAL INSTRUMENTS

52.1 Fair value hierarchy

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: Inputs are quoted prices (unadjusted) in active market for identical assets or liabilities than the entity can access at the measurement date

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Inputs are unobservable inputs for the asset or liability

There were no significant transfers between Level 1 and Level 2 as at 30 June 2025 and 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

52.1 Fair value hierarchy (Continued)

As at 30 June 2025

(unaudited)

	Level 1 RMB' 000	Level 2 RMB' 000	Level 3 RMB' 000	Total RMB' 000
Financial assets:				
Debt instruments at fair value through other comprehensive income				
– Debt securities	–	91,178,499	–	91,178,499
Equity instruments at fair value through other comprehensive income				
– Equity instruments	15,555,098	–	69,654	15,624,752
– Mutual funds	695,300	–	–	695,300
– Perpetual bonds	–	18,732,075	–	18,732,075
– Other investments	–	11,154	–	11,154
Financial assets at fair value through profit or loss				
– Equity instruments	32,261,302	2,240,107	9,329,562	43,830,971
– Debt instruments	979,670	131,890,472	639,113	133,509,255
– Mutual funds	67,145,600	–	–	67,145,600
– Other investments	–	43,028,637	1,201,024	44,229,661
Investment in an associate	–	–	2,172	2,172
Derivative financial assets	493,025	1,961,074	835,520	3,289,619
Total	117,129,995	289,042,018	12,077,045	418,249,058
Financial liabilities:				
Financial liabilities at fair value through profit or loss	829,897	14,538,687	–	15,368,584
Financial liabilities designated at fair value through profit or loss	–	2,721,100	596,219	3,317,319
Derivative financial liabilities	795,109	4,483,741	2,762,635	8,041,485
Other liabilities	650,688	252,846	617,986	1,521,520
Total	2,275,694	21,996,374	3,976,840	28,248,908

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – continued

52.1 Fair value hierarchy – continued

As at 31 December 2024

(audited)	Level 1 RMB' 000	Level 2 RMB' 000	Level 3 RMB' 000	Total RMB' 000
Financial assets:				
Debt instruments at fair value through other comprehensive income				
– Debt securities	–	104,334,355	–	104,334,355
Equity instruments at fair value through other comprehensive income				
– Equity instruments	13,212,436	–	69,151	13,281,587
– Mutual funds	720,106	–	–	720,106
– Perpetual bonds	–	8,306,758	–	8,306,758
– Other investments	–	9,324	–	9,324
Financial assets at fair value through profit or loss:				
– Equity instruments	28,905,077	2,074,861	7,536,505	38,516,443
– Debt instruments	625,539	108,156,684	1,616,833	110,399,056
– Mutual funds	56,774,373	–	–	56,774,373
– Other investments	–	35,645,693	1,485,832	37,131,525
Investment in an associate	–	–	2,839	2,839
Derivative financial assets	516,475	2,132,964	1,230,008	3,879,447
Total	100,754,006	260,660,639	11,941,168	373,355,813
Financial liabilities:				
Financial liabilities at fair value through profit or loss				
	473,407	4,046,908	–	4,520,315
Financial liabilities designated at fair value through profit or loss				
	–	2,683,067	1,002,149	3,685,216
Derivative financial liabilities	768,103	3,845,361	2,144,290	6,757,754
Other liabilities	514,654	132,149	514,762	1,161,565
Total	1,756,164	10,707,485	3,661,201	16,124,850

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

52.2 Fair values of the financial assets and financial liabilities that are not measured on a recurring basis

The fair values of financial assets and financial liabilities not measured at fair value on a recurring basis are estimated using the discounted cash flow method.

Except for the financial liabilities disclosed below, the carrying amounts of the financial assets and financial liabilities not measured at fair value on a recurring basis approximated to their fair values as at 30 June 2025 and 31 December 2024.

	As at 30 June 2025 (unaudited)		
	Carrying amount RMB'000	Fair value RMB'000	Fair value hierarchy
Bonds payable – corporate bonds	91,717,415	93,524,678	Level 1
Bonds payable – subordinated bonds	16,701,347	16,842,366	Level 1

	As at 31 December 2024 (audited)		
	Carrying amount RMB'000	Fair value RMB'000	Fair value hierarchy
Bonds payable – corporate bonds	85,633,820	87,544,890	Level 1
Bonds payable – subordinated bonds	12,700,164	12,864,628	Level 1

52.3 Basis for recurring fair value measurement categorised within Level 1

For the measurement for Level 1, the Group adopts the quoted price in active markets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

52.4 Valuation techniques used and the qualitative information of key parameters for recurring fair value measurement categorised within Level 2

For debt instruments at fair value through profit or loss and at fair value through other comprehensive income whose value is available on the bond pricing system of related registration and clearing institutions on the valuation date, the fair value is measured using the latest valuation results published by the bond pricing system.

For private funds, asset management schemes and other investments without an available value in active markets that are classified as financial instruments at fair value through profit or loss or financial assets at fair value through other comprehensive income, the fair value is determined by most recent transaction price, the net asset value (NAV) provided by managers and valuation techniques. The inputs of those manager-provided NAV and valuation techniques include the market value of underlying investment portfolio, yield curves, liquidity discount by China Securities Index Company Limited, etc., which are all observable.

For derivative financial instruments without an active market, the fair value is determined by discounting the future cash flows using market interest rates or exchange rates of similar derivative instruments, based on the terms and maturities of each contract. For equity return swaps, the fair value is determined by reference to the returns calculated from the public quotation of the underlying investment of the relevant contracts.

During the period ended 30 June 2025, there were no significant changes of valuation techniques for Level 2.

52.5 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3

For instruments, such as restricted shares, unlisted equity investments, debt instruments, other investments, financial liabilities and derivatives, the Group adopts the quotation from counterparties or valuation techniques to determine the fair value. Valuation techniques include discounted cash flow analysis, net value model, discounted market prices, market multiples and Black Scholes model, etc. The fair value measurement of these financial instruments may involve unobservable inputs such as future cash flow, net value of underlying investment, market multiples, volatility and liquidity discount. The fair values of the financial instruments in Level 3 were not significantly sensitive to a reasonable change in these unobservable inputs.

During the period ended 30 June 2025, there were no significant changes of valuation techniques for Level 3.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – continued

52.5 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3 – continued

The quantitative information of fair value measurement for Level 3 is as follows:

Financial assets/ financial liabilities	Fair value as at		Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
	30 June 2025 RMB' 000 (unaudited)	31 Dec 2024 RMB' 000 (audited)			
1) Financial assets					
Equity instruments	2,107,982	316,424	Discounted Market Price	Discount for lack of marketability	The higher the discount, the lower the fair value
Equity instruments	4,754,616	4,954,600	Market multiples	Discount for lack of marketability	The higher the discount, the lower the fair value
Equity instruments	1,830,386	2,316,755	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value
Equity instruments	687,350	–	Discounted cash flows	Future cash flow	The higher the future cash flow, the higher the fair value
Equity instruments	18,882	17,877	Recent transaction price	Discount for lack of marketability	The higher the discount, the lower the fair value
Debt instruments	639,113	1,616,833	Discounted cash flows	Future cash flow	The higher the future cash flow, the higher the fair value
Equity options	784,688	1,192,262	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Equity return swaps	36,400	24,004	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

52.5 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3 – *continued*

The quantitative information of fair value measurement for Level 3 is as follows: – *continued*

Financial assets/ financial liabilities	Fair value as at		Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
	30 June 2025 RMB' 000 (unaudited)	31 Dec 2024 RMB' 000 (audited)			
Commodity options	10,324	9,620	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Structured notes	4,045	3,905	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Other investments	1,145	1,145	Discounted cash flows	Future cash flow	The higher the future cash flow, the higher the fair value
Other investments	1,199,879	1,484,687	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value
Currency swaps	63	217	Quotation price	Quotation price	The higher the quotation price, the higher the fair value
Investment in an associate	2,172	2,839	Market multiples	Discount for lack of marketability	The higher the discount, the lower the fair value
	<u>12,077,045</u>	<u>11,941,168</u>			

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – continued

52.5 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3 – continued

The quantitative information of fair value measurement for Level 3 is as follows: – continued

Financial assets/ financial liabilities	Fair value as at		Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
	30 June 2025 RMB' 000 (unaudited)	31 Dec 2024 RMB' 000 (audited)			
2) Financial liabilities					
Equity options	2,254,592	935,687	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Equity return swaps	237,888	188,617	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value
Structured notes	410,649	834,752	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Structured notes	214,877	215,668	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value
Commodity options	235,702	971,715	Black Scholes Model	The volatility of the underlying investment	The higher the volatility of the underlying investment, the greater impact on the fair value
Currency swaps	5,146	–	Quotation price	Quotation price	The higher the quotation price, the higher the fair value
Third-party interests	617,986	514,762	Net Value Model	The net value of the underlying investment	The higher the net value of the underlying investment, the higher the fair value
	3,976,840	3,661,201			

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – continued

52.6 Reconciliation of Level 3 fair value measurements

For the six months ended 30 June 2025 (unaudited)

	Financial assets					
	Financial assets at fair value through profit or loss RMB' 000	Financial assets at fair value through other comprehensive income RMB' 000	Financial liabilities at fair value through profit or loss RMB' 000	Derivative financial assets RMB' 000	Derivative financial liabilities RMB' 000	Other liabilities RMB' 000
As at 1 January 2025	10,639,170	69,151	(1,002,149)	1,230,008	(2,144,290)	(514,762)
Total gains/losses	(498,334)	503	(66,856)	(400,306)	(883,547)	(23,224)
– Profit or loss	(498,334)	–	(66,856)	(400,306)	(883,547)	(23,224)
– Other comprehensive income	–	503	–	–	–	–
Additions	2,419,367	–	–	303,680	(790,170)	(80,000)
Settlements/disposals	(1,387,286)	–	472,786	(297,862)	1,055,372	–
Transfers into Level 3	866,226	–	–	–	–	–
Transfers out of Level 3	(869,444)	–	–	–	–	–
As at 30 June 2025	<u>11,169,699</u>	<u>69,654</u>	<u>(596,219)</u>	<u>835,520</u>	<u>(2,762,635)</u>	<u>(617,986)</u>
Total unrealised gains/losses for the period for assets/liabilities held as at 30 June 2025						
– Included in profit or loss	<u>(613,424)</u>	<u>–</u>	<u>(36,044)</u>	<u>(400,306)</u>	<u>(883,547)</u>	<u>(23,224)</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

52. FAIR VALUE OF FINANCIAL INSTRUMENTS – continued

52.6 Reconciliation of Level 3 fair value measurements – continued

For the year ended 31 December 2024 (audited)

	Financial assets					
	Financial assets at fair value through profit or loss RMB' 000	Financial assets at fair value through other comprehensive income RMB' 000	Financial liabilities at fair value through profit or loss RMB' 000	Derivative financial assets RMB' 000	Derivative financial liabilities RMB' 000	Other liabilities RMB' 000
As at 1 January 2024	16,382,510	73,449	(2,561,791)	2,393,491	(1,591,090)	(856,162)
Total gains/losses	(2,368,108)	(4,935)	(298,606)	(943,575)	173,891	(14,465)
– Profit or loss	(2,368,108)	–	(298,606)	(943,575)	173,891	(14,465)
– Other comprehensive income	–	(4,935)	–	–	–	–
Additions	287,611	637	(51,825)	26,134	(1,046,176)	–
Settlements/disposals	(2,778,321)	–	2,125,741	(246,042)	319,085	355,865
Transfers into Level 3	1,923,046	–	(215,668)	–	–	–
Transfers out of Level 3	(2,807,568)	–	–	–	–	–
As at 31 December 2024	<u>10,639,170</u>	<u>69,151</u>	<u>(1,002,149)</u>	<u>1,230,008</u>	<u>(2,144,290)</u>	<u>(514,762)</u>
Total unrealised gains/losses for the period for assets/liabilities held as at 31 December 2024						
– Included in profit or loss	<u>(1,819,524)</u>	<u>–</u>	<u>(158,661)</u>	<u>(943,575)</u>	<u>173,891</u>	<u>(30,903)</u>

Note: The equity securities traded on stock exchanges with lock-up periods and targeted asset management plans holding listed shares with lock-up periods were transferred out of Level 3 when the lock-up periods lapsed and they became unrestricted.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

53. CHANGE OF SCOPE OF CONSOLIDATION

53.1 Consolidated structured entities

As at 30 June 2025, the Group consolidated 77 structured entities (31 December 2024: 82). For those structured entities where the Group is involved as manager or as investor, the Group has significant variable interests in them and the Group is able to exercise control over their operations.

As at 30 June 2025, the total net assets of the consolidated structured entities were RMB34,293.62 million (31 December 2024: RMB33,071.57 million), the carrying amounts of the interests held by the Group in these consolidated structured entities were RMB32,772.10 million (31 December 2024: RMB31,910.01 million), the carrying amounts of the interests held by third parties in these consolidated structured entities were RMB1,521.52 million (31 December 2024: RMB1,161.56 million). Interests held by third parties in these consolidated structured entities were classified as other liabilities in condensed consolidated financial statements.

53.2 New subsidiaries

During the period, GF Futures Co., Ltd. has established a new subsidiary, GF Futures (Singapore) Pte. Ltd.

54. OUTSTANDING LITIGATIONS

As at 30 June 2025, the Group was involved as a defendant in certain lawsuits and arbitration with claim amounts of approximately RMB3,971.28 million (31 December 2024: RMB4,065.18 million) and certain listed company shares for distribution in-kind. Additionally, the Group was involved in a special representative litigation, where the ultimate claim amount remained uncertain. Based on the court rulings, advice from legal representatives and management's judgement, no provision had been made to the aforesaid claims.

55. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (1) On 11 July 2025, the Company completed the issuance of 2025 public offering of short-term corporate bonds to professional investors (Tranche 6) amounting to RMB3.00 billion, with an annual interest rate of 1.58% and a term of 209 days.
- (2) On 18 July 2025, the Company completed the issuance of 2025 public offering of subordinated bonds to professional investors (Tranche 3) amounting to RMB1.40 billion, with an annual interest rate of 1.85% and a term of 3 years.
- (3) On 29 July 2025, the Company completed the issuance of 2025 public offering of short-term corporate bonds to professional investors (Tranche 5) (Additional Issuance) amounting to RMB2.00 billion, with an annual interest rate of 1.64% and a term of 211 days.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

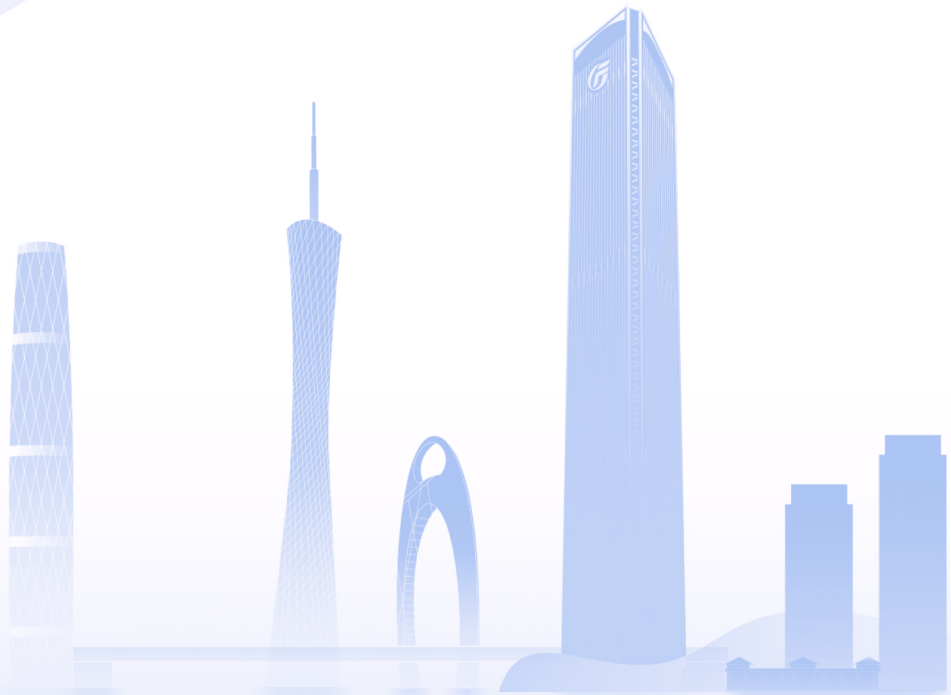
30 June 2025

55. EVENTS AFTER THE END OF THE REPORTING PERIOD – *continued*

- (4) On 5 August 2025, the Company completed the issuance of 2025 public offering of short-term corporate bonds to professional investors (Tranche 7) amounting to RMB5.00 billion, with an annual interest rate of 1.61% and a term of 192 days.
- (5) On 7 August 2025, the Company completed the issuance of 2025 public offering of corporate bonds to professional investors (Tranche 3) which type 1 amounting to RMB3.90 billion, with an annual interest rate of 1.80% and a term of 3 years, type 2 amounting to RMB1.10 billion, with an annual interest rate of 1.88% and a term of 5 years.
- (6) On 19 August 2025, the Company completed the issuance of 2025 public offering of subordinated bonds to professional investors (Tranche 3) (Additional Issuance) amounting to RMB0.5 billion, with an annual interest rate of 1.85% and a term of 3 years.
- (7) On 26 August 2025, the Company completed the issuance of 2025 public offering of corporate bonds to professional investors (Tranche 3) (Type 1) (Additional Issuance) amounting to RMB0.8 billion, with an annual interest rate of 1.80% and a term of 3 years.
- (8) On 29 August 2025, the Company completed the issuance of 2025 public offering of short-term corporate bonds to professional investors (Tranche 8) amounting to RMB5.0 billion, with an annual interest rate of 1.73% and a term of 360 days.
- (9) In accordance with the 2025 interim profit distribution plan approved by the board of directors on 29 August 2025, the Company proposed cash dividends of RMB1.0 per 10 shares (inclusive of tax) to shareholders based on the number of shares held as at the record date. According to the authorization from the 2024 general meeting of shareholders, the above profit distribution plan will be implemented after being reviewed and approved by the Board.

其他報送數據

OTHER REPORTING DATA



OTHER REPORTING DATA

I. OTHER SIGNIFICANT SOCIAL SECURITY ISSUES

1. **Whether the listed company and its subsidiaries have other significant social security issues**

N/A.

2. **Any administrative penalties during the Reporting Period**

No.

II. REGISTER OF RECEPTION OF ACTIVITIES SUCH AS RESEARCH, COMMUNICATION AND INTERVIEW DURING THE REPORTING PERIOD

The Company highly values investor relationship management and information disclosure, pays attention to the truthfulness, accuracy, completeness and timely and fair disclosure of information, actively protects the interest of medium and small investors, carefully listens and replies to proposals and consultative opinions of medium and small investors in the ordinary course of work. The Company maintains smooth interactive communication with institutional investors and individual investors by means of telephone, mail, website of the Company or the “Easy Interaction” platform of the SZSE, regular or ad hoc referral conference or roadshow, interview and research. In the first half of 2015, in addition to the daily telephone communication with public investors, there were a total of 9 receptions of activities such as research and performance roadshows, and the Company received about 100 investors in total. The details are as follows:

OTHER REPORTING DATA

Reception time	Reception venue	Reception method	Type of participants	Participants	Main contents of the discussion and information provided
January 1, 2025 to June 30, 2025	–	Telephone communication	Individuals	Public investors	Operation and development of the Company
January 14, 2025	Pudong Shangri-La, Shanghai	On-site communication	Institutions	Investors invited to the UBS Greater China Seminar	Strategic and business development of the Company
January 16, 2025	The Company's Meeting Room on 51st Floor	Telephone communication	Institutions	Analysts and investors invited to Goldman Sachs (Asia) Financial Corporate Day	Strategic and business development of the Company
March 31, 2025	The Company's Meeting Room on 59th Floor	Results roadshow	Institutions	Analysts and investors invited to GF Securities' 2024 Annual Results Briefing	Strategic and business development of the Company
April 2, 2025	–	Results roadshow	Institutions, individuals	Investors participating in GF Securities' 2024 Annual Results Presentation	Strategic and business development of the Company
April 10, 2025	The Company's Meeting Room on 51st Floor	Telephone communication	Institutions	M&G	Operation and development of the Company
April 15, 2025	The Company's Meeting Room on 39th Floor	Telephone communication	Institutions	Analysts and investors invited to Goldman Sachs China A Shares Corporate Day 2025	Strategic and business development of the Company
April 16, 2025	The Company's Meeting Room on 51st Floor	Telephone communication	Institutions	Analysts of Shenwan Hongyuan and investors invited by Shenwan Hongyuan	Strategic and business development of the Company
May 13, 2025	Futian Shangri-La, Shenzhen	On-site communication	Institutions	Analysts and investors invited to BofA Securities 2025 China Strategy Conference	Strategic and business development of the Company
May 28, 2025	Regent Shanghai Pudong	On-site communication	Institutions	Analysts and investors invited to Founder Securities 2025 Interim Strategy Meeting	Strategic and business development of the Company
May 29, 2025	Pudong Shangri-La, Shanghai	On-site communication	Institutions	Analysts and investors invited to CITIC Securities 2025 Capital Market Forum	Strategic and business development of the Company
June 24, 2025	The Company's Meeting Room on 51st Floor	Telephone communication	Institutions	Analysts and investors invited to Goldman Sachs (Asia) Financial Corporate Day	Strategic and business development of the Company

Note: The record chart of investor relations activities regarding the reception of investors by the Company is disclosed on the website of SZSE (www.szse.cn) and the website of CNINFO (www.cninfo.com.cn).

OTHER REPORTING DATA

III. TRANSACTIONS OF FUNDS BETWEEN THE LISTED COMPANY AND ITS CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES

Unit: RMB'0,000

Name of counterparty	Nature of transaction	Balance at the beginning of the Reporting Period	Transacted amount during the Reporting Period	Interest income	Repayment amount during the Reporting Period	Balance at the end of the Reporting Period
GF Commodities Co., Ltd.	Non-operating transaction	20,327.81	25,000.00	433.33	15,455.95	30,305.19
Total	—	<u>20,327.81</u>	<u>25,000.00</u>	<u>433.33</u>	<u>15,455.95</u>	<u>30,305.19</u>

