Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

GF SECURITIES CO., LTD.
廣發証券股份有限公司

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

(Stock Code: 1776)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors of GF Securities Co., Ltd. (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2015. This announcement, containing the full text of the 2015 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results. The printed version of the Company's 2015 interim report will be dispatched to the shareholders of the Company and available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.gf.com.cn by the end of September 2015.

By order of the Board of Directors
GF Securities Co., Ltd.
Sun Shuming
Chairman

Guangzhou, the PRC
August 21, 2015

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Sun Shuming, Mr. Lin Zhihai, Mr. Qin Li and Ms. Sun Xiaoyan as executive Directors; Mr. Shang Shuzhi, Mr. Li Xiulin and Mr. Chen Aixue as non-executive Directors; and Mr. Liu Jiwei, Mr. Yang Xiong, Mr. Tang Xin and Mr. Chan Kalok as independent non-executive Directors.

IMPORTANT

This report has been considered and approved at the 22nd Meeting of the Eighth Session of the Board of Directors of the Company. All Directors attended the board meeting for consideration and approval of this report. This report has been considered and approved at the 9th Meeting of the Eighth Session of the Supervisory Committee of the Company. Mr. Zhao Jin, the supervisor of the Company, did not attend that meeting.

The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm the truthfulness, accuracy and completeness of the contents in this interim report and there is no misrepresentation, misleading statement or material omission from this interim report, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of contents herein. Mr. Zhao Jin, the supervisor of the Company, did not attend the Supervisory Committee meeting and did not express any opinion in respect of this report. None of the Directors, supervisors or senior management have declared their inability to assure, or have dissenting views on, the truthfulness, accuracy and completeness of the contents of this report.

The 2015 interim financial statements of the Company prepared in accordance with the International Financial Reporting Standards are unaudited and have been reviewed by Deloitte Touche Tohmatsu. Unless otherwise stated, financial data set out in this report is denominated in RMB.

The Company has no plan to distribute cash interim dividends, bonus shares or transfer capital reserves fund into capital for the first half of 2015.

Mr. Sun Shuming (the Chairman), Ms. Sun Xiaoyan (the Chief Financial Officer) and Ms. Wang Ying (the head of accounting department of the Company) hereby declare that they confirm the truthfulness, accuracy and completeness of the financial statements contained in this interim report.

Forward-looking statements included in this interim report, including future plans, do not constitute a substantive commitment to investors by the Company. Investors should be aware of such investment risks.

The Company prepared this interim report in both English and Chinese versions. In the event of any discrepancies in interpretation between the English version and Chinese version, the Chinese version shall prevail.

CONTENT

2 Definition

6 Section 1 Company Profile

9 Section 2 Summary of Accounting Information and Financial Indicators

11 Section 3 Report of the Board

59 Section 4 Significant Events

92 Section 5 Changes in Shareholdings and Particulars about Shareholders

100 Section 6 Preference Shares

101 Section 7 Particulars about Directors, Supervisors, Senior Management and Employees

103 Section 8 Financial Statements

170 Section 9 Documents Available for Inspection

Definition

Term	Defintion
Reporting Period	first half of 2015 (January 1, 2015 to June 30, 2015)
Board	the board of directors of the Company
Company, the Company, parent company, GF Securities	GF Securities Co., Ltd.
Group, the Group	the Company and its subsidiaries
Liaoning Cheng Da	Liaoning Cheng Da Co., Ltd. (遼寧成大股份有限公司)
Jilin Aodong	Jilin Aodong Pharmaceutical Group Co., Ltd. (吉林敖東藥業集團股份有限公司)
Zhongshan Public Utilities	Zhongshan Public Utilities Group Co., Ltd. (中山公用事業集團股份有限公司)
GFHK	GF Holdings (Hong Kong) Corporation Limited (廣發控股 (香港) 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 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)
GF Commodity Markets	GF Commodity Markets Co., Ltd. (廣發商貿有限公司)
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. (廣發証券資產管理 (廣東) 有限公司)
GF Fund	GF Fund Management Co., Ltd. (廣發基金管理有限公司)
Guangdong Equity Exchange	Guangdong Equity Exchange Co., Ltd. (廣東金融高新區股權交易中心有限公司)
E Fund	E Fund Management Co., Ltd. (易方達基金管理有限公司)
Zhengtong	Zhengtong Co., Ltd. (證通股份有限公司)
CSRC	the China Securities Regulatory Commission

Term	Defintion
Guangdong Bureau of CSRC	Guangdong Bureau of the China Securities Regulatory Commission
SSE	the Shanghai Stock Exchange
SZSE	the Shenzhen Stock Exchange
SZSE Listing Rules	the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange
CNINFO	www.cninfo.com.cn, the designated website of SZSE for disseminating information of companies listed on SZSE
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hong Kong Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
Hong Kong SFC	the Securities and Futures Commission of Hong Kong
SFO	the Securities and Futures Ordinance of Kong Kong (Chapter 571 of the Laws of Hong Kong)
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 Index Futures	a financial futures contract using stock price index as the subject matter, that is, a standard form of contract to be entered into by both parties which stipulates the performance of a transaction on stock price index at an agreed price on a specific date in future, and in which the stock price index of a stock market is the subject matter of the transaction
SME Private Placement Bonds	corporate bonds issued and transferred by medium, small and mirco enterprises in the PRC by way of private placement with an agreement to repay principal with interest within a given period

Term	Defintion
Direct Investment	the business of identifying and discovering quality investment projects or companies by securities companies using their own professional strengths with equity investments being made with their own or raised funds for the purpose of obtaining return on equity. In this process, securities companies may provide intermediary service and receive commission, as well as participate in the investment with their own funds
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), also known as new third board (新三板)
QDII	Qualified Domestic Institutional Investors
QFII	Qualified Foreign Institutional Investors
RQFII	RMB Qualified Foreign Institutional Investors
ETF	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
A-type	the mode of IT system construction under which the business premises are equipped with the relevant information system for on-site trading service to provide on-site trading service for customers
B-type	the mode of IT system construction under which the business premises are not equipped with the relevant information system for on-site trading service, but rely upon the information system of the Company's headquarters or other securities branches to provide on-site trading service for customers

Term	Defintion
C-type	the mode of IT system construction under which the business premises are not equipped with the relevant information system for on-site trading service and on-site trading service is not available.
A Share(s)	domestic shares of the Company with a nominal value of RMB1.00 each, which are listed on the SZSE 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
H Shares prospectus	the prospectus issued by the Company on March 25, 2015 in relation to the public offering of H Shares
Deloitte Touche Tohmatsu Certified Public Accountants LLP	Deloitte Touche Tohmatsu Certified Public Accountants LLP

In the interim report of 2015, 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 up calculation of decimal places.

Section 1 Company Profile

I. COMPANY NAMES

Name of Company in Chinese	廣發証券股份有限公司
Short Name of Company in Chinese	廣發証券
Name of Company in English	GF Securities Co., Ltd.
Short Name of Company in English	GF SEC

II. LEGAL REPRESENTATIVE OF THE COMPANY: Sun Shuming

III. SECRETARY TO THE BOARD: Luo Binhua

IV. SECURITIES AFFAIRS REPRESENTATIVE: Xu Youjun

V. AUTHORIZED REPRESENTATIVES: Lin Zhihai, Wan Ka Hung

VI. JOINT COMPANY SECRETARIES: Luo Binhua, Wan Ka Hung

VII. OTHER INFORMATION

1. Company Contact Channels

Registered Address of the Company	43rd Floor (Room 4301-4316), Metro Plaza, No. 183-187 Tianhe North Road, Tianhe District, Guangzhou, PRC
Postal Code of Registered Address of the Company	510075
Business Address of the Company	5th, 7th, 18th, 19th, 38th, 39th, 40th, 41st, 42nd, 43rd and 44th Floor, Metro Plaza, No. 183-187 Tianhe North Road, Tianhe District, Guangzhou, PRC
Postal Code of Business Address of the Company	510075
Company Website	http://www.gf.com.cn
Company E-mail	dshb@gf.com.cn

2. **The Company's Principal Place of Business in Hong Kong:** 29-30/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong

3. Information Disclosure and Place of Inspection

Newspapers designated for A Share information disclosure by the Company	China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily
Website designated by the CSRC for publication of interim report	http://www.cninfo.com.cn
Website designated by the Hong Kong Stock Exchange for publication of interim report	http://www.hkexnews.com.hk
Place where interim report of the Company is available for inspection	39th Floor, Metro Plaza, No. 183-187 Tianhe North Road, Tianhe District, Guangzhou, PRC

4. Places of Listing, Stock Names and Stock Codes

A Shares: SZSE	Stock name: GF Securities	Stock code: 000776
H Shares: Hong Kong Stock Exchange	Stock name: GF SEC	Stock code: 1776

5. PRC Legal Advisor: Jia Yuan Law Offices, Beijing
Overseas Legal Advisor: Latham & Watkins

6. Auditors:

PRC Auditors	**Deloitte Touche Tohmatsu Certified Public Accountants LLP** 30th Floor, Bund Center, 222 Yan An Road East, Shanghai, China
International Auditors	**Deloitte Touche Tohmatsu** 35/F, One Pacific Place, 88 Queensway, Hong Kong

7. Joint Compliance Advisors: ABCI Capital Limited, GF Capital (Hong Kong) Limited

8. Share Registrars:

A Share Registrar	**China Securities Depository and Clearing Corporation Limited, Shenzhen Branch** 18th Floor, Zhongxin Building, No. 1093, Shennan Mid Road, Shenzhen, Guangdong, PRC
H Share Registrar	**Computershare Hong Kong Investor Services Limited** Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

9. Changes in Registration Information

	Date of Registration	Place of Registration	Legal Entity Business License Number	Taxation Registration Number	Organization Code
First Registration	January 21, 1994	No. 1388 Changbaishan East Road, Yanji, Jilin Province, PRC	2224001002142	222401126335439	12633543-9
Registration at the end of Reporting Period	May 14, 2015	43rd Floor (Room 4301-4316), Metro Plaza, No. 183-187 Tianhe North Road, Tianhe District, Guangzhou, PRC	222400000001337	Yue Guo Shui Zi No. 440100126335439/ Yue Di Shui Zi No.440106126335439	12633543-9
Date for enquiry on designated website for temporary announcement disclosure	May 27, 2015				
Index for enquiry on designated website for temporary announcement disclosure	Announcement on Replacement of Business License and Operation Permit for Securities Business (At CN Info website: www.cninfo.com.cn)				

10. Other Relevant Information

(1) Registered Capital of the Company: RMB7,621,087,664 (As of the disclosure date of the interim report);

The Company's Scope of Business: securities brokerage, securities investment consultation, financial advisory business relating to securities trading and securities investment, securities underwriting and sponsorship, securities proprietary trading, margin financing and securities lending, proxy sale of securities investment fund, securities investment fund custodian, provision of futures intermediary services for futures companies, proxy sale of financial products and market-making of stock options.

(2) Class Rating from Regulatory Authorities:

According to the Regulatory Requirements for Classification of Securities Companies issued by the CSRC, the Class Ratings of the Company in the latest three years are as follows:

The Company was rated as Class A Grade AA Securities Company in 2013;

The Company was rated as Class A Grade AA Securities Company in 2014;

The Company was rated as Class A Grade AA Securities Company in 2015.

Section 2 Summary of Accounting Information and Financial Indicators

I. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

(Accounting data and financial indicators set out in this report are prepared in accordance with International Financial Reporting Standards ("IFRS"))

Unit: RMB million

Item	**June 30, 2015**	December 31, 2014	**Variance as compared to the end of last corresponding period**
Total assets	**517,126**	240,100	115.38%
Total liabilities	**442,483**	198,722	122.66%
Equity attributable to owners of the Company	**72,587**	39,611	83.25%
Total equity	**7,621**	5,919	28.75%
Net assets per share attributable to owners of the Company (RMB/share)	**9.52**	6.69	42.30%
Gearing ratio (%)[1]	**77.25**	75.46	Increased by 1.79 percentage points

Item	**January to June 2015**	January to June 2014	**Variance as compared to the last corresponding period**
Total revenue and other income	**23,993**	5,656	324.20%
Operating profit[2]	**11,166**	1,909	484.91%
Profit before income tax	**11,339**	2,123	434.10%
Net profit attributable to owners of the Company	**8,406**	1,675	401.85%
Net cash used in operating activities	**(61,561)**	(5,228)	N/A
Basic earnings per share (RMB/share)	**1.26**	0.28	350.00%
Diluted earnings per share (RMB/share)	**1.26**	N/A	N/A
Return on weighted average net assets (%)	**16.18**	4.74	Increased by 11.44 percentage points

Note 1: Gearing ratio = (Total liabilities – Accounts payable to brokerage clients)/(Total assets – Accounts payable to brokderage clients)

Note 2: Operating profit is calculated as total revenue and other income less total expenses.

II. ACCOUNTING DATA DISCREPANCY BETWEEN PRC GAAP AND IFRS

The net profits for January to June 2015 and January to June 2014 and the net assets as at June 30, 2015 and December 31, 2014 as stated in the consolidated financial statements of the Company prepared in accordance with IFRS are consistent with those in accordance with PRC GAAP.

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

The Company has prime quality assets with sound operations. Risk indicators have complied with the relevant requirements under the the Regulations on Supervision and Management of Securities Companies (證券公司監督管理條例) and the Measures on the Risk Control Indices for Securities Companies (證券公司風險控制指標管理辦法).

Unit: RMB

Item	**June 30, 2015**	December 31, 2014	**Change**
Net capital	**68,849,138,579.35**	32,664,124,190.63	110.78%
Net assets	**68,735,375,237.59**	37,668,386,434.52	82.47%
Net capital/total risk capital reserves	**989.98%**	816.08%	Increased by 173.90 percentage points
Net capital/net assets	**100.17%**	86.71%	Increased by 13.46 percentage points
Net capital/liabilities	**28.75%**	27.27%	Increased by 1.48 percentage points
Net assets/liabilities	**28.70%**	31.44%	Decreased by 2.74 percentage points
Propriety equity securities and securities derivatives/net capital	**39.16%**	42.78%	Decreased by 3.62 percentage points
Propriety fixed income securities/net capital	**106.48%**	122.66%	Decreased by 16.18 percentage points

Section 3 Report of the Board

I. OVERVIEW

During the Reporting Period, the Company continued to develop rapidly in line with our five-year development strategy. Our management team, alongside the employees of the Company, is fully dedicated to fulfilling the Company's vision of "**Becoming a Modern Investment Bank with International Competitiveness, Brand Influence and Systematic Significance**" under the guidance of the Board of Directors within a sophisticated operating environment both at home and abroad. In May 2015, the Company published an official overview of its corporate culture. In accordance with this publication, all employees adhere to our core values of "**Inquisitiveness, Integrity, Client focus, and Teamwork**", and constantly strive to implement our management philosophy of "**Stable Operation, Continual Innovation, Performance-driven Culture and Business Synergies**" so as to achieve our corporate mission of "**Rewarding Our Country with Value-created Finance**".

During the Reporting Period, the Company successfully issued H Shares which were then listed on the Hong Kong Stock Exchange, making a significant impact on the international market. Meanwhile, the Company oversaw the launch of "six major strategies", achieving strong results. Maintaining an efficient approach towards risk management, the Company will continue to capture innovative development trends of the industry and devise a comprehensive strategy for internet finance, promote Internet-based services, as well as increase efforts to progress and evolve, expand its business scope, procure collaborative and efficient developments and breakthroughs in key aspects and provide a one-stop and all-round comprehensive financial service for clients.

The Company has achieved strong operating results, significant strategic development and constant innovation during the Reporting Period. Our major operating indicators are industry-leading, and we have succeeded in creating excellent economic benefits for our shareholders.

II. ANALYSIS ON PRINCIPAL BUSINESS

(1) Overview

During the Reporting Period, the economic development in both domestic and international markets experienced negative trends attributable to a number of factors. The domestic economy continued to undergo further economic reforms designed to achieve stable growth, structural reform and greater development. The overall national economy experienced a slowdown but was stable, with industrial infrastructure continuing to be optimized, with a number of new, Internet-based industries emerging. In the first half of 2015, year-on-year growth of GDP was 7%, while that for the tertiary industry was 8.4% and real growth of per capita disposable income in China was 7.6% (Source: National Bureau of Statistics, 2015).

In the first half of 2015, the A Share market experienced significant volatility from a sharp increase in share prices to a sharp slump due to "de-leveraging activities". Stock trading volume increased significantly during the first half of 2015. As of June 30, 2015, the SSE Composite Index and SZSE Component Index had risen 32.23% and 30.17%, respectively, with reference to the figures as at the end of 2014. During the Reporting Period, the trading volume of A Shares was RMB138,394,543 million, representing a year-on-year increase of 543.39%; the margin financing and securities lending business maintained explosive increase in 2014. As of June 30, 2015, the balance of margin financing and securities lending on the Shenzhen stock market and the Shanghai stock market was RMB2,049,386 million, an increase of 99.81% as compared with figures as at the end of 2014. Meanwhile, IPO issuance has accelerated remarkably with the volume of equity finance increasing 131.99% year-on-year to RMB554,516 million. The volume of enterprise bond financing was RMB181,062 million, representing a year-on-year decrease of 59.28%; the volume of corporate bond financing was RMB715,313 million, representing a year-on-year increase of 600.03% (Source: WIND, statistics of the Company, 2015).

As of June 30, 2015, the total assets of the Group amounted to RMB517,126 million, a year-on-year increase of 115.38%; the equity attributable to owners of the Company was RMB72,587 million, a year-on-year increase of 83.25%. During the Reporting Period, total revenue and other income of the Group was RMB23,993 million, a year-on-year increase of 324.20%; total expenses were RMB12,827 million, a year-on-year increase of 242.30%; operating profit was RMB11,166 million, a year-on-year increase of 484.91%; net profit attributable to owners of the company was RMB8,406 million, a year-on-year increase of 401.85%.

(2) Analysis on Principal Operating Revenue

The Company is positioned as a provider of comprehensive capital market services with industry-leading innovation capabilities focused on serving China's quality SMEs and affluent individuals. The Company has built a diversified business serving the varying needs of corporations (especially SMEs), individuals (especially affluent individuals), institutional investors, financial institutions and government clients. The main business of the Company has been classified into four segments, namely investment banking, wealth management, trading and institutional client services and investment management, with their respective products and services set forth in the following table:

Investment Banking	Wealth Management	Trading and Institutional Client Services	Investment Management
◆ Equity finance	◆ Retail brokerage and wealth management	◆ Equity sales and trading	◆ Asset management
◆ Debt finance	◆ Margin financing and securities lending	◆ Fixed income sales and trading	◆ Fund management
◆ Financial advisory	◆ Repurchase transactions	◆ OTC sales and trading	◆ Private equity investment
		◆ Investment research	◆ Alternative investments
		◆ Asset custody	

During the Reporting Period, the Group's total revenue and other income grew by 324.20% year-on-year to RMB23,993 million, including RMB787 million from investment banking representing a year-on-year increase of 2.84%, RMB13,559 million from wealth management representing a year-on-year increase of 367.38%, RMB6,002 million from trading and institutional client services representing a year-on-year increase of 304.44% and RMB2,705 million from investment management representing a year-on-year increase of 687.97%.

1. Investment banking business

The Group's investment banking business mainly covers equity finance, debt finance and financial advisory services. During the Reporting Period, the total revenue and other income of the investment banking business was RMB787 million representing a year-on-year increase of 2.84%.

(1) Equity finance business

The volume of stocks issued and underwritten through IPO or refinancing of listed companies during the Reporting Period increased significantly. A total of 409 equity finance projects were launched in the A Share market during the Reporting Period, a year-on-year growth of 110.82% (among them, 192 were IPO projects, representing a year-on-year increase of 236.84%; 217 were refinancing projects, representing a year-on-year increase of 58.39%); the size of the projects underwritten reached RMB554,516 million, representing a year-on-year growth of 131.99% (of which, the size of IPO projects was RMB147.382 billion, representing a year-on-year increase of 277.64%; the size of refinancing projects was RMB407.134 billion, representing a year-on-year increase of 103.57%) (Source: WIND, 2015).

Following the continuous implementation of our business strategy of 2014 in relation to the investment banking business, the Company has actively promoted IPO projects and increased the expansion of refinancing business of listed companies. During the Reporting Period, the Company completed 25 equity finance projects, with the value of projects in which the Company acted as a lead underwriter reaching RMB10,559 million. The Company ranked third and second in the industry in terms of equity finance and IPO projects in which the Company acted as a lead underwriter respectively (Source: WIND, 2015). The amount of commission and fees generated as a result of the Company's equity underwriting and sponsorship during the Reporting Period was RMB498 million, representing a year-on-year increase of 32.33%.

The Company's equity underwriting business during the Reporting Period is as shown below:

	From January to June 2015		From January to June 2014	
Item	**Amount of projects where the Company acted as a lead underwriter (RMB 100 million)**	**Number of issuance**	Amount of projects where the Company acted as a lead underwriter (RMB 100 million)	Number of issuance
IPO	**38.56**	**12**	20.38	4
Refinancing offering	**67.03**	**13**	100.23	7
Total	**105.59**	**25**	120.61	11

(2) Debt finance business

During the Reporting Period, the enterprise bond financing was RMB181,062 million, a year-on-year decrease of 59.28%, and the corporate bond financing was RMB715,313 million, a year-on-year increase of 600.03%. Affected by the Opinions of the State Council on Strengthening the Administration of Local Government Debts (Guo Fa [2014] No. 43), both the number and the size of enterprise bond offering have declined markedly. Although the Company responded quickly to increase the expansion of corporate bond business, the Company's bond underwriting business declined due to the cyclicality of business structure adjustment. During the Reporting Period, the Company issued 18 bonds of various types for our clients accumulatively in the capacity of lead underwriter, with a total underwritten amount of RMB21,027 million (Source: WIND, 2015). The Company earned RMB104 million of commission and fee income from bond underwriting and sponsorship business, representing a year-on year decrease of 50.79%.

The Company's bond underwriting business during the Reporting Period is as shown below:

	From January to June 2015		From January to June 2014	
Item	**Amount of projects where the Company acted as a lead underwriter (RMB 100 million)**	**Number of issuance**	Amount of projects where the Company acted as a lead underwriter (RMB 100 million)	Number of issuance
Enterprise bonds	**49.50**	**6**	228.17	25
Corporate bonds	**45.00**	**3**	—	—
Medium-term notes	**2.50**	**1**	15.75	2
Short-term financing bill	**11.50**	**2**	1.25	1
Non-financial enterprise private placement debt instruments	**7.50**	**2**	—	—
SME private placement bonds	**—**	**—**	0.90	1
Commercial bank tier 2 capital instruments	**37.50**	**1**	91.67	3
Asset-backed securities	**56.77**	**3**	25.70	5
Total	**210.27**	**18**	363.44	37

(3) Financial advisory business

The Company's financial advisory business mainly covered income from providing financial advisory services for the M&A and restructuring of listed companies, and financial advisory for companies listed on the NEEQ. The Company achieved an income from financial advisory commission and fee of RMB167 million during the Reporting Period, representing a year-on-year growth of 173.10%.

With the approaching of the registration-based IPO system, the completion of *the Revision to Administrative Measures for the Material Asset Reorganizations of Listed Companies* and supporting rules, and the constant growth of A shares in the second half of 2014, listed companies are increasingly eager to optimize industrial layout through M&A and reorganization, consolidate their leading position and increase their market value. The fiery state of 2014 extended to the first half of 2015. In the favorable environment with the benefit of reform accompanied by the demand for industry transformation of listed companies, and the orientation of policies for M&A and reorganization, listed companies are very active in M&A and reorganization. During the Reporting Period, the China Securities Regulatory Commission approved a total of 133 material asset reorganizations. The Company has provided financial advisory services for seven projects of material asset reorganization, ranking third in the industry. The financial advisory commission and fee of M&A business of the Company was RMB99 million, representing a year-on-year growth of 653.06%.

The year 2015 is the second year after NEEQ expanded nationwide with a greatly increased number of listed companies. As of June 30, 2015, there were 1,065 new companies listed on the NEEQ as compared with that at the end of 2014, with an aggregate number of listed companies of 2,637 (Source: the NEEQ's website, 2015). During the Reporting Period, the Company acted as the sponsor broker of 34 new companies listed in NEEQ. As of June 30, 2015, the Company has recommended 107 enterprises to be listed on NEEQ accumulatively, ranking third place of the industry (Source: statistics of the Company, 2015). In the first half of 2015, the income from commission and fee of recommendation to NEEQ was RMB59 million, representing a year-on-year growth of 155.16%.

In addition, the Company carries out its overseas investment banking business through GF Holdings (Hong Kong) (including its subsidiaries), a wholly owned subsidiary. During the Reporting Period, GF Holdings (Hong Kong), through its subsidiaries, acting as lead underwriters, completed 5 projects (including refinancing and bond issue). Among them, the IPO of GF Securities H Shares in which the subsidiaries of GF Holdings (Hong Kong) acted as a joint sponsor and lead underwriter raised funds with a total amount of HK$32,079 million. During the Reporting Period, the total revenue from investment banking and other income were RMB26.1518 million, representing a year-on-year decrease of 41.21%.

2. Wealth management business

The wealth management business of the Group consists of retail brokerage, wealth management, margin financing and securities lending and repurchase transactions. During the report period, the total revenue and other income from wealth management were RMB13,559 million, representing a year-on-year growth of 367.38%.

(1) Retail brokerage and wealth management business

The Company offers brokerage services for clients trading in stocks, bonds, funds, warrants, futures and other tradable securities. The increasingly active domestic capital market has boosted marked increase in the trading amount of stocks and funds on the A share market. In the first half of 2015, the total volume was RMB146.99 trillion, representing a year-on-year growth of 545%. The average daily trading volume was RMB1,235.2 billion, representing a year-on-year growth of 545% (Source: websites of Shanghai Stock Exchange and Shenzhen Stock Exchange, 2015). Meanwhile, the impact of Internet securities and other new business modes, the liberalized policies for off-site account registration, a uniform account system, multiple accounts for one person, the intensified competition in the industry and the further decline of average commission rate have confronted traditional business mode of securities brokerage with more severe challenges.

In order to cater for the change of competition pattern in the market, the Company has reinforced the power for transformation to usher in challenges and opportunities brought by Internet finance and regulatory environment, and promote Internet-based service from all aspects. In addition, the Company also actively pushes forward flow guiding of Internet marketing taking particular advantage of the strategic alliance between the Company and Sina.com, a leading large portal website. Based on Internet thinking the Company developed the "golden key" system and significantly increased the operating efficiency with a focus on "answering every question" and off-field account registration. The Company has captured the opportunity successfully and ranked the leading position in terms of the number and amount of new accounts. The Company greatly promotes the comprehensive transformation for business outlets nationwide and positions branches and sub-branches as the combination of various businesses of the Company, hence making them the marketing window and service bases of the Company to provide comprehensive financial service, which is a transformation from traditional channel brokerage mode to wealth management mode. The Company actively explored the Internet finance business through improving users' experience on Yitaojin ecommerce platform and enriching products, innovating wealth management accounts, and launching new businesses including cash management tool such as Taojin Wallet (淘金錢包) and transfer market, for the purpose of improving Internet finance business chain. The Company led the industry in terms of the results of each of its major ecommerce platforms. In particular, mobile-based securities subscribers exceeded 6,800,000, products sales and transfers on Yitaojin ecommerce platform in the first half of the year exceeded 25,000 million and Wechat platform has served more than 2.00 million users.

During the Reporting Period, the Company has achieved the volume of RMB14.27 trillion (bilateral statistics) for stocks and funds with a year-on-year growth of 688%, which market share was 4.86% with a year-on-year growth of 22%, ranking fifth in the industry (Source: website of Shanghai Stock Exchange, website of Shenzhen Stock Exchange, 2015). The value of managed securities was RMB1,845.8 billion, increasing 62.49% from that of the end of 2014, ranking fifth in the industry. During the Reporting Period, the Company earned commissions and fees for securities brokerage of RMB7,387 million, increased 472.24% as compared with that of last year and ranking fourth in the industry, one place higher than that of 2014.

The trading amount and market share of securities brokerage of the Company are shown as follows:

Type of Securities	**Trading amount from January to June 2015 (RMB million)**	**Market share from January to June 2015**	Trading amount from January to June 2014 (RMB million)	Market share from January to June 2014
Stock	**13,967,506**	**5.02%**	1,783,578	4.12%
Fund	**305,454**	**1.95%**	27,205	1.22%
Bond	**5,506,456**	**4.90%**	2,874,251	3.63%
Total	**19,779,416**	**4.87%**	4,685,034	3.76%

Note 1: The data is from the statistics of our Company, the Shenzhen Stock Exchange and the Shanghai Stock Exchange;

Note 2: Aforesaid data indicates situations of the parent company;

Note 3: Market share refers to the proportion of the trading volume of that type of securities to total trading volume of that type of securities in the Shenzhen Stock Exchange and the Shanghai Stock Exchange for the corresponding period.

The Company deals with futures brokerage business through its wholly owned subsidiary – GF Futures, and transaction and settlement service for its international clients through GF Futures (Hong Kong) (a wholly owned subsidiary of GF Futures) and GF Financial Markets (UK) Limited (a wholly owned subsidiary of GF Futures (Hong Kong). During the Reporting Period, the significant growth of turnover volume of the market has led to RMB296 million for the futures brokerage and other incomes for GF Futures, representing a year-on-year growth of 72.65%.

In foreign countries, the Company provides brokerage service for high-net-worth people and retail clients through GF Holdings (Hong Kong), its wholly owned subsidiary, whose services cover stocks listed on the Hong Kong Stock Exchange and other foreign stock exchanges. During the Reporting Period, the largest growth of turnover volume of the market has led to RMB147 million for the securities brokerage revenue and other income for GF Holdings (Hong Kong), representing a year-on-year growth of 129.35%.

(2) Margin financing and securities lending business

The growing trend of the margin financing and securities lending business in 2014 has extended to this year. As of June 30, 2015, the balance of margin financing and securities lending in Shenzhen and Shanghai stock markets was RMB2,049,386 million, increased 99.81% when compared with that of the end of 2014.

The Company has placed importance in reinforcing the management of clients of margin financing and securities lending and compliance risk management of business development. According to the requirements of appropriate client management and classification management, we have reinforced investment education and risk awareness to lead our clients to invest professionally and rationally. The Company determines the scale of financing business in a scientific, reasonable and prudent manner and masters the development pace and speed of margin financing and securities lending according to the net assets of the Company, client status and risk management skills. We controls and leverage the operations properly to prevent liquidity risk effectively.

The expansion of margin financing and securities lending business in the industry has led to large increase in our company's margin financing and securities lending business. As of June 30, 2015, the balance of our margin financing and securities lending business at the end of term was RMB138,934 million, increasing 115.86% than when compared with that on December 31, 2014. Its market share was 6.85%, ranking first in terms of combined caliber. The Company achieved interest income of RMB4,471 million from margin financing and securities lending during the Reporting Period, showing a year-on-year growth of 382.26% when compared with that of 2014.

Since mid-June, the risk management system of the Company has played a positive role in the successive slump in the domestic A-share market. During the early period of the stock market decline, the Company has conducted a number of stress test analyses to strictly control the quotas of margin financing and securities lending business and other businesses, developed targeted policies including imposing strict control on the concentration of positions of a single stock held by a single customer, qualification screening and conversion rate adjustment in respect of the collaterals of the Company, increasing the margin ratio, and strictly enforced the relevant policies and rules, so that the Company can respond to the market earlier and more quickly during this round of the decline. In the course of the market decline, the Company made comprehensive deployment for the management of margin financing and securities lending business and so on, changed from ordinary mark to market to emergency mark to market and made timely checks and risk warnings. Besides, the Company made after-hours risk analyses and stress tests on a daily basis to better control various risks in the rapid development of margin financing and securities lending business.

(3) Repurchase transaction business

The collateralized stock repurchase business of the Company grew stably during the Reporting Period. As of June 30, 2015, the balance of collateralized stock repurchase business carried out with the capital of the Company was RMB6,473 million, increased by 13.33% when compared with that of the end of 2014. Since more clients chose collateralized stock repurchase business, reverse repurchase transaction business shrank to a certain extent. As of June 30, 2015, the balance of financed capital by reverse repurchase security transactions was RMB692 million, decreased by 19.91% than when compared with that of the end of 2014. Furthermore, since the number of newly issued stocks increased during the Reporting Period, the Company launched "UeasyChina" under the category of collateralized stock repurchase, which achieved good development. The business scale exceeded RMB30 billion in June at the climax. During the Reporting Period, the Company achieved an interest income from repurchase transactions business of RMB378 million with a year-on-year growth of 110.29%.

3. Trading and institutional client services business

The Group's trading and institutional client services business mainly includes stock sales and trading, fixed income sales and trading, OTC sales and trading, investment research and asset custody. During the Reporting Period, trading and institutional client services business achieved revenue and other income of RMB6,002 million with a year-on-year growth of 304.44%.

(1) Stock sales and trading business

The Company mainly underwrites stocks for institutional clients for its stock sales and trading business, as well as market-making and trading of stocks, financial products related to stocks and stock derivatives. The institutional clients of the Company include the National Social Security Fund, commercial banks, insurance companies, fund companies, financial companies, trust companies and qualified foreign investors who are approved to invest in China's capital market by the China Securities Regulatory Commission and other professional investors.

As one of the first batch of players in stock index futures market, the Company also uses stock index futures to hedge the risk of the stock portfolio of the Company. In addition, currently the Company provides liquidity to various exchange traded funds (ETF), including single-market ETFs, cross-market ETFs, cross-border ETFs, bond ETFs and gold ETFs.

The Company provides a channel for domestic institutional clients to invest in international capital market, and has developed international institutional clients extensively in Hong Kong. The Company assists international clients to invest in Chinese capital market through QFII and RQFII plans.

The Company has received qualification for market-making in stock futures in January 2015, and became one of the 8 market-making players in Shanghai Stock Exchange with SHSE 50 ETF future contract varieties.

During the Reporting Period, the Company has achieved net return of RMB3,596 million from investment in stock sales and trading business with a year-on-year growth of 23.45 times.

(2) Fixed income sales and trading business

The fixed income sales and trading of the Company is mainly sales of under-written bonds to institutional clients, and the market-making transactions for financial products and interest derivatives with fixed income.

The Company trades multiple fixed income and derivative products in Chinese inter-banking bond markets and exchanges, and provides market-making service, such as public debts, policy-based financial bonds, bills of Central Bank, medium-term notes, short-term financing bills, corporate bonds, debenture stocks, treasury fund futures, and interest rate swap. The Company signs fixed income derivative instrument (such as interest rate swap and treasury fund futures) to hedge interest rate risk caused by transactions and market-making activities. In addition, the Company explores FICC business. At present, the Company has obtained membership of Shanghai Gold Exchange. In the second half of this year the Company will promote greatly for bulk commodities, foreign exchange, and related businesses of Hong Kong FICC.

During the Reporting Period, the bonds settlement amount of the Company was RMB1.23 trillion in total, ranking 59th in the whole market and the second place among securities firms (Source: Chinabond.com.cn). In June 2015, the Company ranked third among inter-banking market-making players and the first place among trial market-making players (Source: Chinabond.com.cn, Inter-banking lending Center of China Foreign Exchange, 2015).

During the Reporting Period, the fixed income sales and trading of the Company achieved net investment return of RMB1,318 million with a year-on-year increase of 17.46%.

(3) OTC sales and trading business

The Company structures and distributes a variety of OTC products, including non-standard products and structured notes and financial derivatives. Meanwhile, the Company provides liquidity support to non-standard products and structured notes through OTC. As of June 30, 2015, the OTC registered products were 431, ranking first in the industry (Source: CSI Capital Market Development and Monitoring Center, 2015). The value of our OTC products is RMB69,231 million, which cover structured notes, financial derivatives — total return swap business, off-field options, subsidiary asset management products, third-party asset management products, third-party fund products and private equity fund trust products. The Company also carries out NEEQ market-making business. As of June 30, 2015, the Company provides market-making service for 41 stocks, which created good economic benefits.

(4) Investment research business

The investment research of the Company mainly refers to investment research services provided in macro economy and strategy, industry and listed companies, fixed income and financial engineering, etc. To be specific, our investment research services cover research reports and customized investment research service for the National Social Security Fund, insurance companies, fund companies, private equity funds, financial companies, securities firms, and other institutional investors in Hong Kong and China. The Company's stocks research covers over 580 listed companies in China in 26 industries, and 70 companies listed in Hong Kong. The outstanding research capability of the Company enjoys a high reputation in the industry.

During the Reporting Period, the total revenue and other income from investment research of the Company was RMB224 million with a year-on-year growth of 217.52%.

(5) Asset custody business

Our asset custody business refers to those provided to the asset management products of institutional investors and asset management institutions. The Company has obtained qualification for securities investment and fund trust in 2014 and began to provide asset custody for asset management products of institutional investors and asset management institutions. The Company provides a variety of services including asset management, account management, settlement and clearing, fund accounting, asset valuation, fund compliance monitoring, performance evaluation, and fund investment risk analysis. The Company has completed the filing for private equity fund business outsourcing agencies in June 2015, providing shares registration outsourcing and valuation auditing outsourcing services for asset management institutions. As of June 30, 2015, the scale of assets under managed services was RMB52,648 million and that under outsourcing services was RMB16,593 million.

4. Investment management business

Our investment management business mainly covers asset management, fund management, private equity investment and alternative investment. During the Reporting Period, the total revenue and other income from investment management was RMB2,705 million, and the share of results attributable to associates was RMB172 million with a year-on-year growth of 415.25% in total.

(1) Asset management

Asset management services provided by the Company aims to maintain and appreciate the value of the financial assets of the clients, which include individuals, enterprises and institutional investors. The Company carries out asset management business through its subsidiaries GF Asset Management, GF Futures and GF Asset Management (Hong Kong).

The Company invests and manages assets of clients in multiple asset categories and investment strategies through GF Asset Management, including equity investment, fixed income investment and quantitative investment. The Company carries out investment management through three categories of schemes, including collective asset management schemes, private placement asset management schemes and special asset management schemes. In addition, the Company actively carries out overseas asset management business through qualified domestic institutional investors.

As of June 30, 2015, GF Asset Management has 85 collective asset management schemes, including equity schemes, fund of funds (FOF plans), fixed income investment schemes, monetary market schemes and quantitative investment schemes with a collective asset scale of RMB 108,451 million, ranking second in the industry, increasing 354.66% on a year-on-year basis.

As of June 30, 2015, GF Asset Management has 205 private placement asset management schemes with an asset scale of RMB234,608 million, increasing 50.41% on a year-on-year basis. The private placement asset management schemes of the Company widely invests in stocks, fixed income and alternative investment (including trust products, loan by mandate and notes). Our clients mainly include commercial banks, trust companies, and other institutional investors and high-net-worth people.

During the Reporting Period, the asset management scale and income of GF Asset Management is as follows:

	Assets under management (RMB million)		**Management fee income (RMB million)**	
	June 30, 2015	June 30, 2014	**From January to June 2015**	From January to June 2014
Collective asset management business	**108,451**	23,853	**374**	110
Private placement asset management business	**234,608**	155,978	**61**	59
Special asset management business	**2,935**	2,970	**1**	—
Total	**345,994**	182,801	**436**	169

During the Reporting Period, GF Asset Management achieved management fee income of RMB436 million, representing a year-on-year growth of 157.56%.

The Company carries out futures asset management business through GF Futures, which obtained the qualification of asset management business in November 2012. From then on, GF Futures carries out futures asset management actively. As of June 30, 2015, GF Futures managed 52 client asset management plans with an asset scale of RMB 5,469 million. During the Reporting Period, GF Futures achieved total revenue and other income of RMB34 million from asset management with a year-on-year growth of 953.26%.

The Company runs overseas asset management in various investment instrument consulting and management through the wholly owned subsidiary of GF Holdings Hong Kong – GF Asset Management (Hong Kong). GF Holdings Hong Kong is one of the first Sino-funded financial institutions in Hong Kong with RQFII qualification, which collects RMB in Hong Kong to invest in Chinese securities market through GF Asset Management (Hong Kong). As of June 30, 2015, GF Asset Management (Hong Kong) has established and managed 2 fund-based public equity funds (GF China RMB Fixed Income Fund and GF China Growth Fund) and 4 fund-based private equity products. As of June 30, 2015, the assets managed by GF Asset Management (Hong Kong) were HKD4,602 million. During the Reporting Period, GF Asset Management (Hong Kong) achieved total revenue and other income of RMB24 million from asset management.

(2) Fund management business

The Company runs fund management business through the stock-holding subsidiary — GF Fund and share-holding company — Efunds.

As of June 30, 2015, the Company holds 51.13% share of GF Fund, which is one of the domestic investment managers of the National Social Security Fund who also provides asset management services to insurance companies, financial companies, other institutional investors and high-net-worth people. In addition, GF Fund is entitled to collect funds in China and invest the funds in overseas capital market through qualified domestic institutional investors ("QDII"), and to collect funds in Hong Kong and invest in domestic capital markets through its wholly owned subsidiary GF International Asset Management by way of RQFII and Shanghai-Hong Kong Stock Connect. As of June 30, 2015, GF Fund manages 75 open-ended funds, whose overall asset scale totaled RMB317,190 million, increasing 85% (Source: statistics of the Company, 2015) than that of the end of 2014. The assets managed under the public equity funds amounted to RMB226.247 billion, representing an increase of 69.51% over that at the end of 2014 and ranking eighth in the industry (Source: statistics of the Asset Management Association of China, 2015). During the Reporting Period, GF Fund achieved total revenue and other income of RMB1,477 million and net profit of RMB534 million with a year-on-year growth of 69.96%.

As of June 30, 2015, the Company holds 25.0% share of Efunds, being one of its three largest shareholders. Efunds is one of the investment managers of the National Social Security Fund which provides asset management services to insurance companies, financial companies, enterprise annuity, other institutional investors and high-net-worth people. In addition, Efunds is entitled to collect funds in China and invest the funds in overseas capital market through qualified domestic institutional investors ("QDII"), and invest in domestic capital market through collecting funds in Hong Kong by way of RQFII and Shanghai-Hong Kong Stock Connect. As of June 30, 2015, Efunds manages 82 open-ended funds, whose overall asset scale totaled RMB534,885 million, increased by 45.09% (Source: statistics of the Company, 2015) when compared with that of the end of 2014. The assets managed under the public equity funds amounted to RMB366,629 million, representing an increase of 65.12% over that at the end of 2014 and ranking third in the industry (Source: statistics of the Asset Management Association of China, 2015). During the Reporting Period, Efunds achieved net profit of RMB694 million with a year-on-year growth of 166.32%.

(3) Private equity investment and management business

The Company mainly engages in private equity investment in China through its wholly owned subsidiary GF Xinde. The Company mainly invests in companies proved to be with effective business model and attractive valuation.

During the Reporting Period, GF Xinde and funds it managed have accomplished 35 equity investment projects with an investment of RMB785 million. As of June 30, 2015, 16 projects obtained A share listing through IPOs and 2 projects retreated through listed companies acquisition.

Meanwhile, GF Xinde actively explores asset management business in equity investment and sets up multiple fund management platforms, explores diversified profit achieved modes, seeks development through innovation, which have got good results. Through fund management platforms (including Xinjiang GF Xinde Wensheng, GF Xinde Healthcare Capital Management and Zhuhai GF Xinde Alpha Capital Management Co., Ltd., GF Xinde Zhisheng Investment Management Co., Ltd) GF Xinde manages private equity funds and Mezzanine Funds. GF Xinde founded and managed five private equity funds: GF Xinde (Zhuhai) Medical Industry Investment Center (L.P.), (a private equity fund focused on equity investments in China's healthcare institutions with a total committed capital of RMB890 million as of June 30, 2015), Zhuhai GF Xinde Alpha Industry Investment Fund Phase I (L.P.), (a private equity fund focused on investments in China's mobile, Internet and cultural industries with a total committed capital of RMB254 million as of June 30, 2015.), Guangzhou GF Xinde Phase I Internet Reconstruction Traditional Industry Investment Company (L.P.), (a private equity fund focused on innovative fields with lower Internet penetration rate and irreversible Internet trend with a total committed capital of RMB145 million as of June 30, 2015), Guangzhou GF Xinde Phase I Health Industry Investment Company (L.P.), (a private equity fund focused on new technology, new business format and new trend of health management field with a total committed capital of RMB302 million as of June 30, 2015), Zhuhai GF Xinde NEEQ Equity Investment Fund (L.P.), (a private equity fund focused on companies unlisted on NEEQ but intend to list on NEEQ and equity of outstanding NEEQ enterprises with a total committed capital of RMB139.2 million as of June 30, 2015). GF Xinde also founded and managed 4 mezzanine funds, including GF Xinde-China Railway Changsha Properties Trust Scheme (total size was RMB600 million), Zhuhai GF Xinde Xinhu Mezzanine Investment L.P. Enterprise (limited partnership) (total size was RMB800 million); Huaxia Xingfu Project (estimated total size of the project was RMB4 billion, RMB2.767 billion were raised as of 30 June 2015); Yuegujiao-GF Xinde-Guangdian Phase II Asset Management Plan (粵股交-廣發信德-廣電二期資產管理計劃) (estimated total size of the project was RMB450 million, RMB12.86 million were raised as of 30 June 2015). GF Xinde signed an agreement with Zhongshan Public Utilities and Jilin Aodong, the shareholders of the Company, in May and June 2015 respectively to establish GF Xinde • Zhongshan Public Utilities M&A Fund Management Co., Ltd. (pending), GF Xinde • Zhongshan Public Utilities M&A Fund (pending) and GF Xinde Jilin Aodong Fund Management Co., Ltd. (pending), Jilin Aodong Chinese Medicine Modernization Industry Fund (pending) and Jilin Aodong Innovative Industry Development Fund (pending) with a proposed amount of RMB628 million in total.

During the Reporting Period, GF Xinde achieved total revenue and other income of RMB478 million with a year-on-year growth of 285.20%, and net profit of RMB398 million with a year-on-year growth of 300.65%.

(4) Alternative investment

The company explores business in alternative investment actively through its wholly owned subsidiary GF Qianhe. It focuses on non-publicly issued stocks, non-standard fixed income products, risk management, industrial investment funds and other products and fields.

During the Reporting Period GF Qianhe invested in 8 projects with a total amount of RMB1,492 million, including setting up one subsidiary — Zhuhai Qianheng Investment Management Co., Ltd. with an investment of RMB700 million, setting up Zhuhai Zhongbing GF Investment Fund Management Co., Ltd. and investing in the funds managed by it with an investment of RMB310 million in total. It has invested in 3 private placement projects with a total amount of RMB249 million and 3 wealth management products with a total amount of RMB233 million. As of June 30, 2015, GF Qianhe invested 35 projects accumulatively with an investment of RMB3,488 million.

During the Reporting Period, GF Qianhe achieved total revenue and other income of RMB202 million with a year-on-year growth of 1,166.83%, and net profit of RMB145 million with a year-on-year growth of 1,108.25%.

5. Development strategies and business policies of the Company

The Company has established five-year development strategies. Looking to 2015, the Company will continue to uphold its core values of "Inquisitiveness, Integrity, Client Focus and Teamwork (知識圖強,求實奉獻;客戶至上,合作共贏)", and its operating ideas of "Stable Operation, Continual Innovation, Performance-driven Culture and Business Synergies (穩健經營、持續創新、績效導向、協同高效)", which serve as the Company's strategic guiding principles to change growing patterns, enhance innovation and optimize business structures. The Company is committed to becoming a modern investment bank that boasts of international competitiveness, brand influence and systematic significance.

The Company will strive to transform its investment banking business towards specialized industry chains and multiplied profitable models. The Company will improve its customer services, grow with customers and maintain its leading position among small and medium-sized quality enterprise customer groups in the PRC. It will increase its abilities to serve affluent customers, especially high-net-worth customers, and expand coverage of and product penetration to those affluent customers to achieve steady growth of revenue. The Company will establish its leading edge as a market maker in the market by enhancing its capabilities in the comprehensive financing solutions field, leveraging the momentum of its institutional client services business. The Company will set up a system of multi-tier investment management platforms, strengthen and expand product edges and build investment management brands that lead the industry. Meanwhile, the Company will, based on its latest business developments and in line with its business strategies, continue to improve comprehensive risk management systems by bringing forth new ideas to risk management mechanisms and methods and promoting application of information technologies. With that, the Company aims to increase the effectiveness and foresight of its risk management and ensure its businesses to grow in a stable and sound manner.

III. FINANCIAL STATEMENTS ANALYSIS

1. Analysis on Consolidated Statements of Profit or Loss

During the period from January to June 2015, revenue from each business line increased significantly due to favorable market conditions. Total revenue and other income of our Group amounted to RMB23,993 million, representing an increase of 3.24 times as compared to RMB5,656 million for the corresponding period of 2014. The increase primarily reflected (1) commission and fee income of RMB10,603 million for the period from January to June 2015, representing an increase of RMB8,041 million or 3.14 times over the corresponding period of 2014, largely attributable to (a) a RMB6,599 million increase in commission on securities dealing and broking and handling fee income for the corresponding period as a result of increased trading in stock and funds by our brokerage clients; and (b) a RMB1,264 million increase in asset management and fund management fee income driven by the inclusion of GF Fund in the scope of consolidation from July 31, 2014 and the growth in scale of our asset management and fund management businesses; (2) interest income of RMB6,565 million for the period from January to June 2015, representing an increase of RMB4,905 million or 2.96 times over the corresponding period of 2014, primarily attributable to the growth of our margin financing and securities lending business; and (3) net investment gains of RMB6,676 million for the period from January to June 2015, representing an increase of RMB5,239 million or 3.65 times over the corresponding period of 2014, largely attributable to the increase in gain on disposal of financial assets at fair value through profit or loss and available-for-sale financial assets.

During the period from January to June 2015, total expenses of the Group amounted to RMB12,827 million, representing an increase of 2.42 times as compared to RMB3,747 million for the corresponding period of 2014. The increase in total expenses mainly reflected the increase in staff costs and interest expenses. Staff costs increased by RMB4,582 million from January to June 2014 to the corresponding period of 2015, primarily reflecting business development, our increased staff and performance-based bonuses for employees. Interest expenses increased by RMB3,058 million from the period from January to June 2014 to the corresponding period of 2015, primarily reflecting (1) a RMB1,309 million increase in interest expenses for financial assets sold under repurchase agreements; and (2) an increase of RMB1,462 million in the corresponding interest expenses from January to June 2015 as a result of new issue of short-term corporate bonds, subordinated bonds and structured notes during that period.

In the first half of 2015, net profit of the Group attributable to owners of the Company amounted to RMB8,406 million, an increase of 4.02 times over the corresponding period of last year; basic earnings per share amounted to RMB1.26, an increase of 3.50 times over the corresponding period of last year; and the weighted average return on equity amounted to 16.18%, an increase of 11.44 percentage points over the corresponding period of last year.

2. Analysis on Consolidated Statements of Financial Position

Unit: RMB'000

	As at June 30, 2015	Composition	As at December 31, 2014	Composition	Increase/ decrease Amount	Increase/ decrease Percentage
Non-current assets	**9,960,505**	1.93%	6,438,533	2.68%	3,521,972	54.70%
Among which:						
Available-for-sale financial assets	**3,046,690**	0.59%	2,109,902	0.88%	936,788	44.40%
Interests in associates	**2,246,633**	0.43%	1,548,796	0.65%	697,837	45.06%
Property and equipment	**1,356,166**	0.26%	1,287,461	0.54%	68,705	5.34%
Financial assets held under resale agreements	**971,016**	0.19%	431,864	0.18%	539,152	124.84%
Deferred tax assets	**658,255**	0.13%	230,185	0.10%	428,070	185.97%
Interests in joint ventures	**406,451**	0.08%	35,369	0.01%	371,082	1,049.17%
Loan and receivable investments	**205,766**	0.04%	206,000	0.09%	(234)	(0.11%)
Advances to customers	**42,124**	0.01%	—	—	42,124	—
Current assets	**507,165,683**	98.07%	233,661,243	97.32%	273,504,440	117.05%
Among which:						
Bank balances	**205,214,863**	39.68%	67,199,352	27.99%	138,015,511	205.38%
Advances to customers	**140,097,577**	27.09%	64,695,844	26.95%	75,401,733	116.55%
Financial assets at fair value through profit or loss	**61,485,973**	11.89%	26,936,662	11.22%	34,549,311	128.26%
Available-for-sale financial assets	**49,832,939**	9.64%	32,300,214	13.45%	17,532,725	54.28%
Clearing settlement funds	**26,693,106**	5.16%	22,624,796	9.42%	4,068,310	17.98%
Financial assets held under resale agreements	**10,093,809**	1.95%	11,800,690	4.91%	(1,706,881)	(14.46%)
Deposits with exchanges and non-bank financial institutions	**4,893,692**	0.95%	3,029,862	1.26%	1,863,830	61.52%
Loan and receivable investments	**622,910**	0.12%	402,692	0.17%	220,218	54.69%
Total assets	**517,126,188**	100.00%	240,099,776	100.00%	277,026,412	115.38%

	As at June 30, 2015	Composition	As at December 31, 2014	Composition	Increase/ decrease Amount	Increase/ decrease Percentage
Current liabilities	**355,041,325**	80.24%	165,530,117	83.30%	189,511,208	114.49%
Among which:						
Accounts payable to brokerage clients	**189,088,203**	42.73%	71,465,563	35.96%	117,622,640	164.59%
Financial assets sold under repurchase agreements	**80,661,668**	18.23%	50,717,726	25.52%	29,943,942	59.04%
Short-term financing payables	**52,229,716**	11.80%	29,536,739	14.86%	22,692,977	76.83%
Other liabilities	**7,864,891**	1.78%	4,283,311	2.16%	3,581,580	83.62%
Bonds payable-due within one year	**6,694,689**	1.51%	—	—	6,694,689	—
Net current assets	**152,124,358**		68,131,126		83,993,232	123.28%
Non-current liabilities	**87,441,308**	19.76%	33,192,203	16.70%	54,249,105	163.44%
Among which:						
Bonds payable	**73,004,850**	16.50%	26,030,664	13.10%	46,974,186	180.46%
Financial assets sold under repurchase agreements	**11,000,000**	2.49%	4,050,000	2.04%	6,950,000	171.60%
Long-term loans	**3,000,000**	0.68%	3,000,000	1.51%	—	—
Total liabilities	**442,482,633**	100.00%	198,722,320	100.00%	243,760,313	122.66%
Total equity	**74,643,555**		41,377,456		33,266,099	80.40%

Note: Percentage of assets represents the percentage of assets in total assets and percentage of liabilities represents the percentage of liabilities in total liabilities

As at June 30, 2015, total assets of the Group amounted to RMB517,126 million, representing an increase of RMB277,026 million or 1.15 times over the end of 2014. Total liabilities of the Group was RMB442,483 million, representing an increase of RMB243,760 million or 1.23 times over the end of 2014. Bank balances and clearing settlement funds in aggregate accounted for 44.84% of total assets; financial assets at fair value through profit or loss and available-for-sale financial assets in aggregate accounted for 22.12%; advances payment by financing customers accounted for 27.10% and financial assets held under resale agreements accounted for 2.14%.

As at June 30, 2015, non-current assets of the Group amounted to RMB9,961 million, representing an increase of 54.70% over the end of 2014. The increase was mainly due to the increase in available-for-sale financial assets, interests in associates and joint ventures and financial assets held under resale agreements. As Current assets of the Group amounted to RMB507,166 million, representing an increase of RMB273,504 million or 1.17 times over the end of 2014. Among the current assets of the Group, bank balances and advance payment by financing customers in aggregate increased RMB213,417 million, which was attributable to the growth in scale of our brokerage business and the increase of our margin financing and securities lending business as driven by favorable market conditions. Current liabilities of the Group was RMB355,041 million, representing an increase of 1.14 times over the end of 2014, mainly due to the increase in accounts payable to brokerage clients, financial assets sold under repurchase agreements within one year and short-term financing payables. Non-current liabilities of the Group was RMB87,441 million, representing an increase of 1.63 times over the end of 2014, which was due to our issuance of subordinated bonds and the increase in financial assets sold under repurchase agreements after one year. As at the end of June 2015, net current assets of the Group amounted to RMB152,124 million, representing an increase of RMB83,993 million or 1.23 times over the end of 2014, primarily due to our issuance of subordinated bonds with maturities of more than one year and increase of financial assets sold under repurchase agreements to fund our working capital, which resulted in a bigger increase of current assets than that of current liabilities.

As at June 30, 2015, equity attributable to owners of the Company amounted to RMB72,587 million, an increase of RMB32,976 million or 83.25% over the end of 2014. The increase was due to our issuance of H Shares for capital replenishment in April 2015 and the increase in net profit of the Group. As at the end of June 2015, the gearing ratio of the Group was 77.25% (excluding the effect of clients' brokerage deposits), representing an increase of 1.79 percentage points as compared to 75.46% at the end of 2014. The Group maintained a relatively stable structure of assets and liabilities.

Borrowings and bond financing

As at June 30, 2015, the total borrowings and bond financing of the Group amounted to RMB136,880 million. Set out below is the breakdown of borrowings and bond financing for the Group:

Unit: RMB'000

	As at June 30, 2015	As at December 31, 2014
Borrowing	**1,950,996**	1,285,907
Short-term financing payables	**52,229,716**	29,536,739
Bonds payable	**79,699,539**	26,030,664
Long-term loans	**3,000,000**	3,000,000
Total	**136,880,251**	59,853,310

Long-term loans are due within 36 months and bearing interest at 7% per annum. For details of the interest rates and maturities of borrowing, short-term financing payables and bonds payable, please refer to notes 28, 29 and 36 to the financial statements as set out below.

Save as disclosed in this report, as at June 30, 2015, we did not have outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans or other similar indebtedness or liabilities under acceptances or acceptance credits, any guarantees or other material contingent liabilities.

3. Analysis on Consolidated Statements of Cash Flow

As at June 30, 2015, cash and cash equivalents of the Group amounted to RMB43,162 million, representing an increase by 4.51 times as compared to RMB7,827 million as at June 30, 2014.

Net cash used in operating activities was RMB61,561 million during the period from January to June 2015, a RMB56,333 million increase over the corresponding period of 2014. The increase primarily reflected (1) an increase of RMB72,774 million in operating cash outflow as a result of further increase in advance payment by financing customers; (2) an increase of RMB34,839 million in operating cash outflow as a result of the increase in financial assets at fair value through profit or loss. These operating cash outflows were offset by an increase of RMB38,554 million in operating cash inflow from financial assets sold under repurchase agreements.

Net cash used in investing activities was RMB14,453 million during the period from January to June 2015, a RMB17,622 million increase over the corresponding period of 2014, mainly due to an outflow of RMB14,762 million as a result of the increase in our investment in available-for-sale financial assets.

Net cash generated from financing activities was RMB100,207 million during the period from January to June 2015, a RMB96,952 million increase over the corresponding period of 2014, primarily attributable to the proceeds from our issuance of bonds and short-term financing payables as well as the listing of H Shares.

4. Explanation of Changes in the Scope of Financial Statements Consolidation

11 units were newly included in the scope of consolidation during the Reporting Period as compared with the end of last year. These units included a new subsidiary established by GF Investments (Hong Kong) Company Limited, 4 new subsidiaries established by GF Qianhe Investment Co., Ltd., 2 funds and 4 collective asset management schemes.

6 units were excluded in the scope of consolidation during the Reporting Period, including a subsidiary of GF Holdings (Hong Kong) Corporation Limited and 5 collective asset management schemes.

IV. ANALYSIS OF CORE COMPETIVENESS

1. Long-established competitive market-oriented mechanism, balanced and diversified equity structure, and sound corporate governance

The Company is the sole non-state-controlled company in the top ten securities firms, and has no controlling shareholder. In the past 15 years, the shareholding ratio of the top three shareholders of the company has been Liaoning Cheng Da, Jilin Aodong, and Zhongshan Public Utilities (all of them are listed companies) – is 16.40%, 16.33%, and 9.01%, respectively, (excluding the HKSCC NOMINEES LIMITED; shares held by HKSCC NOMINEES LIMITED are held by non-registered shareholders of H shares). The Company has formed a relatively stable equity structure. The balanced and diversified equity structure arrangement has laid a solid foundation for the effective corporate governance and market-oriented operational mechanism, ensuring that the Company can keenly and accurately keep abreast of the changes in the industry and regulation, and use its forward-looking innovative development model to seize every market opportunity, and realize sustainable, healthy development of the Company.

In accordance with the requirements of modern enterprise system, the Company has established the corporate governance structure – consisting of the general meeting of shareholders, board of directors, board of supervisors and the operation management – and corresponding operating mechanism. The Company safeguards the right to know and right of decision-making for the shareholders and board directors and establishes the internal hierarchical authorization and power balance mechanism by means of such key governance documents as the Articles of Association, Rules of Procedure of the General Meeting of Shareholders, Rules of Procedure of the Meeting of Board of Directors, Rules of Procedure of the Meeting of Board of Supervisors, and the Working Instructions of the General Manager.

The Company adopts a scientific operations decision-making system. All major matters are handled as per the collective decision-making mechanism. The decision-making of the various businesses is handled in accordance with the stipulated approval process. The links of the approval process are responsible for professional judgment, maintenance of standards, and risk control as per the roles and responsibilities.

2. Sound corporate culture and stable management team

The Company consistently upholds the core values of “Knowledge for power, pragmatism and dedication; customer first and win-win cooperation” and carries out the management philosophy of “steady operations, sustainable innovation; performance orientation, efficient coordination”, to achieve lasting, healthy and steady development. With the securities business as its core business, the Company integrates resources and realizes development across sectors, with a view to building an innovative and comprehensive financial services platform, taking the lead in becoming a systemically important modern investment bank, and maintaining its industry leadership; during the reporting period, the company has issued the H shares and completed the listing for transaction on the main board of the Hong Kong Stock Exchange – a key milestone in the international development of the Company. By dint of the national external development strategies, the Company accelerates international deployment, takes an active part in international competition and gradually obtains a say and the pricing power in the international capital market.

Sound corporate culture will boost the Company's cohesion and momentum. The Company boasts a highly stable management team and a core business team with low outflow rate of talent. The senior management team members have an average of more than 15 years of managerial experience in securities and finance and relevant sectors and have served an average term of approximately 15 years. Over the past three years, the voluntary turnover rates of the middle and high-level management team and the employees are 1% and 2% or so, thus greatly boosting client confidence, the continuity and stability of the various businesses.

3. The industry-leading main businesses become the advantage for finance conglomeration and provide powerful, comprehensive service for customer businesses

The Company possesses licenses for a full range of services including investment banking, wealth management, transaction and institutional client services and investment management. The various main businesses of the Company have achieved relatively balanced development and rank among the top in the industry. Meanwhile, the Company is the controlling shareholder of such companies as GF Futures, GF Fund Management, GF Holdings (Hong Kong), GF Xinde Investment, GF Qianhe and GF Asset Management, and also holds shares at E Fund Management, GF Equity Center and Zhengtong Company, enjoying a steady and robust structure for conglomerated development. As of the end of the Reporting Period, the Company has been one of the securities firms with the largest sponsor representative teams in the industry, and, with its investment bank business, provides enterprises with systematic one-stop professional services throughout each development stage by virtue of its comprehensive finance service products and powerful products innovation and marketing capability. As of the end of the Reporting Period, the Company ranks first in the industry in terms of its investment consultant team, and possesses leading service capability for affluent clients, thus achieving the leading position in the wealth management business sector. Through its leading full-range main businesses and conglomerated finance services, the Company maintains and continuously boosts its leading position in the various business sectors.

4. The Company has relatively strong innovation capability

The Company emphasizes the importance of business innovation for the business development and profit contribution. Being committed to the innovation in various businesses, the Company has achieved sound effects. Since 2011, the innovative products released by the Company and the main qualifications in business innovation sector are shown in the table below:

Date	Innovative products released and main qualifications in the business innovation sector
2011	Obtained the qualifications of Qualified Domestic Institutional Investor (QDII) Engaging in Foreign Securities Investment Management business; Obtained the qualifications of provision of intermediary brokerage business for GF Futures; Obtained the qualifications of the sponsor broker in the agency system (share transfer business and share quotation business); Obtained the qualifications of bond-pledged repo business; Obtained the qualifications of RMB Qualified Foreign Institutional Investors (RQFII) (wholly-owned subsidiary of GF Holdings (Hong Kong)); Social security fund investment manager (GF Fund). Approval for establishment of subsidiaries for conducting the alternative investment business (through GF Qianhe); Obtained qualifications for the first batch of pilot work for refinancing business of China Securities Finance Corporation Limited; Obtained the qualifications for provision of marketing unit for insurance institutional investors; Obtained qualifications for the pilot work of underwriting business of private placement bonds of small and medium-sized enterprises; Obtained qualifications for the participation in proprietary business of securities firms in the interest rate swap investment and transaction; Engagement in the business relating to the non-IPO for enterprises (Guangzhou, Chongqing, Zhejiang, and Shandong Equity Trust Transaction Center); Obtained trading permission for repurchase agreement (Shanghai Stock Exchange);
2012	Obtained qualifications for main underwriting business of debt financing instruments for non-financial businesses; Obtained qualifications of insurance fund investment manager (the company and GF Fund Management have obtained the said qualifications); The wholly-owned subsidiary GF Futures becomes one of the first 18 futures companies with futures asset management qualifications; “GF Niannianhong” product is the first innovative product certified by the China Securities Regulatory Commission (released by GF Fund Management); Obtained qualifications as RQFII (subsidiary of GF Fund Management in Hong Kong – GF International Investment Management Limited); Obtained qualifications for OTC trading business. GF Futures has set up the wholly-owned subsidiary of GF Trade and Commerce Co., Ltd. to engage in the pilot work of risk management services as the main business. The pilot business filed for record is warehouse financing services and basis trading; Obtained the securities fund consumption payment services for clients;

Date	Innovative products released and main qualifications in the business innovation sector
	Obtained qualifications of the sales agent for financial products; Obtained license for part-time insurance agency; Obtained qualifications for the swap transaction business of equity income; Became a member of the Asset Management Association of China; Became a member of Guangdong Equity Exchange; Obtained authorization for stock-pledged repo business (Shanghai Stock Exchange, Shenzhen Stock Exchange);
2013	Obtained authorization for lending transaction of refinancing securities (Shanghai Stock Exchange, Shenzhen Stock Exchange); Obtained trading permission for repurchase agreement (Shenzhen Stock Exchange); Obtained qualifications for consultancy services relating to the secrets of the military industry; The Company adopts the dual-SPV structure and issues the first securitization products of financial leasing assets on the Chinese capital market; The Company has already issued BBI leveraged graded products and structural graded products which are traded through the Company's over-the-counter market; The Company has already issued the QDII products for dollar bonds and the short-term financing products which have graded terms and are continuously raised. Obtained qualifications for the pilot work of comprehensive custody business of private equity; Obtained authorization to engage in the custody business of securities investment funds; Obtained qualifications of pilot work of receipt certificates in OTC markets; Obtained qualifications to engage in the pilot work of innovation of Internet securities business;
2014	Engagement in the business relating to the non-IPO for enterprises (Gansu and Dalian Equity Trust Transaction Center); Obtained the authorization for Hong Kong Stock Connect business on Shanghai Stock Exchange; Obtained qualifications in the the mutual swap and central clearing of renminbi interest rate in the Shanghai Clearing House; Obtained authorization to act as a market maker in the Chinese equity transfer system for small and medium-sized enterprises; Become a member of the Asset Management Association of China. Obtained qualifications for market-making business for stock options; Obtained qualifications for agency services for precious metal (gold included) spot contracts and proprietary business for gold spot contacts; Obtained qualifications for financing by exercising of equity incentive stock options and restricted stock financing for listed companies on the Shenzhen Stock Exchange;

Date	Innovative products released and main qualifications in the business innovation sector
From January to June 2015	Obtained qualifications for participation in the stock options trading on Shanghai Stock Exchange; Obtained qualifications for market-making business for 50ETF futures on Shanghai Stock Exchange; Obtained qualifications for share option settlement business; Obtained certificate of qualifications as a member of the Shanghai Gold Exchange; Obtained qualifications for the pilot work of the business of one-way video account opening; Become a member of the China Emissions Exchange.

5. A pioneer in the Internet finance industry

The Company has always attached importance to innovative applications in the Internet sector and is a broker with leading data processing capability which has formulated its financial big data strategy early and established its big data operation cluster in the industry and walks in the forefront of Internet finance innovation in the industry. In particular, achievements made by the Company in the sectors of platform, account, service and marketing have all achieved the industry-leading position. First, the Company has established five Internet channels, namely mobile securities, Official WeChat, E-Taojin website, online trading finance terminal and web-based trading and enhanced the experience of customers in securities transactions, Internet banking and online business process through continued platform innovation. Currently, data such as the number of users of the five channels all achieved the industry-leading position. The number of mobile securities has exceeded 6.8 million. Product sales and transfers on the E-Taojin e-commerce platform for the first half year exceeded RMB25 billion. The number of users of Public WeChat ID has exceeded 2 million. Secondly, the Company actively developed its Internet banking business and established convenient Internet banking accounts based on its Internet securities innovation qualification through account innovation and product innovation and launched the Internet cash management product, Taojin Wallet (淘金錢包), and provided the Taojin market for the transfer of products to establish an Internet banking business chain for investors. With respect to service innovation, the Company made use of the mobile Internet technology to establish the "Golden Key (金鑰匙)" system and instantly aligned the demand from a large number of online customers with more than 7,000 professional consultants distributed throughout the country offline. The Company also established its O2O service system to provide responsive "GF Surely Answer (廣發必答)" services to customers on the basis of 24 hours a day, 7 days a week. The model capitalizes on Internet thinking and mechanism innovation such as mobile platform, decentralized operations, the approach of competing for orders through crowdsourcing (眾包搶單模式) and electronic wallet and market incentive mechanism for customer evaluation to break the traditional service model and significantly improve the service efficiency and service quality. Apart from the Internet innovation of the service model, the marketing system of the Company also actively transformed to Internet. On one hand, the Company seized the Internet traffic entrance through using search engines to drive traffic and strategic cooperation with Sina. On the other hand, the Company innovated the Internet marketing model and implemented visual tracking of the marketing performance of individuals and offered timely incentives through technical means such as customized QR code to achieve "more pay for more work". Besides, the Company fully mobilized all branches and the enthusiasm of all marketing service staff to make it an important marketing model of the Company.

6. The business outlets nationwide cover the mainly economically advanced areas

As of June 30, 2015, the Company has set up 19 branches, 256 securities business departments, ranking fifth in the industry, and its business network covers 31 provinces, direct-controlled municipalities and autonomous regions in Mainland China. It also encompasses the economically advanced regions including the Pearl River Delta, Yangtze River Delta, Shandong Peninsula, Circum-Bohai Sea Region, and main provincial capitals, thus forming a nationwide network system for brokerage business. These regions boast of rapid economic development and abundant funds, and the sufficient client resources guarantee the sound economic benefit for the business outlets of the Company. As of the Reporting Period, the Company's investment consultancy team has over 1,900 members, ranking first in the industry. The investment consultants possess, on average, more than 8 years of consultancy experience, and are thus capable of offering professional opinions on asset configuration and product selection; the Company possesses more than 5,000 professional consultants, who, together with the investment consultants, form a robust matrix of client management. Through the detailed classification of clients, the Company implements differentiated client management and offers professional, customized financing product services for the HNW clients and clients of wealth management. The wholly-owned subsidiary of the Company GF Futures has set up 26 futures brokerage branches in 16 provinces and direct-controlled municipalities, ranking first among the futures companies in terms of the number of outlets; the 154 securities branches have obtained the futures intermediary brokerage qualifications, thus capable of introducing clients to GF Futures and forming a sprawling service sphere.

7. Main business indicators rank among the top in the industry in recent years

The Company has upheld the management philosophy of stable operations and sustainable innovation in recent years, and has endeavored to forge ahead and make pioneering achievements in the fiercely competitive, complex and changing environment. It has withstood the test of major changes in the industry, and gradually become one of the securities firms with the largest influence in the Chinese market. The business income, net profit and other main indicators rank among the top in the industry. The details are as follows:

Rankings of main business indicators in the industry from January to June 2012 to 2015

Items	**From January to June 2015**	The Year of 2014	The Year of 2013	The Year of 2012
Operating revenue	**3**	4	4	4
Net profit	**5**	5	4	4

Items	**As of the end of June 2015**	As of the end of 2014	As of the end of 2013	As of the end of 2012
Total assets	**3**	4	4	4
Net assets	**5**	4	3	3
Net capital	**4**	3	4	3

(Source: China Securities Industry, 2015)

Note 1: The indicators during the Reporting Period are incorporated according to the unaudited data of the parent company based on PRC GAAP; the data for the years of 2014, 2013, and 2012 are incorporated according to the audited data of the parent company based on PRC GAAP.

8. Time-tested effective risk management mechanism

The Company's risk management ability is outstanding in the industry, and has been repeatedly tested in the Company's development process. The Company is one of the first batch of pilot compliance management brokerages selected by the China Securities Regulatory Commission, one of the first brokerages to implement a comprehensive risk management strategy, and one of four major brokerages which have not received investment or restructuring due to operating losses among the first batch of brokers established from the end of the 80's to the early 90's. The Company has consistently adhered to a modest risk preference and core management philosophy of income corresponding to risks, supported the steady development of the business through modest risk-bearing, effective risk management and independent oversight of risk, and ensured that the Company remains ahead in each business line. The Company sets up a comprehensive risk management system covering risk mechanism, organization, system, index, personnel and culture, and actively builds its risk management system matching with new business, to support business innovation development. Over the years, the Company's asset quality has been excellent, the main risk management indicators are better than the regulatory indicators, the safety margin of leverage regulatory indicators is big, with a strong ability to resist risks.

(1) During the Reporting Period, the risks affecting the Company's business operation activities mainly are: policy risk, liquidity risk, market risk, credit risk, operational risk and information technology risk, as follows:

① Policy risk

Policy risk refers to the unfavorable influence on the operation of a securities firm by changes of national macro control measures, laws, regulations, regulatory policies and trading rules related to the securities industry, etc. On the one hand, the national macro control measures greatly affect the securities market, changes and adjustment of macro policy, interest rates and exchange rates are closely related to the trend of the financial market. On the other hand, the securities industry is a highly regulated industry, the regulatory policy directly affects the securities firm's operation fluctuation, if the Company failed to adapt to the changes of policies and laws in the daily management, it may be subject to administrative penalties such as fines, suspensions or revocation of business qualifications, resulting in economic losses or loss of reputation, and even trusteeship or dissolution.

② Liquidity risk

Liquidity risk is the risk that the Company may not hold enough funds in time with reasonable cost to pay due debts, perform other payment obligations and meet capital needs in normal business operation. Liquidity risk factors and events include but not limit to: asset liability structural imbalance, asset liquidity difficulties, operating losses, counterparty delay payment or default, as well as credit risk, market risk, reputation risk and other types of risk which may convert to the liquidity risk. The Company regards liquidity as its lifeblood, and liquidity risk management as a top priority of risk management, through continuing active liquidity management and liquidity risk identification, measurement, monitoring and control, timely and effectively preventing and managing corporate liquidity risk.

③ Market risk

Market risk refers to the risk of loss of business due to the unfavorable change of market price (prices of equity securities, interest rates, exchange rates or commodity price, etc.). Market risk can be divided into equity price risk, interest rate risk, exchange rate risk and commodity price risk, respectively referring to risks brought to company due to changes of equity price, interest rates, exchange rates and commodity prices. Because of the limited scope of investment, the market risks faced by securities firms are mainly concentrated in equity price risk and interest rate risk. However, along with the rapid expansion of business scope of directly and indirectly wholly-owned subsidiaries of securities firms, as well as the international advance of domestic securities firms, risks of exchange rate fluctuations and other types of price risks borne by securities firms are increasing. In addition, domestic on-exchange and OTC derivatives market in China is at the initial stage, and the corresponding market mechanism is not perfect, lacking available effective risk hedging tools. For the securities firms, as the main market maker and the risk hedger, the high speed development of the derivatives market not only increases the exposure to the market risk, but also increases the complexity of the market risk faced by the securities firms, raising great challenges to the market risk management of securities firms.

④ Credit risk

Credit risk is the risk that the issuer's or counterparty's failure to fulfill the obligations under a contract or the change in the credit rating or performance capabilities results in the change of market value of the debt, causing damage and loss to the Company. The Company is currently facing credit risks from bond investment business, derivatives trading business, financing and securities lending business, agreed repurchase securities transaction business, stock-pledged repurchase business, other innovative financing business, credit products investment and other businesses in respect of which the Company bears responsibilities or has made payment commitments. With the improvement of the securities firm's leverage and the continuous development of innovative businesses, the Company's credit risk is becoming more and more complex, and the credit risk exposure is increasing day by day. In addition, the increase of the credit market default rate, the concentration of the specific industry risk events and the decline of the degree of prosperity, etc., all proposed greater challenges to the future credit risk management of the securities firms.

⑤ Operational risk

Operational risk is the risk of 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 back office supporting department) face operational risk, characterized by wide coverage and diversity, including daily business process flaws with high occurring frequency but relatively low loss, and unexpected events with low frequency of occurrence and significant impact, making operational risk management an important part of implementing comprehensive risk management target by s securities firm. To prevent operational risk, securities firms need to build a unified operational risk management framework, continuously improve internal control management system, including the development and improvement of the operation process of key business lines, strengthening the auditing and inspection work, collection and analysis of the operational risk events and data of loss.

⑥ IT risk

Securities firms rely on the use of high-tech represented by information technology, which has greatly enhanced their operational efficiency and core competitiveness. The Company's investment business, asset management business, brokerage business and many other business and back-stage management are highly dependent on the support of computer networks and information management softwares; information technology has played a key role in promoting the Company's business. In promoting the development of the securities industry, the information technology has also brought a considerable risk. System design and operation will be greatly affected by the quality of electronic equipment and system softwares, the operation and maintenance of corporate systems, overload of application software business operation, the level of industry service providers, virus and hacker attacks, data loss and leakage, abnormal access to operating authorization, power, telecommunications, communications, natural disasters, etc.

(2) Risk prevention measures adopted (or to be adopted) by the Company for aforesaid risks

① Establishment of overall risk management system

Under the backdrop of innovative development and loosened supervisory environment of securities industry, the Company's operating leverage continues to improve, innovative business and products develop vigorously, and business and product risk characteristics are becoming increasingly complex. In order to ensure the implementation of its business strategy, the Company has in recent years continued to establish a comprehensive risk management system, improve the risk management system, optimize the risk management organization structure, construct risk management information system, improve risk management skills, and introduce professional risk management personnel. Under the guidance of the Company's overall development strategy, the Company continuously constructs strong, independent and strict management and control system, establishes effective comprehensive risk management strategy, organization, system, technology and personnel system, promotes the effective use of risk resources, control risk within the scope of the Company's risk preference, and support steady development of the business of the Company and the development of innovative business and products.

a. Risk management organization structure

In the process of development and management, the Company has always attached great importance to the construction of its risk management system, which lays a solid foundation for the comprehensive risk management system in the pursuit of steady operation. With the introduction of the Comprehensive Risk Management Criterion of Securities Firms, the Company has continued to improve the organization system of risk management, and implemented it through relevant regulations. The corporate risk management organization structure is composed of four levels, i.e. the board of directors and its Risk Management Committee; senior management, Risk Control Committee and Asset Allocation Committee; each backstage management function department; each business department; each level of organization and personnel perform risk management responsibilities within the scope of authorization.

b. Risk management system

Responding to adjustment of external regulations and policies as well as business development needs, the Company continues to promote risk management system process incorporating the refinement and optimization of its external regulatory requirements, the company's business needs, risk prevention and control measures into the relevant system flow in a timely manner. At present, the Company has established four levels of risk management: the first level is the basic system of corporate risk management, which is the guideline document covering all business and management areas; the second level is general risk management measures based on the corporate risk management system and applicable to the whole Company; the third level is detailed risk management provisions based on the general rules and regulations; the fourth level is detailed standards and operating guidelines of risk management instituted by each department based on the foregoing rules and regulations. To continuously improve the construction of risk management system, the Company will closely follow the latest regulatory requirements, and continue to improve the Company's risk management system according to the requirements of Comprehensive Risk Management Criterion of Securities Firms and the need of risk management for innovation business.

c. Risk preference system

Risk preference is the risk nature and level the Company is willing to bear in order to achieve the desired revenue objectives, and the basic attitude towards balancing between the risks and benefits of the Company's highest decision-making body after analysis of the Company's various risk factors, including types of risk, number of risks, and incremental risks in order to increase profit and in what way the Company is willing to take risks. The core elements of the Company's risk preference system are: the Company's risk preference, risk tolerance and business risk limits. Risk tolerance is the risk boundary which depicts the Company's positions in different dimensions such as overall and typical risks via quantative indicators, such as general risk under the guidance the risk preference framework. Risk limits are the limits set on key risk indicators within the scope of risk preference and risk tolerance, according to which monitoring and control of business is carried out. The risk limit is the maximum risk that the Company can tolerate in all kinds of risk exposure and the risk level that the Company is willing to bear, which is the implementation of risk preference in business operation. Risk limits indicators are different as per specific business types. Currently, the Company has established risk limit system, including regulatory limits, stop-loss limits, VaR limits, sensitivity index limits, transaction limits, capital limits, concentration limits, etc., which have been used in daily risk monitoring and management.

② Management of various risks

a. Liquidity risk management

The Company has set up a fund management department in the field of liquidity risk management as the first defense, the risk management department as the second defense, and clarified the responsibilities of various departments and coordination mechanism through the liquidity risk management system.

b. Market risk management

The Company follows the principle of active management and quantitative orientation, sets the Company's market risk tolerance according to the Company's risk preference, and ensures that the market risk to be borne by the Company is within its risk tolerance through identification, assessment, measurement, supervision and management measures. With the expansion of the Company's derivatives business and overseas business, for the purposes of identification, assessment and management of more complex market risks and model risks, the specific measures of market risk management of the Company include: 1) the formation of professional risk management team by introducing risk management personnel with professional skills and experience from a number of international financial institutions in the fields of derivatives investment risk management, risk management of overseas investment, model risk management and risk control system development; 2) an international mature market risk management system is introduced and launched, supporting development of the Company's transactions in the overseas market and all kinds of complex derivative financial products. 3) a pricing model of risk management framework is established, covering rating, development, verification, implementation, evaluation, use, monitoring and other aspects of the model, effectively managing model risks of investment transactions carried out through various complex financial instruments.

c. Credit risk management

Through effective risk identification, prudent risk assessment and decision-making, dynamic risk measurement and monitoring, risk reporting and response, the Company manages the entire process of credit risk, with the aim of effectively preventing or avoiding the occurrence of risk events, reducing the losses brought by risks to the Company and maximizing yields within the scope of accepted credit risk after risk adjustment.

d. Operational risk management

The Company focuses on the operability and standardization of the system scientificness and effectiveness of the design, and vigorously promotes the normalization of flow construction. The Company manages operational risks through business control and self-inspection, risk control and internal control audit, ensuring full coverage and supervision of all the business lines. The Business Department is responsible for the management system and process construction of the business under its charge, management, monitoring and reporting of operational risk in the business and management; as the functional departments of operational risk management, the Risk Management Department and the Compliance Department provide management tools and methods, develop management standards, and comprehensively analyze the reports; the Audit Department conducts follow-up supervision and accountability investigation on operational risk management, control and supervision system.

Against the sharp fall in the stock markets in June and July this year, the Company has taken effective measures in a timely manner, responded properly and pulled through the crisis steadily.

V. ANALYSIS OF INVESTMENT STATUS

1. External Equity Investments

(1) External Investments

Investment amounts from January to June 2015 (RMB)	External Investments Investment amounts from January to June 2014 (RMB)	Change (%)
2,950,000,000.00	300,000,000.00	883.33%

Investee Companies

Company	Principal Activities	Investment amounts fromJanuary to June 2015 (RMB)	Equity Interests of the Listed Company to the Investee Companies
GF Qianhe	Alternative investment	1,900,000,000.00	100.00%
GF Asset Management	Securities asset management	500,000,000.00	100.00%
GF Futures	Commodity futures brokerage and financial futures brokerage	100,000,000.00	100.00%
China Securities Credit Investment Co., Ltd.	Credit promotion	200,000,000.00	6.06%
China Securities Internet System Co.,Ltd.	Set quotation of products, issuance and transfer service in non-public offering	200,000,000.00	2.65%
Zhengtong	Construction of networking interoperability platform in securities industry	50,000,000.00	4.08%

Note 1: GF Futures increased the capital contribution by HK$125,000,000 to GF Futures (Hong Kong), its overseas subsidiary in June 2015.

Note 2: GF Qianhe established Zhuhai Qianheng Investment Management Co., Ltd. (珠海乾亨投資管理有限公司), its wholly-owned subsidiary in March 2015. As at June 2015, the total amount of capital contribution was RMB700,000,000.

(2) Shareholding in Non-Listed Financial Enterprises

Unit: RMB

Name of Companies held	Investment costs as at June 30, 2015	Number of shares held as at June 30, 2015	Shareholding percentage %	Book value as at June 30, 2015	Profit or loss during the Reporting Period	Changes in equity interests during the Reporting Period	Accounting classification	Source of Shares
E Fund	59,000,000.00	30,000,000.00	25	1,357,373,001.61	178,904,808.85	68,016,605.40	Long-term equity investment	Capital contribution
GF Fund	213,969,600.00	64,880,000.00	51.13	1,509,652,131.81	156,082,049.86	93,117,110.62	Long-term equity investment	Capital contribution
GF Futures	1,092,417,000.00	1,200,000,000.00	100	1,088,493,562.37	99,746,841.54	(2,811,144.69)	Long-term equity investment	Capital contribution
GFHK	1,212,811,000.00	1,440,000,000.00	100	1,212,811,000.00	57,290,579.15	(1,602,097.11)	Long-term equity investment	Capital contribution
GF Asset Management	1,000,000,000.00	1,000,000,000.00	100	1,000,000,000.00	265,075,458.22	46,978,252.07	Long-term equity investment	Capital contribution
Total	**3,578,197,600.00**	**—**	**—**	**6,168,329,695.79**	**757,099,737.62**	**203,698,726.29**		

Note 1: *Financial enterprises include commercial banks, securities firms, fund companies, insurance companies, trust companies and futures companies, etc, this table presents the shareholdings held by the parent company in non-listed financial enterprises;*

Note 2: *Profit or loss during the Reporting Period represents the impact of such investment on the consolidated net profit of the Group during the Reporting Period;*

Note 3: *Changes in equity interests during the Reporting Period represents other impacts of such investment on equity interests except the changes in paid-in capital and the profit or loss during the Reporting Period mentioned in note 2.*

(3) Investment in Securities

No.	Type of Securities	Securities Code	Short Name	Investment costs as at June 30, 2015 (RMB)	Numbers of shares held as at June 30, 2015	Book value as at June 30, 2015 (RMB)	Proportion to total investment in securities at the end of the period (%)	Profit or loss during the Reporting Period (RMB)
1	Money market funds	270014	GF Currency B	8,949,613,472.20	8,949,613,472.20	8,949,613,472.20	8.33	3,250,561.21
2	Other wealth management products	GFSF03CJ	GF Double Issuance No. 3 Orientation Program	6,800,000,000.00	6,800,000,000.00	6,861,199,687.20	6.39	–
3	Open-end funds	119538	Tong Rui No. 23	2,530,999,995.22	2,468,940,509.00	2,691,145,154.81	2.51	71,212,476.66
4	Treasury bond investment	140021	14 Interest-Bearing MOF bonds 21	1,041,258,000.00	10,000,000.00	1,038,068,000.00	0.97	(68,421.08)
5	Special financial bonds	150308	15 Export-Import Bank of China 08	1,010,307,000.00	10,000,000.00	1,008,378,000.00	0.94	(1,108,508.23)
6	Special financial bonds	150207	15 China Development Bank 07	903,555,291.62	8,900,000.00	904,634,270.00	0.84	8,392,589.32
7	Treasury bond investment	019404	14 MOF Bonds 04	760,400,115.26	7,500,000.00	761,250,000.00	0.71	4,928,991.55
8	Special financial bonds	140225	14 China Development Bank 25	691,113,615.78	6,800,000.00	690,998,320.00	0.64	2,887,644.39
9	Special financial bonds	140208	14 China Development Bank 08	649,443,036.74	6,300,000.00	648,236,610.00	0.60	3,155,221.11
10	Special financial bonds	150208	15 China Development Bank 08	638,494,545.71	6,300,000.00	637,493,850.00	0.59	4,795,896.33
	Other securities investments held at the end of the period			81,838,554,568.70	–	83,231,886,084.95	77.48	2,129,350,369.54
	Investment gains/losses arising from disposal of securities during the Reporting Period			–	–	–	–	2,034,631,634.59
	Total			105,813,739,641.23	–	107,422,903,449.16	100.00	4,261,428,455.39

Note 1: *The table is sequenced by the proportion of the book value at the end of the period to the total securities investment amount of the Group at the end of the period, only the top ten securities held by the Group at the end of the period are represented;*

Note 2: *Securities investments in this table represent such investments in stocks, warrants, bonds, funds and stock index futures. Only the stock investments accounted under financial assets at fair value through profit or loss in the consolidated statements are represented;*

Note 3: *Other securities investments represent the remaining securities investment except the top ten securities listed above;*

Note 4: *Profit or loss during the Reporting Period includes the investment income from securities held by the Group, profit or loss arising from changes in fair value and asset depreciation losses during the Reporting Period.*

(4) Statement for Shareholding in Other Listed Companies

Unit: RMB

Stock code	Short name	Investment costs as at June 30, 2015	Shareholding proportion in the Company (%)	Book value as at June 30, 2015	Profit or loss during the Reporting Period	Changes in equity interests during the Reporting Period	Accounting classification	Source of Shares
000623	Jilin Aodong	56,956,036.09	3.73	1,121,295,369.60	6,674,377.20	(42,062,291.48)	Available-for-sale financial assets	Underwriting and acquisition
000158	Changshan Textile	32,000,000.00	1.32	243,849,627.72	—	211,849,627.72		Investment
300086	Honz Pharmaceutical	148,583,247.57	2.77	224,409,582.00	—	75,826,334.43		Acquisition
360006	Kangmei Pharmaceutical Senior 1	220,039,036.26	0.00	194,220,249.75	1,257,375.00	(25,818,786.51)		Acquisition
601231	Universal Scientific Industrial	211,137,992.12	0.72	186,983,792.10	3,433.80	(14,150,301.20)		Acquisition
300088	Changxin Tech	145,255,849.20	1.32	175,098,770.00	—	29,842,920.80		Acquisition
300407	Keyvia Electric	14,580,000.00	1.99	173,229,232.25	405,000.00	83,520,708.60		Investment
600677	Aerospace Communications	43,434,000.00	1.22	164,084,000.00	—	47,442,165.00		Acquisition
300315	Ourpalm	85,999,999.05	0.49	163,883,794.75	—	84,091,826.78		Acquisition
300219	Honglitronic	6,303,288.99	1.62	151,528,350.24	—	74,956,060.71		Investment
Shareholdings in other listed companies		1,107,837,476.05	—	1,990,676,338.41	17,062,413.09	122,878,959.59		—
Total		2,072,126,925.33	—	4,789,259,106.82	25,402,599.09	648,377,224.44		

Note 1: The table presents the shareholding held by the Group in other listed companies accounted under the financial assets available for sale;

Note 2: Profit or loss during the Reporting Period includes the investment income from securities held by the Group, profit or loss arising from changes in fair value and asset depreciation losses during the Reporting Period;

Note 3: Changes in equity interests during the Reporting Period doesn't include the impacts arising from deferred income tax.

(5) Trading in shares of other listed companies

Stock Name	Number of shares held as at December 31, 2014	Number of shares bought during the Reporting Period	Number of shares sold during the Reporting Period	Number of shares held as at June 30, 2015	Amounts of funds utilized during the Reporting Period (RMB)	Investment income generated during the Reporting Period (RMB)
Subscription of new shares	40,003.00	13,520,361.00	13,102,659.00	457,705.00	79,787,137.80	248,959,650.11
Others	210,506,489.00	484,475,735.00	475,629,383.00	219,352,841.00	7,961,877,863.17	2,122,759,640.58
Total	210,546,492.00	497,996,096.00	488,732,042.00	219,810,546.00	8,041,665,000.97	2,371,719,290.69

Note 1: *The number of new shares as a result of bonus shares and the new listed shares due to the listing of directly invested companies are included in the number of acquired shares during the Reporting Period.*

Note 2: *The table presents the dealings in the shares of other listed companies accounted under the available-for-sale financial assets of the Group.*

2. Entrusted loans

Unit: RMB'0,000

Borrower	Whether or not a related party	Loan amount	Interest rate of loans	Guarantor or collateral	Use of proceeds by borrowers
Guangzhou Flamingo Network Technology Co., Ltd.	No	3,000	10%	Nil	Daily operations
Total	—	3,000	—	—	—
Extension, overdue or litigation (if any)	—				
Measures to cope with risks arising from extension, overdue or litigation (if any)	—				
Disclosure date of approval of entrusted loans at a Board meeting (if any)	—				
Disclosure date of approval of entrusted loans at a general meeting (if any)	—				

3. Use of proceeds

(1) General use of proceeds raised from A Shares

Unit: RMB'0,000

Total proceeds	1,199,994.64
Total investment of proceeds during the Reporting Period	16,141.70
Total cumulative investment of proceeds	1,141,570.22
Total proceeds of changed use during the Reporting Period	N/A
Total cumulative proceeds of changed use during the Reporting Period	N/A
Ratio of total cumulative proceeds of changed use	N/A

Description of the general use of proceeds

During the Reporting Period, the Company has used the proceeds strictly in accordance with the relevant requirements in the Administrative Measures on the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》), the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange (《深圳證券交易所股票上市規則》), the Guidelines of the Shenzhen Stock Exchanges for the Standardized Operation of Companies Listed on the Main Board (《深圳證券交易所主板上市公司規範運作指引》) and the Management System on the Use of Proceeds by GF Securities Co., Ltd. (《廣發証券股份有限公司募集資金使用管理制度》) and other documents, and has truthfully, accurately, completely disclosed the relevant information in a timely manner. There were no violations regarding the management of proceeds.

Notes: 1, *If the Company has raised funds during the Reporting Period or extended the use of proceeds raised prior to the Reporting Period to such period, the related information shall be disclosed.*

2, *The relevant disclosure is also applicable to the raising of corporate bonds and the issuance of preference shares (including the issuance of preference shares to acquire assets in compliance with regulations) during the Reporting Period.*

(2) Use of proceeds raised from A Shares on committed projects

Unit: RMB' 0,000

Committed projects and the use of share proceeds	Whether there were any changes in the projects (including partial changes)	Committed total investment from share proceeds	Adjusted total investment [1]	Amount invested during the Reporting Period	Aggregated amount invested as of the end of the period [2]	Investment rate % as of the end of the period [3]=[2]/[1]	Date of the projects becoming ready for intended use	Profit achieved during the Reporting Period	Whether the expected profit is achieved	Whether there were any material changes in relation to the feasibility of the project
Committed projects										
Sub-total of committed projects	—	1,199,994.64	1,199,994.64	16,141.70	1,141,570.22	95.13	N/A	N/A	N/A	No
N/A										
Repayment of bank loans (if any)	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Replenishment of liquidity (if any)	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Sub-total of the use of surplus share proceeds	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Total	—	1,199,994.64	1,199,994.64	16,141.70	1,141,570.22	95.13	N/A	N/A	N/A	No
Project not progressing as scheduled or not achieving expected profit and the reasons (by project)					N/A					
Explanation for material changes in the feasibility of project					Nil					
Amount, use and progress of use of surplus share proceeds					Nil					
Change of the location of share proceed projects					Nil					
Adjustment to the implementation methods for share proceed projects					Nil					

Initial investment in share proceed projects and replacement with share proceeds	This share proceed project was initially invested by the Company with its self-raised funds, and part of share proceed projects was implemented prior to actual availability of the share proceeds. As of August 17, 2011, the Company initially invested a total of RMB1,176,569,100.35 to share proceed projects with its self-raised funds, which was verified by Deloitte Touche Tohmatsu Certified Public Accountants LLP who issued the Report on Specific Audit on Initial Investment by GF Securities Co., Ltd. with Self-raised Funds in Share Proceeds Projects (《關於廣發証券股份有限公司以自籌資金預先投入募集資金投資項目情況的專項審核報告》) (De Shi Bao (He) Zi (11) No. E0065). On October 21, 2011, as considered and approved by the Company's seventh meeting of the seventh session of the Board of Directors and fourth meeting of the seventh session of the Board of Supervisors, the Company replaced its self-raided funds used for initial investment in share proceed projects with an amount of RMB1,176,569,100.35 from share proceeds. Such event will not have an impact on normal progress of the investment schedule with share proceeds, nor mean a change to the use of share proceeds. Such event was agreed by the Company's independent directors and a specific audit report was issued by the accounting firm. Necessary approval procedures were completed and the sponsors had no disagreement on this event. The Company's such act and procedures to replace its self-raised funds used for initial investment in share proceeds projects with share proceeds are in compliance with the relevant laws, regulations and the requirements of regulatory documents.
Idle share proceeds used for short-term liquidity	On April 18, 2014, the Company applied part of the idle share proceeds for short-term liquidity amounting to RMB1,149,000,000.00, with a term of twelve months commencing from the date on which the above was considered and approved by the Board of Directors. Such event was approved at the 47th meeting of the seventh session of the Board of Directors held by the Company on April 18, 2014, for which, the Board of Supervisors and independent directors have given their consents, and the sponsors had no disagreement on this event. The Company's such decision procedures for the use of part of its idle share proceeds for liquidity are legal, valid and in compliance with the relevant requirements of the Guidance on Normal Operation of Companies Listed on the Main Board of the Shenzhen Stock Exchange (《深圳證券交易所主板上市公司規範運作指引》) and the Company's Rules on Management of the Use of Share Proceeds (《募集資金使用管理制度》). The Company has returned and transferred its share proceeds with amounts of RMB300,000,000, RMB149,000,000 and RMB700,000,000, respectively, which were used for short-term liquidity as mentioned above, to the dedicated account for share proceeds, on November 12, 2014, December 19, 2014 and April 16, 2015, respectively. Such proceeds were used in a term not exceeding twelve months. On April 27, 2015, the Company applied part of the idle share proceeds for short-term liquidity amounting to RMB700,000,000.00, with a term of twelve months commencing from the date on which the above was considered and approved by the Board of Directors. Such event was approved at the 15th meeting of the eighth session of the Board of Directors held by the Company on April 27, 2015, for which, the Board of Supervisors and independent directors have given their consents, and the sponsors had no disagreement on this event. The Company's such decision procedures for the use of part of its idle share proceeds for liquidity are legal, valid and in compliance with the relevant requirements of the Guidance on Normal Operation of Companies Listed on the Main Board of the Shenzhen Stock Exchange (《深圳證券交易所主板上市公司規範運作指引》) and the Company's Rules on Management of the Use of Share Proceeds (《募集資金使用管理制度》). The Company has returned and transferred its share proceeds with amount of RMB100,000,000, which were used for short-term liquidity as mentioned above, to the dedicated account for share proceeds, on June 4, 2015. Such proceeds were used in a term not exceeding twelve months. As of June 30, 2015, RMB600,000,000 of the idle share proceeds which the Company applied for short-term liquidity is outstanding.
The amount of and reasons for the surplus of share proceeds as a result of projects implementation	The Company doesn't have surplus funding generated from funding raised projects.
The use and and status of unutilised proceeds	The Company will primarily use the unutilised proceeds for the purposes such as capital increase of GF Futures and GF Xinde, and information system construction. At the end of Reporting Period, the Company has applied part of the idle share proceeds for short-term liquidity.
The problems or other matters arising in the course of use and disclosure of proceeds	Nil

(3) The change of proceed projects

N/A

(4) The general status of the use of proceeds from H Shares

As approved by the Commission license [2015] No. 347 "Approval on the Issuance of Overseas Listed Foreign Shares by GF Securities Co., Ltd " (《關於核准廣發証券股份有限公司發行境外上市外資股的批覆》) issued by the CSRC on March 5, 2015, the Company was listed on the Main Board of the Hong Kong Stock Exchange on April 10, 2015 and offered 1,479,822,800 overseas listed foreign shares (H Shares) in total under the Public Offering and the International Placing at an issue price of HK$18.85 per share, thereafter, the Company issued 221,973,400 H Shares at HK$18.85 per share on April 13, 2015 upon the exercise of an over-allotment option; the total number of the H Shares issued by the Company is 1,701,796,200 and the proceeds from the H Share issuance amount to HK$32.079 billion in total.

According to the H Shares prospectus, approximately 50% of the net proceeds from the offering of H Shares will be used in the development of wealth management business, approximately 20% in investment management, investment banking and trading and institutional client services businesses, as well as approximately 30% in international operations. To the extent that part of such proceeds is not required temporarily for those purposes mentioned above, it will be applied to replenishment of short-term liquidity for investment in liquid assets classes so as to maintain and even create value.

From April 10 to May 6, 2015, the proceeds from H Shares issuance were settled to RMB25.68 billion in total with HK$4.54 million remaining in the Company's overseas offering bank account. As of June 30, 2015, of the proceeds from the issuance of H Shares, RMB10.855 billion or approximately 42.27% was used in the wealth management business; RMB4,342 million or approximately 16.91% was used in the investment management, investment banking and trading and institutional client services businesses, and RMB10.483 billion or approximately 40.82% are used in the replenishment of short-term investments business.

The proceeds from H Shares that will be used in international operations will be invested in phases as planned under the principle of prudence. On April 20, 2015, it is resolved to inject HK$4.16 billion to GFHK with the proceeds from H Shares issuance on the 14th meeting of the eighth session of the Board of Directors held by the Company. The capital injection is in progress.

4. The analyses of principal subsidiaries and participating stock companies

The status of principal subsidiaries and participating stock companies

Name of company	Date of establishment	Shareholding percentage %	Principal products and services	Registered capital (in ten thousand)	Total assets on June 30, 2015 (RMB in 100 million)	Net assets on June 30, 2015 (RMB in 100 million)	Net profit from January to June 2015 (RMB in 100 million)
GF Futures	March 1993	100	Commodity futures brokerage, financial futures brokerage, futures investment consulting and asset management	RMB120,000	146.72	15.75	1.00
GF Xinde	December 2008	100	Equity investment, provision of financial advisory services on equity investment to clients and other businesses as approved by the CSRC	RMB230,000	41.90	40.31	3.98
GFHK	June 2006	100	Investment holding, conducting investment banking, equity sales and trading, asset management, overseas equity investment and other businesses as approved by the SFC through professional subsidiaries	HK$144,000	68.84	13.34	0.70
GF Qianhe	May 2012	100	Project investment, investment management, and investment consulting.	RMB290,000	37.01	35.77	1.45
GF Asset Management	January 2014	100	Securities asset management	RMB100,000	16.26	15.09	2.65
GF Fund	August 2003	51.13	Fund raising, fund sales, asset management and other businesses as approved by the CSRC	RMB12,688	56.51	40.35	5.34
E Fund	April 2001	25	Fund raising, fund sales, asset management and other businesses as approved by the CSRC	RMB12,000	71.65	54.79	6.94
Guangdong Equity Exchange	July 2013	32.50	Provision of premises, facilities and auxiliary services for the listing, transfer, financing, registration, custody and settlement of non-listed companies' equity, debt, equity-related products and related financial products and other businesses as approved in accordance with laws	RMB10,000	1.44	1.03	0.03

5. Major projects not invested by proceeds

In October 2011, the Company entered into the Entrusted Construction Agreement of GF Securities Tower with Guangzhou R & F Properties Corporation Co., Ltd. The Company entrusted Guangzhou R & F Properties Corporation Co., Ltd. to carry on the development and construction management and sales planning (if necessary) on behalf of the Company. Currently, the main structures and design and construction of GF Securities Tower are in progress.

VI. PROJECTION ON OPERATING RESULTS FROM JANUARY TO SEPTEMBER 2015

N/A

VII. EXPLANATION FROM THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS ON THE "NON-STANDARD AUDIT OPINIONS" OF THE ACCOUNTING FIRM DURING THE REPORTING PERIOD

N/A

VIII. EXPLANATION FROM THE BOARD OF DIRECTORS ON THE "NON-STANDARD AUDIT OPINIONS" OF THE PREVIOUS YEAR

N/A

IX. PARTICULARS OF PROFIT DISTRIBUTION IMPLEMENTATION BY THE COMPANY DURING THE REPORTING PERIOD

According to the 2014 Profit Distribution Proposal passed at the 2014 annual general meeting of the Company held on March 9, 2015, the following plan was recognized: a cash dividend of RMB2.0 (tax inclusive) for every 10 existing shares held by A-share holders of the Company based on the share capital of 5,919,291,464 A Shares. The actual cash dividend after tax to be distributed to QFII, RQFII, the individual and securities investment fund holders of share reform restricted shares and restricted shares of new shares would be RMB1.8 for every 10 shares held. For the individual and securities investment funds holders of non-share reform restricted shares, restricted shares of non-new shares and unlimited tradable shares, the dividend would be imposed tax at a differentiated tax rate, i.e. a dividend of RMB1.9 would be distributed for every 10 shares before the record date, and after that the tax would be remedially paid according to the stock holding situation and actual holding period of investors. For other holders who are non-resident enterprises (excluding QFII and RQFII), no withholding tax are deducted by the Company and such tax would be paid by the shareholders of the relevant jurisdictions.

On April 30, 2015, the Company published the "Announcement on 2014 Profit Distribution Implementation", under which the 2014 Profit Distribution has been implemented, and the record date and the ex-dividend date were set to be May 7, 2015 and May 8, 2015, respectively.

X. PROPOSALS ON PROFIT DISTRIBUTION AND CONVERSION OF CAPITAL RESERVES INTO SHARE CAPITAL DURING THE REPORTING PERIOD

The Company has no interim proposals on profit distribution or conversion of capital reserves into share capital.

XI. REGISTRATION REPORT ON RECEPTION OF RESEARCH INVESTIGATIONS, COMMUNICATIONS AND INTERVIEWS DURING THE REPORTING PERIOD

Time of reception	Place of reception	Manner of reception	Types of parties accommodated	Parties accommodated	Main topics of discussion and information provided
January 1, 2015 to June 30, 2015	N/A	Telephone communication	Public investors	Public investors	Inquiry of daily operations of the Company
May 28, 2015	Headquarter of the Company	On-site research and investigation	Organization	East Capital Asia Ltd、Ilmarinen Mutual Pension Insurance Company	Operation and development of the Company
June 11, 2015	Headquarter of the Company	On-site research and investigation	Organization	Citibank	Business development of the Company
June 17, 2015	Headquarter of the Company	On-site research and investigation	Organization	Chang Sheng Fund Management Company Limited	Business development of the Company
June 26, 2015	Headquarter of the Company	On-site research and investigation	Organization	China Merchants Securities (HK) Co. Ltd	Business development of the Company
June 26, 2015	Headquarter of the Company	On-site research and investigation	Organization	CMB International Securities Limited	Strategic and business development of the Company

Section 4 Significant Events

I. CORPORATE GOVERNANCE

The Company places emphasis on maintaining a high standard of corporate governance to increase shareholders' value and protect the interests of shareholders. The Company has established a modern corporate governance structure by reference to provisions such as "Company Law", "Securities Laws", "Regulations for Supervision and Administration of Securities Companies" and "Rules for Governance of Securities Companies", "Mandatory Provisions of Articles of Association of Companies Listing Overseas", "SZSE Listing Rules" and "Corporate Governance Code" as set out in the "Hong Kong Listing Rules". The Company constantly improves its internal control management system so as to gradually reinforce the integrity, rationality and effectiveness of its internal controls; and constantly improve its corporate governance structure to enhance decision making capability and increase the standard of operation and management. The Company has established the general meeting of shareholders, the board of directors, the board of supervisors, board committees and senior management. The general meeting of shareholders, the board of directors, the board of supervisors and the operating management perform their respective duties and act with due diligence, which ensures the standard operation of the Company. From the date of the listing of the Company to the end of the Reporting Period, there is no difference between the actual situation of corporate governance and the requirements of the relevant provisions of the "Company Law", the CSRC and the Hong Kong Stock Exchange.

The Board of Directors will examine the corporate governance and operation of the Company from time to time to comply with the relevant requirements of the "SZSE Listing Rules" and the "Hong Kong Listing Rules" and protect the interests of shareholders.

During the Reporting Period, the Company convened a total of 21 meetings, including 1 general meeting of shareholders, 9 meetings of the board of directors, 3 meetings of the board of supervisors, 1 meeting of the Strategy Committee, 1 meeting of the Risk Management Committee, 4 meetings of the Audit Committee, 1 meeting of the Remuneration and Nomination Committee, 1 annual report work meeting of independent non-executive directors.

1. About Shareholders and the General Meeting of Shareholders

The existing "Articles of Association" and the "Rules of Procedure of the General Meeting of Shareholders" have provided for the rights and obligations of shareholders, the authority of the General Meeting of Shareholders, the convocation, voting and resolution of the General Meeting of Shareholders, etc., which ensures the standard and effective operation of the General Meeting of Shareholders and protects the interests of investors and the Company.

2. About Directors and the Board of Directors

The existing "Articles of Association" and the "Rules of Procedure of the Board of Directors" have provided for the appointment qualification, obligations and responsibilities of directors, the authority of the Board of Directors, the convocation, voting and resolution of the meeting of the Board of Directors, etc., which ensures the standard and effective operation of the Board of Directors. The Board of Directors of the Company currently comprises 11 directors, among them, 4 are executive directors, 3 are non-executive directors and 4 are independent non-executive directors. The Board of Directors has established the Risk Management Committee, the Audit Committee, the Remuneration and Nomination Committee and the Strategy Committee. All committees have a clear delineation of labour, authority and responsibility and operate effectively.

3. About Supervisors and the Board of Supervisors

The existing "Articles of Association" and the "Rules of Procedure of the Board of Supervisors" have provided for the composition, authority, the convocation of the meeting, notice of meeting and minutes of the Board of Supervisors, etc., which ensures the standard and effective operation of the Board of Supervisors. The Board of Supervisors of the Company currently comprises 5 supervisors, among them, 2 are employee representative supervisors and 3 are shareholder representative supervisors. The supervisors of the Company are industrious and responsible and perform supervisory duties according to law by adhering to the work philosophy of "combining supervision with serving". By closely concentrating on the work focus of the Company, the supervisors have made earnest efforts to carry out the supervisory work, which has promoted the standard operation of the Company and effectively safeguarded the legitimate interests of the Company, employees and shareholders.

4. About Senior Management

The appointment of the senior management of the Company complies with the requirements of the "Company Law" and the "Articles of Association". The senior management can discharge their duties under the authority of the Board of Directors according to law and in compliance with the laws and regulations and are committed to maximizing the interests of the Company and shareholders.

5. Securities Transactions by Directors and Supervisors

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 of the "Hong Kong Listing Rules" as the code of conduct for securities transactions of the Company by all directors, supervisors and relevant employees (same definition as the "Corporate Governance Code"). Based on the specific enquiries of directors and supervisors of the Company, from the date of the listing of the Company to the end of the Reporting Period, all directors and supervisors have strictly complied with the standards as stipulated in the "Model Code for Securities Transactions by Directors of Listed Issuers"during the Reporting Period.

6. Special Committees of the Board

The Chairman of the Board serves as the chairman of the Risk Management Committee and the Strategy Committee. Independent directors play an active role in the Audit Committee and the Remuneration and Nomination Committee, each of which is chaired by an independent director. During the Reporting Period, the convocation of the meetings of all special committees complied with the "Articles of Association" and the rules of procedure of all special committees and the committees played an effective role in the major decisions of the Company.

II. LITIGATIONS

1. GF Commodity Markets appealed on the case of confirmation on cargo ownership against Ningbo Yager International Trade Transportation Company (寧波雅戈爾國際貿易運輸有限公司) ("Yager") and Shanghai Hengye International Logistics Co., Ltd. (上海恒燁國際物流有限公司) ("Hengye")

   In November 2013 and June 2014, GF Commodity Markets stored 1,269.25 tonnes of polyethylene in batches in the warehouse of Hengye in Shanghai. On October 11, 2014, GF Commodity Markets issued an instruction for taking delivery of goods to Hengye, but Hengye refused to take out the goods from the warehouse due to a dispute over cargo ownership. On October 14, 2014, Yager applied to the People's Court of Jinzhou Prefecture of Ningbo City ("Jinzhou Court") and seized the 1,269.25 tonnes of polyethylene sent for storage in the warehouse of Hengye by GF Commodity Markets. On October 17, 2014, GF Commodity Markets made an application to Jinzhou Court dissenting the property seizure, and Jinzhou Court informed GF Commodity Markets on October 30, 2014 that its application was rebutted. On November 5, 2014, Yager sued Hengye in the Jinzhou Court (case number: 2014 Yong Jin Shang Chu Zi No.1904), requesting Hengye to hand over 3,909.328 tonnes of polyethylene to it. On November 27, 2014, GF Commodity Markets applied to Jinzhou Court to participate in the trial of the case 2014 Yong Jin Shang Chu Zi No.1904 as a third party, and asked Jinzhou Court to confirm that the ownership of 1,269.25 tonnes of polyethylene belonged to GF Commodity Markets. Jinzhou Court consented to the participation of GF Commodity Markets in the litigation as a third party, but the request of GF Commodity Markets was refused by judgment of the court on May 15, 2015, and GF Commodity Markets was liable to bear the legal costs of RMB55,340. On June 3, 2015, GF Commodity Markets filed an appeal to the Intermediate People's Court of Ningbo City (case number: 2015 Zhe Yong Shang Zhong No.823), demanding the judgment at the first instance be quashed and confirming the ownership of 1,269.25 tonnes of polyethylene belonged to GF Commodity Markets. The proceedings of the case are still on-going currently.

2. GF Commodity Markets sued Guangdong Zhenrong Energy Co., Ltd. ("Zhenrong") for repayment of money in default under sale and purchase agreement and petitioned to declare Zhenrong in bankruptcy

   On June 24, 2014, GF Commodity Markets and Zhenrong signed the Sale and Purchase Agreement, pursuant to which Zhenrong purchased 360 tonnes of cathode nickel by way of a trade acceptance bill (in the amount of RMB50,937,840 with the due date on December 22, 2014, for which Zhenrong was both the payer and acceptor). On June 25, 2015 GF Commodity Markets delivered 360 tonnes of cathode nickel to Zhenrong. On December 15, 2014, GF Commodity Markets submitted the trade acceptance bill to the Lujiazhui Software Park sub-branch of ICBC for bill collection, and was informed by the Lujiazhui Software Park sub-branch of ICBC that there was insufficient balance in the bank account of Zhenrong and the bill was dishonoured. After several attempts to demand for payment, Zhenrong paid RMB5,000,000 to GF Commodity Markets on February 13, 2015, and no more payment was made thereafter. On May 28, 2015, GF Commodity Markets filed a civil case to the First Intermediate People's Court of Shanghai (case number: 2015 Hu Yi Zhong Min Si Shang Chu Zi No.25), demanding Zhenrong to repay the amount owed and costs including penalty. On June 8, 2015, Zhenrong disputed over the jurisdiction of the court but was rejected by the court on June 23, 2015. On July 8, 2015, Zhenrong filed an appeal against the ruling on the jurisdiction dispute, and the jurisdiction of the case is now under review by the Higher People's Court of Shanghai.

On June 16, 2015, GF Commodity Markets filed a petition for bankruptcy against Zhenrong in the Intermediate People's Court of Guangzhou (case number: 2015 Sui Zhong Fa Min Po Zi No.13) on the grounds that Zhenrong was unable to repay debts after due date and demanded the court to declare Zhenrong bankrupt for liquidation. On July 14, 2015, a hearing took place in the Intermediate People's Court of Guangzhou. At present, materials of the case are still under deliberation by the court.

III. MEDIA QUERIES

During the Reporting Period, the Company did not have any general media queries.

IV. EVENTS RELATING TO BANKRUPTCY RESTRUCTURING

During the Reporting Period, there was no event relating to bankruptcy restructuring as far as the Company is concerned.

V. DISPOSAL AND ACQUISITION OF ASSETS

1. Acquisition of Assets

During the Reporting Period, the Group did not acquire any assets.

2. Disposal of Assets

During the Reporting Period, the Group did not dispose of any major assets.

3. Corporate Merger

During the Reporting Period, there was no corporate merger as far as the Group is concerned.

VI. IMPLEMENTATION OF EQUITY INCENTIVE OF THE COMPANY AND ITS IMPACT

During the Reporting Period, the Group did not have any equity incentive scheme.

VII. MAJOR RELATED TRANSACTIONS

1. Related transactions relating to day-to-day operations

Related Party	Related Relations	Contents of the Related Transaction	Related Transaction Price Determination and Decision Making Procedure	Estimated Transaction Amount for the Reporting Period	Amount Incurred for the Reporting Period	
					Amount (RMB)	Percentage of Amount for Comparable Transactions %
E Fund	Associated enterprises	Trading unit seat rental income and fund sale agency fee income	Market principle	Based on the actual amount incurred	38,423,907.52	6.40

2. Related Transactions in Respect of Acquisition and Sale of Assets

During the Reporting Period, the Company did not have any related transactions in respect of acquisition and sale of assets.

3. Related Transactions in Respect of Joint Foreign Investment

Please refer to the content of Subsection 5 under this section.

4. Amounts due to or from Related Parties

Item name	Related Party	Amount as at June 30, 2015 (RMB)	Amount as at December 31, 2014 (RMB)
Seat commission and trailing commission receivable	E Fund	22,292,101.58	8,292,484.80

During the Reporting Period, the amounts due to or from related parties mentioned above all facilitated the Company to expand its operations in the ordinary course of business and increase profit opportunities, and was implemented at a fair price and will not damage the interests of the Company and small and medium shareholders.

5. Other Related/Connected Transactions

(1) Related Transactions Jointly Invested with the Wholly-owned Subsidiary of Zhongshan Public Utilities

GF Xinde, a wholly-owned subsidiary of the Company, intends to jointly initiate the establishment of GF Xinde• Zhongshan Public Utilities M&A Fund Management Co., Ltd. (tentative name, hereinafter referred to as "Fund Management Company") and GF Xinde• Zhongshan Public Utilities M&A Fund (tentative name, hereinafter referred to as "M&A Fund") with Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd. (to be established, hereinafter referred to as "Public Utilities Environmental Protection"), a wholly-owned subsidiary of Zhongshan Public Utilities.

Whereby:

Fund Management Company takes the form of a limited company with a registered capital of RMB10 million. It is intended that GF Xinde and Public Utilities Environmental Protection will in turn contribute RMB6 million and RMB4 million in cash, respectively, representing 60% and 40% of the capital contribution.

M&A Fund takes the form of a limited partnership. The total size of the fund is expected to be RMB2 billion (subject to adjustment based on the development need), of which RMB300 million will be contributed by GF Xinde and RMB200 million will be contributed by Public Utilities Environmental Protection. The remaining capital will be raised from outside investors. All investors will pay the amount of contribution in installments according to the progress of the investment project.

For details, please refer to the relevant announcement published on CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) on May 12, 2015.

As of the end of the Reporting Period, GF Xinde has not made the capital contribution.

(2) Connected/Related Transactions Jointly Invested with Jilin Aodong

GF Xinde, a wholly-owned subsidiary of the Company, intends to jointly initiate the establishment of GF Xinde Jilin Aodong Fund Management Co., Ltd. (tentative name, hereinafter referred to as "Fund Management Company") and "GF Xinde•Jilin Aodong Chinese Medicine Modernization Industry Fund" (tentative name, hereinafter referred to as "Chinese Medicine Modernization Industry Fund") and "Jilin Aodong Innovative Industry Development Fund" (tentative name, hereinafter referred to as "Innovative Industry Development Fund") with Jilin Aodong.

Whereby:

Fund Management Company takes the form of a limited company with a registered capital of RMB20 million. It is intended that GF Xinde and Jilin Aodong will in turn contribute RMB12 million and RMB8 million in cash, respectively, representing 60% and 40% of the capital contribution.

Chinese Medicine Modernization Industry Fund takes the form of a limited partnership and is managed by Fund Management Company. The total size of the fund is expected to be RMB1 billion (subject to adjustment based on the development need), of which RMB300 million will be contributed by GF Xinde, RMB200 million will be contributed by Jilin Aodong and RMB5 million will be contributed by Fund Management Company. The remaining capital will be raised from outside investors. All investors will pay the amount of contribution in installments according to the progress of the investment project. The planned duration of the fund is "5 years+2 years".

Innovative Development Fund takes the form of a limited partnership and is managed by Fund Management Company. The total size of the fund is expected to be RMB300 million (subject to adjustment based on the development need), of which not more than RMB200 million will be contributed by Jilin Aodong and relevant enterprises, RMB10 million will be contributed by Fund Management Company and RMB90 million will be contributed by Dunhua City Financial Investment Co., Ltd. The planned duration of the fund is "5 years+2 years".

For details, please refer to the relevant announcement published on CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) and the HKExnews website of the Hong Kong Stock Exchange (http://www.hkexnews.hk) on June 18, 2015.

As of the end of the Reporting Period, GF Xinde has not made the capital contribution.

VIII. MISAPPROPRIATION OF THE LISTED COMPANY'S FUNDS BY THE CONTROLLING SHAREHOLDER AND ITS RELATED PARTIES FOR NON-OPERATING PURPOSES

Neither the Listed Company's controlling shareholder nor any of its related parties has misappropriated the Listed Company's funds for non-operating purposes during the Reporting Period.

IX. MAJOR CONTRACTS AND THEIR PERFORMANCE

1. Custody, Contracting and Leases

During the Reporting Period, there were no custody, contracting and leases, nor were there any previous custody, contracting and leases which were extended to this Reporting Period.

In May 2013, the Company and Guangzhou Construction Co., Ltd. entered into the "Construction General Contract for GF Securities Tower". Guangzhou Construction Co., Ltd. is the construction general contractor for GF Securities Tower. The tentative contract price is RMB657 million.

2. Guarantees

External Guarantees Provided by the Company (Excluding Guarantees Provided to Subsidiaries)

Name of the Guaranteed	Date of Disclosure of Guarantee Amount on the Relevant Announcement	Guarantee Amount	Actual Date of Occurrence (Date of Agreement)	Actual Guarantee Amount	Type of Guarantee	Term of Guarantee	Fulfilled or Not	Guarantee Provided to Related Parties or Not
GF Securities (Hong Kong) Brokerage Limited (GF Holdings Hong Kong provided a guarantee to it)	December 19, 2013	HK$50 million and relevant interest and expenses (if any)	December 2013	HK$50 million	Joint and several liability guarantee	From the date of agreement until one month after the bank receives a written notice from the guarantor or the liquidator or the receiver of the guarantor to terminate this guarantee.	No	No
GF Securities (Hong Kong) Brokerage Limited (GF Holdings Hong Kong provided a guarantee to it)	May 14, 2014	HK$70 million and relevant interest and expenses (if any)	May 2014	HK$70 million	Joint and several liability guarantee	From the date of agreement until six months after the bank receives a written notice from the guarantor or the liquidator or the receiver of the guarantor to terminate this guarantee.	No	No

Total amount of external guarantees approved during the Reporting Period (A1)	0	**Total actual amount of external guarantees during the Reporting Period (A2)**	RMB94.6 million
Total amount of external guarantees approved as at the end of the Reporting Period (A3)	RMB94.6 million	**Total actual outstanding balance of external guarantees as at the end of the Reporting Period (A4)**	RMB94.6 million

Guarantees Between the Company and its Subsidiaries

Name of the Guaranteed	Date of Disclosure of Guarantee Amount on the Relevant Announcement	Guarantee Amount	Actual Date of Occurrence (Date of Agreement)	Actual Guarantee Amount	Type of Guarantee	Term of Guarantee	Fulfilled or Not	Guarantee Provided to Related Parties or Not
GF Financial Markets (UK) Limited (the Guangdong Branch of the Export-Import Bank of China issued a financing letter of guarantee (or standby letter of credit), and the Company provided a counter-guarantee for the above financing letter of guarantee (or standby letter of credit.)	2015-05-30	US$80 million and relevant interest and expenses (if any)	—	US$80 million	Joint and several liability guarantee	Not yet fulfilled	No	No
Total amount of guarantees provided to subsidiaries as approved during the Reporting Period (B1)		RMB489.1 million		**Total actual amount of guarantees provided to subsidiaries during the Reporting Period (B2)**				0
Total amount of guarantees provided to subsidiaries as approved as at the end of the Reporting Period (B3)		RMB489.1 million		**Total actual outstanding balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B4)**				0
Total amount of guarantees provided by the Company (i.e. total of the first two major items)								
Total amount of guarantees approved during the Reporting Period (A1+B1)		RMB489.1 million		**Total actual amount of guarantees during the Reporting Period (A2+B2)**				RMB94.6 million
Total amount of guarantees approved as at the end of the Reporting Period (A3+B3)		RMB583.7 million		**Total actual amount of guarantees as at the end of the Reporting Period (A4+B4)**				RMB94.6 million

Actual total guarantee amount (i.e.A4+B4) as a percentage of net assets of the Company	0.13%
Including:	
Amount of guarantees provided to shareholders, de facto controllers and their related parties (D)	0
Amount of liability guarantees provided directly or indirectly to secured subjects with gearing ratio above 70% (E)	0
Amount of total guarantees above 50% of net assets (F)	0
Total of the above 3 amounts of guarantees (D+E+F)	0
Explanation on possible joint and several liabilities that may arise on outstanding guarantees (if any)	GFHK will be subject to potential debt liabilities under the current guarantee which will increase the potential gearing ratio level of GFHK.
Explanation on the provision of external guarantee in violation of the required procedures (if any)	N/A

Note: Guarantees of GF Securities (Hong Kong) Brokerage Limited are calculated by the HKD/RMB exchange rate of 1:0.7886 as at June 30, 2015. Guarantees of GF Financial Markets (UK) Limited are calculated by the middle price of USD/RMB exchange rate of 1:6.1136 as at June 30, 2015.

(1) Non-compliance in external guarantees

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

3. Other Material Contracts

Name of company as contractual party	Name of counterparty to the contract	Book value of assets involved in the contract (RMB10,000)	Valuation of assets involved in the contract (RMB10,000)	Name of valuation agency (if any)	Valuation date (if any)	Pricing principle	Transaction price (RMB10,000)	Constitute a related transaction	Related capacity	Performance as at the end of the Reporting Period
GF Securities	Guangzhou R & F Properties Corporation Co., Ltd.	N/A	Nil	Nil	Nil	Market price	N/A	No	Nil	In October 2011, the Company and Guangzhou R & F Properties Corporation Co., Ltd. entered into the Entrusted Construction Agreement for GF Securities Tower Project. The Company appointed Guangzhou R & F Properties Corporation Co., Ltd. to carry out development, construction, management and sales planning (if necessary) for the GF Securities Tower project on its behalf. The contract is performing normally at present.

4. Other Material Transactions

During the Reporting Period, the Company had no other material transactions.

X. COMMITMENTS DURING THE REPORTING PERIOD OR IN PRIOR PERIODS BUT CONTINUED IN THE REPORTING PERIOD UNDERTAKEN BY THE COMPANY OR SHAREHOLDERS WHO HAD MORE THAN 5% EQUITY INTEREST

Commitments	Undertaking party	Details of the Commitment	Date of commitment	Term of commitment	Performance
Undertakings made in the commitment/asset restructuring as set out in the share conversion commitment/acquisition report or equity change report	The Company and the shareholders, directors, supervisors and senior management of the Company	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 meetig 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. 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 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.	February 6, 2010	Nil	All undertaking parties have strictly performed their commitments.

Commitments	Undertaking party	Details of the Commitment	Date of commitment	Term of commitment	Performance
		3. To avoid peer competition with the surviving company after share conversion and merger by absorption and regulate possible related transaction, 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, 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. And 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.			

Commitments	Undertaking party	Details of the Commitment	Date of commitment	Term of commitment	Performance
		4. Liaoning Cheng Da and Jilin Aodong have issued the Undertakings on Maintaining the Independence of the 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.			
Undertakings made in initial public offering or refinancing	Nil	Nil	Nil	Nil	Nil
Other undertakings made to medium and small shareholders of the Company	Nil	Nil	Nil	Nil	Nil
Net capital guarantee undertakings provided to GF Asset Management	GF Securities	Since GF Asset Management, the wholly-owned asset management subsidiary established by the Company, took over the QDII business of the Company, pursuant to the requirements of the CSRC, GF Asset Management shall satisfy the qualification requirements to commence QDII business, one of the conditions required being "Net capital of securities companies shall not be less than RMB800 million". However, there was no immediate need for large quantity of capital funds to commence business by GF Asset Management, in order to support expansion and strengthening of GF Asset Management, fulfill the requirement of sustainable development of its business, and enhance the utilization efficiency of funds of the Company at the same time, the Company had provided net capital guarantee undertakings up to RMB600 million to GF Asset Management for a term starting from the date of incorporation of GF Asset Management (January 2, 2014) until its net capital is able to satisfy the requirements of the regulatory authority on an on-going basis.	August 10, 2013	From the date of incorporation of GF Asset Management (January 2, 2014) until its net capital is able to satisfy the requirements of the regulatory authority on an on-going basis.	GF Securities strictly performed its undertakings. The 15th Meeting of the Eighth Session of the Board of Directors held on April 27, 2015 considered and approved the Resolution on Capital Increase in GF Securities Asset Management (Guangdong) Co., Ltd., pursuant to which it was agreed to increase the capital of GF Asset Management by RMB500 million. After the capital increase was completed on June 9, 2015, the registered capital of GF Asset Management was RMB1 billion, this guarantee undertaking was expired and released.

Commitments	Undertaking party	Details of the Commitment	Date of commitment	Term of commitment	Performance
Undertakings to the Hong Kong Stock Exchange in H Share issuance	GF Securities	Since the Company issued H Shares and listed in Hong Kong, pursuant to the Hong Kong Listing Rules, the Company has made undertakings to the Hong Kong Stock Exchange that it will not issue any shares or securities convertible into the Company's securities (whether such securities are listed) within six months from the listing date (whether the issue of relevant shares or securities will complete within six months from the listing date), and will not enter into any agreement in respect of the issuance of any such shares or securities, save under certain conditions prescribe under Rule 10.08 of the Hong Kong Listing Rules or issuance pursuant to the Global Offering.	April 10, 2015	Within six months from the listing date	GF Securities strictly performed the undertakings.
Undertakings to the Joint Sponsors, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Hong Kong Underwriters in H Share issuance	GF Securities	Since the Company issued H Shares and listed in Hong Kong, pursuant to the Hong Kong Underwriting Agreement, the Company has undertaken to the Joint Sponsors, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Hong Kong Underwriters that except pursuant to the Global Offering (including the exercise of over-allotment option) and unless in compliance with the requirements of the Hong Kong Listing Rules, the Company will not conduct any allotment, issuance or sale transactions related to shares of the Company or transactions or offers having equivalent economic effects, agree to or announce the intention to conduct any aforesaid transaction without prior written consent from the Joint Sponsors and Joint Global Coordinators (for themselves and on behalf of Hong Kong Underwriters) at any time after the date of signing the Hong Kong Underwriting Agreement until six months after the listing. Please refer to the H Share prospectus of the Company for details. The H Share prospectus is available for inspection on the website of the Company (http://www.gf.com.cn) and the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk)	Date of signing the Hong Kong Underwriting Agreement, i.e. March 24, 2015	Until six months after listing	GF Securities strictly performed the undertakings.
Whether the undertakings are performed timely?			Yes		
Reasons for non-performance and the follow-up plan (if any)			N/A		

XI. APPOINTMENT AND REMOVAL OF ACCOUNTANTS FOR AUDITING THE INTERIM FINANCIAL REPORT

The Company has not appointed the accountants to audit the interim financial report. Deloitte Touche Tohmatsu has reviewed the the interim financial report in accordance with the International Review Standard 2410 "Review of Interim Financial Information by the Independent Auditor of an Entity".

XII. PENALTY AND RECTIFICATION

1. In January 2015, the CSRC issued the "Decision on GF Securities Co., Ltd. Requesting for Rectification Measures within a Prescribed Period" to the Company, requiring the Company to complete rectification within three months, in respect of the provision of margin financing and securities lending services to customers with cumulative trading time in securities of less than half a year with the Company and non-compliance issues regarding extension of the term of expired contracts for margin financing and securities lending in the course of conducting margin financing and securities lending business of the Company.

   For this purpose, after the date of receipt of the aforesaid letter of decision, the Company had made rectification to existing unqualified credit accounts and prohibited the opening of any new unqualified credit accounts and overdue new contracts, repeated reminders were sent to customers for timely settlement of contracts before the expiry date, and forced closing was conducted on unsettled expired contracts, existing overdue contracts were cleared within the time limited prescribed by the regulatory authority. At the same time, clarification was made to customers that customer assets of RMB500,000 were required for opening an account for margin financing and securities lending. Now, the Company has completed the relevant rectifications in April 2015 pursuant to the requirements. In future, compliance risk management in conducting business will be highly regarded and business will be conducted strictly in compliance with existing business rules to enhance the level of management on investor eligibility in margin financing and securities lending business.

2. As of the end of the Reporting Period, the Company did not have a controlling shareholder and de facto controller. In January to June 2015, none of the board of directors, directors, supervisors, senior management or shareholders holding more than 5% shares of the Company were subject to punishment by competent authorities or were involved in material litigations, summoned by judicial authorities or liable to criminal offence, or were prohibited from market entry by the CSRC, were declared as improper person, or were punished by other administrative authorities, and were subject to open criticism or reprimand by Securities Association of China or by the stock exchanges.

XIII. UNVEILING THE RISKS OF ILLEGALITY, NON-COMPLIANCE AND DELISTING

N/A

XIV. CHANGES OF QUALIFICATIONS FOR INDIVIDUAL BUSINESSES

The qualifications of individual business that the Company has obtained from January to June 2015 include:

No.	Type of License	Approval Department	Issue Date
1	Qualification for stock option market-making business	CSRC	January 2015
2	Qualification for agency services business for gold and other precious metal spot contracts and proprietary trading for spot gold contracts	CSRC	January 2015
3	Permit for operation of securities business with a business scope including stock option market-making business	CSRC	February 2015
4	Qualifications for financing-oriented option exercise business and restricted securities lending business with respect to share incentive schemes of listed companies	SZSE	January 2015
5	Qualification as a stock options trading participant	SSE	January 2015
6	Qualification for the SSE 50 ETF options market-making business	SSE	January 2015
7	Qualification for options settlement business	China Securities Depository and Clearing Co., Ltd.	January 2015
8	Membership certificate of the Shanghai Gold Exchange	Shanghai Gold Exchange	April 2015
9	Opening accounts through one-way video	China Securities Depository and Clearing Co., Ltd.	June 2015
10	Membership of the China Emissions Exchange	China Emissions Exchange	June 2015

XV. SIGNIFICANT ISSUES OF SUBSIDIARIES OF THE COMPANY

N/A

XVI. PARTICULARS OF OTHER SIGNIFICANT ISSUES

1. Matters in Relation to the Issue of H Shares and Listing in Hong Kong

On April 10, 2015, 1,479,822,800 listed foreign shares (H Shares) issued by the Company were listed for trading on the Main Board of the Hong Kong Stock Exchange, at the issue price of HK$18.85 per H Share. Furthermore, additional 221,973,400 H Shares, issued by the Company pursuant to the exercise of the over-allotment option in full, were listed for trading on the Main Board of the Hong Kong Stock Exchange on April 20, 2015. The Company issued a total of 1,701,796,200 H Shares and raised proceeds of HK$32,078,858,370.00 in aggregate.

The key events in relation to the issue of H Shares are set out below:

On December 8, 2014, the 2014 Second Extraordinary General Meeting of the Company considered and passed certain resolutions, including the "Resolution relating to the Issue and Listing of H Shares in Hong Kong" and the "Resolution relating to the Proposals for the Issue and Listing of H Shares in Hong Kong".

On January 8, 2015, the Company received the "CSRC's Acceptance Notice of the Application for Administrative Permission (No. 141915)" from the CSRC.

On January 12, 2015, the Company submitted its application for listing to the Hong Kong Stock Exchange, and published the application proof on the website of the Hong Kong Stock Exchange after 15:00 on January 12, 2015.

On March 5, 2015, the Company received the "Reply Regarding the Approval for the Issue of Listed Foreign Invested Shares by GF Securities Co., Ltd. (Zheng Jian Xu Ke [2015] No. 347)" from the CSRC, which approved the Company to issue no more than 1,701,796,200 listed foreign shares with a nominal value of RMB1 per share, all of which were ordinary shares.

On March 12, 2015, the Listing Committee of the Hong Kong Stock Exchange conducted the listing hearing to consider the application of the Company for the issue of no more than 1,701,796,200 listed foreign shares and listing on the Main Board of the Hong Kong Stock Exchange.

On April 2, 2015, the Company announced that the final issue price of H Shares was determined at HK$18.85 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%).

On April 10, 2015, as approved by the Hong Kong Stock Exchange, 1,479,822,800 listed foreign shares (H Shares) issued by the Company were listed for trading on the Main Board of the Hong Kong Stock Exchange, with the stock short name of "廣發証券" and "GF SEC" in Chinese and English, respectively, and the stock code of "1776" in respect of its H Shares.

According to a resolution passed at the 2014 Second Extraordinary General Meeting of the Company held on December 8, 2014, the joint bookrunners were granted the over-allotment option of no more than 15% of the number of H Shares at such general meeting.

On April 13, 2015, the joint global coordinators (on behalf of the international underwriters) for the public issue of listed foreign shares (H Shares) and listing on the Main Board of the Hong Kong Stock Exchange of the Company, exercised the over-allotment option in full in respect of an aggregate of 221,973,400 H Shares. Upon obtaining approval from the Hong Kong Stock Exchange, the additional issue of 221,973,400 H Shares under such over-allotment shares commenced trading on the Main Board of the Hong Kong Stock Exchange on April 20, 2015. Immediately after the exercise of the over-allotment option in full, the changes in share capital of the Company are as follows:

	Before the Issue of H Shares		Before exercise of the Over-allotment Option in full		After the exercise of the Over-allotment Option in full	
	Number of Shares (Share)	Percentage of shareholdings before the Issue	Number of Shares (Share)	Percentage of shareholdings (A Shares + H Shares)	Number of Shares (Share)	Percentage of shareholdings (A Shares + H Shares)
Listed domestic shares (A Shares)						
Liaoning Cheng Da Co., Ltd.	1,250,154,088	21.12%	1,250,154,088	16.90%	1,250,154,088	16.40%
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,244,652,926	21.03%	1,244,652,926	16.82%	1,244,652,926	16.33%
Other public holders of listed domestic shares (A Shares)	3,424,484,450	57.85%	3,424,484,450	46.28%	3,424,484,450	44.94%
	5,919,291,464	**100%**	**5,919,291,464**	**80.00%**	**5,919,291,464**	**77.67%**
Listed foreign shares (H Shares)						
Public holders of listed foreign shares (H Shares)	0	0	1,479,822,800	20.00%	1,701,796,200	22.33%
Total	**5,919,291,464**	**100.00%**	**7,399,114,264**	**100.00%**	**7,621,087,664**	**100.00%**

Please refer to the relevant announcements disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company for details.

2. Changes in Brokerage Branches

As of June 30, 2015, the Company had 19 branch offices and 256 securities brokerage branches (including 138 A-type brokerage branches, 46 B-type brokerage branches and 72 C-type brokerage branches) located in 31 provinces, municipalities directly under the central government and autonomous regions in China.

(1) Relocation of brokerage branch within the same city

As of June 30, 2015, five brokerage branches of the Company have completed relocating within the same city.

No.	Name of Securities Brokerage Branch Before Relocation	Name of Securities Brokerage Branch After Relocation
1	Huanchengxilu Brokerage Branch in Ningbo of GF Securities Co., Ltd.	Liyuanbeilu Brokerage Branch in Ningbo of GF Securities Co., Ltd.
2	Wenlinglu Brokerage Branch in Quanzhou of GF Securities Co., Ltd.	Tumenjie Brokerage Branch in Quanzhou of GF Securities Co., Ltd.
3	Guangzhou Road South Brokerage Branch in Guangzhou of GF Securities Co., Ltd.	Fuyoulu Brokerage Branch in Zengcheng, Guangzhou of GF Securities Co., Ltd.
4	Luoshibeilu Brokerage Branch in Wuhan of GF Securities Co., Ltd.	Luoshilu Brokerage Branch in Wuhan of GF Securities Co., Ltd.
5	Hebinnanlu Brokerage Branch in Conghua, Guangzhou of GF Securities Co., Ltd.	Yanjiangnanlu Brokerage Branch in Conghua, Guangzhou of GF Securities Co., Ltd.

(2) Setting up new branches

On March 17, 2015, pursuant to the "Reply on Approval for GF Securities Co., Ltd. to Set Up Two Branches (Guangdong Zeng Jian Xu Ke [2015] No. 15)", the Company was approved to set up one brokerage branch in Guangzhou and one brokerage branch in Taizhou, respectively.

On May 8, 2015, pursuant to the "Reply on Approval for GF Securities Co., Ltd. to Set Up Four Branches (Guangdong Zeng Jian Xu Ke [2015] No. 26)", the Company was approved to set up four brokerage branches in places such as Guangzhou, Xining and Yinchuan.

At present, such brokerage branches have been officially opened for operation.

(3) Newly established branch offices

On May 30, 2015, the Company announced that the "Resolution on the Establishment of Hainan Branch Office" has been approved by the Board. On August 19, 2015, pursuant to the "Reply on Approval for GF Securities Co., Ltd. to Set Up Hainan Branch Office (Guangdong Zeng Jian Xu Ke [2015] No. 34)", the Company was approved to set up one branch office in Hainan. Currently, such branch office is under establishment.

(4) As of June 30, 2015, the Company had no branch offices or branches that were applied for but pending approval.

Note: On August 14, 2015, pursuant to the "Reply on Approval for GF Securities Co., Ltd. to Set Up Eight Branches (Guangdong Zeng Jian Xu Ke [2015] No. 36)", the Company was approved to set up one brokerage branch in Dongguan, Guangdong, one brokerage branch in Heyuan, Guangdong, one brokerage branch in Gaozhou, Maoming, Guangdong, one brokerage branch in Chengde, Hebei, one brokerage branch in Anshan, Liaoning, one brokerage branch in Jinjiang, Quanzhou, Fujian, and two brokerage branches in Fuzhou, Fujian, respectively. Currently, such eight branch offices are under establishment.

3. Matters in Relation to the Non-public Issue of Subordinated Bonds

During the Reporting Period, the Company issued a total of seven batches of subordinated bonds, with an issue size of RMB43.5 billion. The relevant details are set forth below:

Short Name	Issue Size (RMB100 million)	Interest Rate of Issue	Term (Year)	Interest Date	Settlement Date (Redemption Option Exercised/ Redemption Option Not Exercised)
15廣發01	30.00	5.55%	1+2	2015/01/30	2016/01/30/2018/01/30
15廣發02	35.00	5.40%	1+2	2015/03/30	2016/03/30/2018/03/30
15廣發03	90.00	5.40%	1+2	2015/04/29	2016/04/29/2018/04/29
15廣發04	60.00	5.00%	1+2	2015/05/29	2016/05/29/2018/05/29
15廣發05	90.00	5.35%	2	2015/05/29	2017/05/29/N/A
15廣發06	50.00	5.00%	1+2	2015/06/08	2016/06/08/2018/06/08
15廣發07	80.00	5.40%	2+1	2015/06/15	2017/06/15/2018/06/15

Please refer to the relevant announcements disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company for details.

4. Matters in Relation to Issuance of Short-term Corporate Bonds of Securities Companies

According to the "Notice on the Acceptance of the Registration of the Issuance of Short-term Corporate Bonds of Securities Companies in 2014 of GF Securities Co., Ltd." (Shen Zheng Shang [2014] No. 410) issued by the Shenzhen Stock Exchange, the Company was granted the approval of issuance of short-term corporate bonds of securities companies with a nominal amount not exceeding 60% of the Company's net capital.

During the Reporting Period, the Company has issued a total of six batches of short-term corporate bonds of securities companies, with an issue size of RMB25.5 billion. The relevant details are set forth below:

Short Name	Issue Size (RMB100 million)	Interest Rate of Issue	Interest Date	Settlement Date	Term (Day)
廣發1501	30.00	5.30%	2015/03/09	2016/03/08	365
廣發1502	40.00	4.95%	2015/04/28	2015/11/20	206
廣發1503	60.00	4.30%	2015/05/19	2016/05/19	366
廣發1504	40.00	4.24%	2015/05/27	2015/11/18	175
廣發1505	60.00	4.34%	2015/05/27	2016/01/22	240
廣發1506	25.00	4.15%	2015/06/08	2015/09/04	88

Please refer to the relevant announcements disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company for details.

5. Matters in Relation to Issuance of Short-term Financing Bills of the Company

According to the "Notice of the People's Bank of China on the Issuance of Short-term Financing Bills of GF Securities Co., Ltd." (Yin Fa [2014] No.339), the Company issued a total of six batches of short-term financing bills during the Reporting Period, with an issue size of RMB18.0 billion. The relevant details are set forth below:

Short Name	Issuance Date	Issue Size (RMB100 million)	Interest Rate of Issue	Interest Date	Maturity Date	Days of Interest	Settlement As of the End of June 2015
15廣發CP001	2015/01/22	30.00	4.83%	2015/01/23	2015/04/23	90	Settled
15廣發CP002	2015/02/03	30.00	5.19%	2015/02/04	2015/05/05	90	Settled
15廣發CP003	2015/03/17	30.00	4.95%	2015/03/18	2015/06/16	90	Settled
15廣發CP004	2015/04/03	30.00	4.88%	2015/04/07	2015/07/06	90	Outstanding
15廣發CP005	2015/04/29	30.00	3.98%	2015/04/30	2015/07/29	90	Outstanding
15廣發CP006	2015/05/12	30.00	3.20%	2015/05/13	2015/08/11	90	Outstanding

As of the disclosure date of this report, the above short-term financing bills are settled as scheduled. Please see the relevant announcement disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company for details.

6. On July 4, 2015, 21 securities companies convened a conference, at which they issued the "Joint Announcement by 21 Securities Companies". As a participant of the meeting, the Company contributed 15% of its net asset as at June 30, 2015 to invest in blue chip ETFs. On July 6, 2015, the Company entered into the "Master Agreement for OTC Derivatives Trading in the China Securities Futures Market" and the "Confirmation of Return Swaps Trading" with China Securities Finance Corporation Limited, and completed the appropriation of the relevant capital. This investment will be operated in the designated account by China Securities Finance Corporation Limited and the Company shall share the risks and yields of the investment in proportion to its size of investment.

7. **Matters on Authorization Granted to the Company for the Issuance of Corporate Onshore and Offshore Debt Financing Instruments**

   On July 21, 2015, the 2015 First Extraordinary General Meeting of the Company considered and approved the "Resolution on the Authorization Granted to the Company for the Issuance of Corporate Onshore and Offshore Debt Financing Instruments", pursuant to which it was agreed that the Board should re-authorize the authorized committee ("Authorized Committee", being comprised of the Company's chairman, general manager, standing deputy general manager and chief financial officer) to jointly or individually execute the relevant documents subject to the importance of the authorized matters. The extraordinary general meeting specifically agreed to:

   (1) issue debt financing instruments on an one-off or multiple issuances or multi-tranche issuances bases, including corporate bonds (including domestic corporate bonds; offshore debt financing instruments such as US dollar, Euro, and other foreign currency denominated corporate bonds and offshore RMB-denominated corporate bonds, medium term note programme, foreign currency notes and commercial papers), subordinated bonds (including perpetual subordinated bonds), and asset securitization products (collectively, the "Corporate Onshore and Offshore Debt Financing Instruments");

   (2) implement the subsequent issuance and authorization of above-mentioned Corporate Onshore and Offshore Debt Financing Instruments in accordance with this Resolution;

   (3) implement the issuance and authorization of bank loans (including credit lending), bond repurchases, short-term financing bills, short-term corporate bonds, structured notes and other types of financing products not subject to being specially proposed to the general meetings in accordance with the "Resolution on the Authorization of Debt Financing by the Company", which was considered and passed at the 2014 Third Extraordinary General Meeting.

   The balances of the issuance of the Corporate Onshore and Offshore Debt Financing Instruments resolved will be not more than RMB200 billion (inclusive) in aggregate. Please see the relevant announcement disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company on July 22, 2015 for details.

8. In August 2015, the Company received a letter of proposal from Jiuquan Iron & Steel (Group) Co., Ltd., the employer of Mr. Zhao Jin (趙金先生), the contents of which were mainly as follows: "As Mr. Zhao Jin is unable to perform his duties as a supervisor of GF Securities due to personal reasons, we hereby propose to your Company to replace Mr. Zhao Jin, and Mr. Zhao Jin shall cease to be a supervisor of your Company."

The Eighth Meeting of the Eighth Session of the Supervisory Committee of the Company considered and approved the "Resolution on Proposed Removal of Mr. Zhao Jin as a Supervisor of the Company" and submitted the same to the general meeting for consideration and approval to remove Mr. Zhao Jin as a supervisor of the Company, which is pending approval by the 2015 Second Extraordinary General Meeting.

XVII. ADMINISTRATIVE LICENSE DECISIONS MADE BY REGULATORY AUTHORITIES DURING THE REPORTING PERIOD

No.	Regulatory authority	Administrative license decisions (including other important letters from regulatory authorities)
1		Decision on Ordering GF Securities Co., Ltd. to Take Corrective Measures within a Given Period (Decision on Administrative Regulatory Measures [2015] No. 7) (關於對廣發証券股份有限公司採取責令限期改正措施的決定(行政監管措施決定書[2015]7號))
2		Reply Regarding the Approval for the Business Qualification for Stock Option Market-Making Business of the Company (Zheng Jian Xu Ke [2015] No. 159) (關於核准廣發証券股份有限公司股票期權做市業務資格的批覆(證監許可[2015]159號))
3	CSRC	No Objection Letter on the Commencement of Agency Services Business for Gold and Other Precious Metal Spot Contracts and Proprietary Business for Spot Gold Contracts by GF Securities Co., Ltd. (Ji Gou Bu Han [2015] No. 281) (關於廣發証券股份有限公司開展黃金等貴金屬現貨合約代理和黃金現貨合約自營業務的無異議函(機構部函[2015]281號))
4		Reply Regarding the Matters on Engagement in Equity Return Swaps and Other Financial Derivatives Trading by Asset Management Subsidiaries (Ji Gou Bu Han [2015] No. 439) (關於資產管理子公司開展權益互換業務等金融衍生品交易有關問題的覆函(機構部函[2015]439號))
5		Reply Regarding the Approval for the Issue of Listed Foreign Shares by GF Securities Co., Ltd. (Zheng Jian Xu Ke [2015] No. 347) (關於核准廣發證券股份有限公司發行境外上市外資股的批覆（證監許可[2015] 347號）)

No.	Regulatory authority	Administrative license decisions(including other important letters from Regulatory authorities)
6		Reply Regarding the Approval for the Qualification of Chan Kalok as Independent Directors Securities Company (Guangdong Zheng Jian Xu Ke [2015] No. 5) (關於核准陳家樂證券公司獨立董事任職資格的批覆 (廣東證監許可[2015]5號))
7		Approval for the Establishment of Two Securities Branches by GF Securities Co., Ltd. (Guangdong Zheng Jian Xu Ke [2015]No. 15) (關於核准廣發証券股份有限公司設立2家證券營業部的批覆 (廣東證監許可[2015]15號))
8	Guangdong Bureau of CSRC	Approval for Amendment of Material Clauses in the Articles of Association of GF Securities Co., Ltd. (Guangdong Zheng Jian Xu Ke [2015] No. 18) (關於核准廣發証券股份有限公司變更公司章程重要條款的批覆 (廣東證監許可[2015]18號))
9		Approval for the Establishment of Four Securities Branches by GF Securities Co., Ltd. (Guangdong Zheng Jian Xu Ke [2015]No. 26) (關於核准廣發証券股份有限公司設立4家證券營業部的批覆 (廣發證監許可[2015]26號))
10		Notice on the Results of Comprehensive Assessment and Classification of Securities Branches in the Jurisdiction in 2014 (Longyan Road branch in Longyan City) (Min Zheng Jian Fa [2015] No.68) (關於2014年度轄區證券分支機構綜合考核和分類結果的通知 (龍岩市龍岩大道部) (閩證監發[2015]68號))
11		Notice on the Results of Comprehensive Assessment and Classification of Securities Branches in the Jurisdiction in 2014 (Wenxian Road West Branch in Putian City) (Min Zheng Jian Fa [2015] No.68) (關於2014年度轄區證券分支機構綜合考核和分類結果的通知 (莆田文獻西路部) (閩證監發[2015]68號))
12	Fujian Bureau of the CSRC	Notice on the Results of Comprehensive Assessment and Classification of Securities Branches in the Jurisdiction in 2014 (Gutian Road Branch in Fuzhou City) (Min Zheng Jian Fa [2015] No.68) (關於2014年度轄區證券分支機構綜合考核和分類結果的通知 (福州古田路部) (閩證監發[2015]68號))
13		Notice on the Results of Comprehensive Assessment and Classification of Securities Branches in the Jurisdiction in 2014 (Tumen Street Branch in Quanzhou City) (Min Zheng Jian Fa [2015] No.68) (關於2014年度轄區證券分支機構綜合考核和分類結果的通知 (泉州塗門街部) (閩證監發[2015]68號))
14	Xiamen Bureau of the CSRC	Notification of the Results of Annual Comprehensive Assessment and Classified Supervision on Securities Branches (證券營業部分類監管年度綜合考核和評分結果告知書)
15	SZSE	Letter in relation to Consent of Engaging in Business Pilot of Financing-Oriented Option Exercise and Restricted Securities Lending with respect to Share Incentive Schemes of Listed Companies (Shenzhen Letter [2015]No.14) (關於同意廣發証券開展上市公司股權激勵行權融資、限制性股票融資業務試點的函 (深證函[2015]14號))

No.	Regulatory authority	Administrative license decisions(including other important letters from Regulatory authorities)
16		Notice on Engagement in the SSE 50 ETF Options Market-making Business by GF Securities Co., Ltd. (SSE Letter [2015]No.211) (關於廣發証券股份有限公司開展上證50ETF期權做市業務的通知(上證函[2015]211號))
17		Notice on the Relevant Matters on the Expansion of Stock-pledged Repo Business by GF Securities Co., Ltd. (SSE Letter[2015] No. 243) (關於廣發証券股份有限公司擴大股票質押式回購業務規模相關事項的通知(上證函[2015]243號))
18	SSE	Notice on the Relevant Matters on the Expansion of Stock-pledged Repo Business by GF Securities Co., Ltd. (SSE Letter[2015] No. 466) (關於廣發証券股份有限公司擴大股票質押式回購業務規模相關事項的通知(上證函[2015]466號))
19		Notice on Admission of GF Securities Co., Ltd. as a Stock Options Trading Participant on the Shanghai Stock Exchange (SSE Letter[2015] No. 64) (關於廣發証券股份有限公司成為上海證券交易所股票期權交易參與人的通知 (上證函[2015]64號))
20	China Securities Depository and Clearing Corporation Limited	No Objection Letter on Innovative Open Account Method through Unidirectional Video of GF Securities Co., Ltd. (China Clearing Office [2015] No. 458) (關於廣發証券單向視頻開戶創新方案的無異議函 (中國結算辦[2015]458號))
21		Reply Regarding the Matters on the Business Qualification for Options Settlement (China Clearing Office [2015] No.29) (關於期權結算業務資格有關事宜的覆函 (中國結算函字[2015]29號))
22	Bureau of Land Resources and Housing Management of Guangzhou Municipality	Reply Regarding Change the Date of Completion in the Contract for Assignment of the Right to the Use of State-owned Construction Land (Sui Guo Tu Jian Yong Han [2014] No. 6) (關於調整《國有建設用地使用權出讓合同》竣工時間的覆函 (穗國土建用函[2014]6號))
23	Guangdong Administration for Industry and Commerce	Notification of Change of Registration (Operating period and Registered Capital) (Yue He Bian Tong Nei Zi [2015] No. 1500017740) (核准變更登記通知書 (營業期限、註冊資本) (粵核變通內字[2015]第1500017740號))
24		Certificate of Change of Registration (Business Scope and Prospectus) (Yue He Bian Tong Nei Zi[2015] No. 1500004202) (核准變更登記通知書 (經營範圍、章程) (粵核變通內字[2015]第1500004202號))

No.	Regulatory authority	Administrative license decisions(including other important letters from Regulatory authorities)
25	Risk management Department of Shanghai Clearing House	Notice on Adjustment of Risk Exposure Limit and Clearing Fund in RMB Interest Swap Centralized Clearing Business (Feng Kong Han Zi [2015] No. 351) (人民幣利率互換集中清算業務風險敞口限額與清算基金調整通知(風控函字[2015]136號))
26	Financial Office of Guangdong Provincial People's Government	Reply Regarding Agreement to Establish Small Loan Companies with Internet Characteristics by GF Securities Co., Ltd. (Yue Jin Dai Fu [2015] No.8) (關於同意廣發証券股份有限公司發起設立互聯網特色小額貸款公司的批覆(粵金貸覆[2015]8號))
27	Department of Civil Affairs of Guangdong Province	Reply Regarding Agreement to Establish Investor Services and Dispute Resolution Center of Guangdong Zhongzheng Issued by Department of Civil Affairs of Guangdong Province (Yue Min Han [2015] No.525) (廣東省民政廳關於同意成立廣東中證投資者服務與糾紛調解中心的批覆(粵民函[2015]525號))
28	Risk management Department of Shanghai Clearing House	Notice on Adjustment of Clearing Fund in RMB Interest Swap Centralized Clearing Business (Feng Kong Han Zi [2015] No. 351) (人民幣利率互換集中清算業務清算基金調整通知(風控函字[2015]351號))
29	Shanghai Gold Exchange	Notice on the Conduct of Admission Procedures (關於辦理入會手續的通知)

XVIII. INDEX OF INFORMATION DISCLOSURE

During the Reporting Period, the following information of A Shares has been published on China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and disclosed on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) by the Company:

No.	Matters of Announcements	Date of Publication
1	Announcement on Participating in Establishment of Zhengtong Co., Ltd.	January 10, 2015
2	Announcement on the Key Financial Information for December 2014	January 12, 2015
3	Preliminary Financial Data for the Year of 2014	January 12, 2015
4	Announcement on Application for the Listing of Listed Foreign Shares (H Shares) on the Hong Kong Stock Exchange and Publication of the Application Proof and Information Pack	January 13, 2015
5	Announcement on Increasing the Registered Capital of GF Asset Management to RMB500 Million	January 14, 2015
6	Announcement on Obtaining the Letter in relation to Consent of Engaging in Business Pilot of Financing-Oriented Option Exercise and Restricted Securities Lending with Respect to Share Incentive Schemes of Listed Companies from the Shenzhen Stock Exchange	January 15, 2015
7	Announcement on the Issuance of the 2015 First Tranche of Short-term Financing Bills	January 19, 2015
8	Announcement on Admission of the Company as a Stock Options Trading Participant on the Shanghai Stock Exchange	January 20, 2015
9	Announcement on Obtaining the Business Qualification for Options Settlement through China Securities Depository and Clearing Co., Ltd. by the Company	January 20, 2015
10	Announcement on Redemption of the Fourteenth Tranche of 2014 Short-term Financing Bills	January 20, 2015
11	Announcement in Relation to the Unusual Trading Movements of the Shares	January 21, 2015
12	Announcement on Results of the Issuance of the 2015 First Tranche of Short-term Financing Bills by the Company	January 23, 2015
13	Announcement on the Issuance of the 2015 Second Tranche of Short-term Financing Bills	January 29, 2015
14	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placement	February 3, 2015
15	Announcement on Obtaining the Qualification for Conducting Stock Option Market-making Business	February 4, 2015

No.	Matters of Announcements	Date of Publication
16	Announcement on the Transfer of the 2014 Subordinated Bonds (Tranche 2) Issued by way of Private Placement on Shenzhen Stock Exchange's Comprehensive Transaction Platform	February 4, 2015
17	Announcement on the Transfer of the 2014 Subordinated Bonds (Tranche 3) Issued by way of Private Placement on Shenzhen Stock Exchange's Comprehensive Transaction Platform	February 4, 2015
18	Announcement on the Results of the Issuance of the 2015 Second Tranche of Short-term Financing Bills by the Company	February 4, 2015
19	Announcement on Obtaining the Approval of Shanghai Stock Exchange on Engagement in the SSE 50ETF Option Market-making Business	February 5, 2015
20	Announcement on the Key Financial Information for January 2015	February 6, 2015
21	Announcement on Obtaining the Business License and the Permit for Operations of Securities Business with Business Scope Covering Stock Option Market-making	February 7, 2015
22	Announcement on the Approval for Commencement of Agency Services for Gold and Other Precious Metal Spot Contracts and Proprietary Trading Business for Spot Gold Contracts	February 12, 2015
23	Announcement on the Redemption of the 2014 Fifteenth Tranche of Short-term Financing Bills	February 13, 2015
24	Announcement on the Resolutions of the Fifth Meeting of the Eighth Session of the Supervisory Committee	February 14, 2015
25	Announcement on the Resolutions of the Eleventh Meeting of the Eighth Session of the Board of Directors	February 14, 2015
26	Highlights of 2014 Annual Report	February 14, 2015
27	Special Reports on the Deposition and usage of the Funds Raised in 2014	February 14, 2015
28	Announcement on the Estimated Daily Related Transactions for 2015	February 14, 2015
29	Notice of the 2014 Annual General Meeting	February 14, 2015
30	Suggestive Announcement Regarding the 2014 Annual General Meeting	March 5, 2015
31	Announcement on the Key Financial Information for February 2015	March 6, 2015
32	Announcement on Approval of China Securities Regulatory Commission for Offering Listed Foreign Shares	March 6, 2015
33	Announcement on the Resolutions of the 2014 Annual General Meeting	March 10, 2015
34	Announcement on the Results of the Issuance of the 2015 First Tranche of Short-term Corporate Bonds of Securities Companies	March 11, 2015

No.	Matters of Announcements	Date of Publication
35	Announcement on the Issuance of the 2015 Third Tranche of Short-term Financing Bills	March 12, 2015
36	Announcement on Increasing the Registered Capital of GF Qianhe to RMB2 Billion	March 13, 2015
37	Announcement on Hearing of the Company's Overseas Offering of Listed Foreign Shares by The Stock Exchange of Hong Kong Limited	March 14, 2015
38	Announcement on the Publication of the Post Hearing Information Pack for H Shares Offering	March 16, 2015
39	Announcement on the Results of the Issuance of the 2015 Third Tranche of Short-term Financing Bills by the Company	March 18, 2015
40	Announcement on the Resolutions of the Twelfth Meeting of the Eighth Session of the Board of Directors	March 20, 2015
41	Announcement on Approval for the Establishment of Two New Securities Brokerage Branches	March 20, 2015
42	Announcement on the Resignation of Supervisor, Ms. Chak Mei Hing	March 21, 2015
43	Announcement on the Redemption of the 2014 Sixteenth Tranche of Short-term Financing Bills	March 23, 2015
44	Announcement on the Publication of the Revised Post Hearing Information Pack for H Shares Offering	March 23, 2015
45	Announcement on Matters in Relation to the Publication of the Prospectus, Offer Price Range and Hong Kong Public Offering of H Shares	March 25, 2015
46	Announcement on the Issuance of the 2015 fourth Tranche of Short-term Financing Bills	March 31, 2015
47	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placemat	March 31, 2015
48	Announcement on the Public Offer Price of Listed Foreign Shares (H Shares)	April 2, 2015
49	Announcement on the Results of the Issuance of the 2015 Fourth Tranche of Short-term Financing Bills by the Company	April 7, 2015
50	Resolutions of the Thirteenth Meeting of the Eighth Session of the Board of Directors	April 8, 2015
51	Announcement on the Key Financial Information for March 2015	April 9, 2015
52	Announcement on Estimated Results for the First Quarter of 2015	April 9, 2015
53	Announcement on the Allotment Results of Listed Foreign Shares (H Shares)	April 9, 2015

No.	Matters of Announcements	Date of Publication
54	Announcement on the Listing and Trading of Listed Foreign Shares (H Shares)	April 10, 2015
55	Announcement on the Appointment of Executive Director, Ms. Sun Xiaoyan and Independent Non-executive Director, Mr. Chan Kalok	April 10, 2015
56	Announcement on the Full Exercise of the Over-allotment Option of H Shares	April 14, 2015
57	Announcement on Obtaining the Membership of Shanghai Gold Exchange	April 16, 2015
58	Announcement on the Change in Net Assets of the Company	April 16, 2015
59	Announcement on the Redemption of the 2015 First Tranche of Short-term Financing Bills	April 16, 2015
60	Announcement on the Repayment of Funds Raised	April 17, 2015
61	Announcement on the Listing and Trading of Shares and Shares Movements after the Full Exercise of the Over-allotment Option of H Shares	April 21, 2015
62	Announcement on the Resolutions of the Fourteenth Meeting of the Eighth Session of the Board of Directors	April 21, 2015
63	Announcement on the Capital Increase in GF Holdings (Hong Kong) Corporation Limited	April 21, 2015
64	Announcement on the Issuance of the 2015 Fifth Tranche of Short-term Financing Bills	April 24, 2015
65	Suggestive Announcement in Relation to the Proposed Implementation of Market Capitalization Management by the Largest Shareholder, Liaoning Cheng Da Co., Ltd. on Some of its Equity Interests in the Company	April 25, 2015
66	Announcement on the Redemption of the 2015 Second Tranche of Short-term Financing Bills	April 27, 2015
67	Announcement on the Resolutions of the Fifteenth Meeting of the Eighth Session of the Board of Directors	April 28, 2015
68	Resolutions of the Sixth Meeting of the Eighth Session of the Supervisory Committee	April 28, 2015
69	2015 First Quarterly Report	April 28, 2015
70	Announcement on the Supplementing Liquidity by Using Part of the Idle Funds Raised	April 28, 2015
71	Announcement on the Capital Increase in GF Securities Asset Management (Guangdong) Co., Ltd.	April 28, 2015
72	Announcement on the Capital Increase in GF Qianhe Investment Co., Ltd.	April 28, 2015

No.	Matters of Announcements	Date of Publication
73	Announcement on the Results of the Issuance of the 2015 Second Tranche of Securities-firm Short-term Corporate Bonds	April 29, 2015
74	Announcement on the Distribution of Profits of 2014	April 30, 2015
75	Announcement on the Stabilizing Actions and End of Stabilizing Period for H Shares	April 30, 2015
76	Announcement on the Results of the Issuance of the 2015 fifth Tranche of Short-term Financing Bills by the Company	April 30, 2015
77	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placement	April 30, 2015
78	Announcement on the Resignation of Deputy General Manager Mr. Zeng Hao （曾浩）	May 4, 2015
79	Announcement on the Issuance of the 2015 Sixth Tranche of Short-term Financing Bills	May 7, 2015
80	Announcement on the Key Financial Information for April 2015	May 8, 2015
81	Announcement on Related Transactions and External Investments	May 13, 2015
82	Announcement on the Results of the Issuance of the 2015 Sixth Tranche of Short-term Financing Bills by the Company	May 13, 2015
83	Announcement on Approval for the Establishment of Four New Securities Brokerage Branches	May 15, 2015
84	Announcement on the Results of the Issuance of the 2015 Third Tranche of Securities-firm Short-term Corporate Bonds	May 20, 2015
85	Announcement on Increasing the Registered Capital of GF Qianhe to RMB2.9 Billion	May 26, 2015
86	Announcement on the Renewal of Business License and the Permit for Operations of Securities Business	May 27, 2015
87	Announcement on the Results of the Issuance of the 2015 Fourth and Fifth Tranche of Short-term Corporate Bonds of Securities Companies	May 28, 2015
88	Announcement on Participating in the Establishment of China Securities Credit Investment Co., Ltd. (中證信用增進股份有限公司)	May 29, 2015
89	Announcement on the Resolutions of the Sixteenth Meeting of the Eighth Session of the Board of Directors	May 30, 2015
90	Announcement on the Provision of Counter-guarantee for the Loan of GF Financial Markets (UK) Limited	May 30, 2015

No.	Matters of Announcements	Date of Publication
91	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placement	June 3, 2015
92	Announcement on Holding Shares in China Securities Inter-agency Quotation Systems Co., Ltd. (中證機構間報價系統股份有限公司)	June 3, 2015
93	Announcement on the Repayment of Funds Raised	June 5, 2015
94	Announcement on the Key Financial Information for May 2015	June 5, 2015
95	Resolutions of the Seventh Meeting of the Eighth Session of the Supervisory Committee	June 6, 2015
96	Announcement on the Resolutions of the Seventeenth Meeting of the Eighth Session of the Board of Directors	June 6, 2015
97	Notice of the 2015 First Extraordinary General Meeting	June 6, 2015
98	No Objection Letter from China Securities Depository and Clearing Corporation Limited on the Innovative Plan for Opening Account through Video Unidirectionally by the Company	June 6, 2015
99	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placement	June 9, 2015
100	Announcement on the Results of the Issuance of the 2015 Sixth Tranche of Short-term Corporate Bonds of Securities Companies	June 9, 2015
101	Announcement on the Redemption of the 2015 Third Tranche of Short-term Financing Bills	June 9, 2015
102	Announcement on the Resolutions of the Eighteenth Meeting of the Eighth Session of the Board of Directors	June 11, 2015
103	Announcement on the Interest Payment in 2015 for 2013 Corporate Bonds	June 12, 2015
104	Announcement on the Results of the Issuance of Subordinated Bonds by way of Private Placement	June 17, 2015
105	Announcement on Increasing the Registered Capital of GF Asset Management to 1 Billion	June 17, 2015
106	Announcement on the Resolutions of the Nineteenth Meeting of the Eighth Session of the Board of Directors	June 18, 2015
107	Announcement on Related/Connected Transactions and External Investments	June 18, 2015
108	Announcement on the Redemption of the 2015 Fourth Tranche of Short-term Financing Bills	June 29, 2015

During the Reporting Period, the following information of H Shares has been disclosed on the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk) by the Company (excluding Overseas Regulatory Announcement).

No.	Matters of Announcements	Date of Publication
1	List of Directors and Their Roles and Functions	April 10, 2015
2	Appointment of Executive Director and Independent Non-executive Director	April 10, 2015
3	Date of Board Meeting	April 13, 2015
4	Full Exercise of the Over-allotment Option	April 20, 2015
5	Next Day Disclosure Return	April 20, 2015
6	Articles of Association	April 20, 2015
7	Announcement in Relation to the Proposed Implementation of Market Capitalization Management by the Largest Shareholder, Liaoning Cheng Da Co., Ltd. on Some of its Equity Interests in the Company	April 25, 2015
8	2015 First Quarterly Report	April 28, 2015
9	Stabilizing Actions and End of Stabilizing Period	April 30, 2015
10	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended April 30, 2015	May 4, 2015
11	Announcement on the Key Financial Information for April 2015	May 8, 2015
12	Change of Composition of Audit Committee	May 30, 2015
13	List of Directors and Their Roles and Functions	May 30, 2015
14	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended May 31, 2015	June 4, 2015
15	Announcement on the Key Financial Information for May 2015	June 5, 2015
16	Authorization Granted to the Company for the Issuance of Corporate Onshore and Offshore Debt Financing Instrument	June 6, 2015
17	Proposed Election of Supervisor	June 6, 2015
18	Notice of 2015 First Extraordinary General Meeting	June 6, 2015
19	Connected Transactions - Cooperation Agreement between Jilin Aodong Pharmaceutical Group Co., Ltd. and GF Xinde Investment Management Co., Ltd.	June 18, 2015

Section 5 Changes in Shareholdings and Particulars About Shareholders

I. CHANGES IN SHAREHOLDINGS

Unit: Shares

	Before the change		Increase/decrease (+/-)					After the change	
	Number of shares	Percentage (%)	New issue (H Shares)	Bonus issue	Conversion from reserves	Others	Sub-total	Number of shares	Percentage (%)
I. Shares with selling restrictions									
1. State-owned shares	—	—	—	—	—	—	—	—	—
2. Shares held by state-owned legal entities	—	—	—	—	—	—	—	—	—
3. Shares held by domestic investors	—	—	—	—	—	—	—	—	—
Of which: Shares held by domestic legal entities	—	—	—	—	—	—	—	—	—
Shares held by domestic natural individuals	—	—	—	—	—	—	—	—	—
4. Shares held by foreign investors	—	—	—	—	—	—	—	—	—
Of which: Shares held by foreign legal entities	—	—	—	—	—	—	—	—	—
Shares held by foreign individuals	—	—	—	—	—	—	—	—	—
II. Shares without selling restrictions									
1. RMB-denominated ordinary shares	5,919,291,464	100.00	—	—	—	—	—	5,919,291,464	77.67
2. Domestic listed foreign shares	—	—	—	—	—	—	—	—	—
3. Listed foreign shares	—	—	1,701,796,200	—	—	—	1,701,796,200	1,701,796,200	22.33
4. Others	—	—		—	—	—			
III. Total number of shares	5,919,291,464	100.00	1,701,796,200	—	—	—	1,701,796,200	7,621,087,664	100.00

1. Reasons for the changes in shareholdings

As at April 10, 2015, 1,479,822,800 H Shares issued by the Company were listed and commenced trading on the main board of the Hong Kong Stock Exchange. The offering price was HK$18.85 per Share. In addition, 221,973,400 H Shares, further issued by the Company upon the full exercise of the Over-allotment Option, were listed and commenced trading on the main board of the Hong Kong Stock Exchange on April 20, 2015. A total of 1,701,796,200 H Shares were issued by the Company under this offering.

2. Approval for changes in shareholdings

As at December 8, 2014, the Company convened the second extraordinary general meeting in 2014, at which, such resolutions including Resolution on the Offering and Listing of H Shares in Hong Kong (《關於發行H股股票並在香港上市的議案》) and Resolution on the Proposal of Offering and Listing of H Shares in Hong Kong (《關於發行H股股票並在香港上市方案的議案》) were considered and approved.

As at January 8, 2015, the Company received the Notice of Acceptance of the CSRC for Administrative Licensing Applications issued by the CSRC. (《中國證監會行政許可申請受理通知書》) (No. 141915).

As at January 12, 2015, the Company submitted an application to the Hong Kong Stock Exchange for this offering and listing of shares, and published its application proof information pack regarding this offering and listing on the website of the Hong Kong Stock Exchange after 15:00 on January 12, 2015.

As at March 5, 2015, the Company received the Reply on Approval of the Offering of Listed Foreign Shares by GF Securities Co., Ltd. (《關於核准廣發証券股份有限公司發行境外上市外資股的批覆》) (Zheng Jian Xu Ke [2015] N0. 347) issued by the CSRC. Pursuant to the reply, the Company was approved to issue listed foreign shares up to 1,701,796,200 shares with a nominal value of RMB1 each, all being ordinary shares.

As at March 12, 2015, the Listing Committee of the Hong Kong Stock Exchange held a hearing to consider the application of the Company for offering listed foreign shares not more than 1,701,796,200 shares and listing them on the main board of the Hong Kong Stock Exchange.

As at April 10, 2015, with the approval from the Hong Kong Stock Exchange, the Company issued 1,479,822,800 offering listed foreign shares (H Shares) and listed them for trading on the main board of the Hong Kong Stock Exchange. The stock name of H Shares is "廣發証券" in Chinese and "GF SEC" in English. The stock code of H Shares is "1776".

Pursuant to the resolutions passed at the 2014 second extraordinary general meeting of the Company held on December 8, 2014, the general meeting granted to the Joint Bookrunners the Over-allotment Option in respect of this offering and listing to issue not exceeding 15% of the total number of the offer shares initially under this offering.

The Joint Global Coordinators on behalf of the International Underwriters, in connection with the Company's public offering and listing of listed foreign shares (H Shares) on the main board of the Hong Kong Stock Exchange, fully exercised the Over-allotment Option on April 13, 2015 and the Company additionally issued an aggregate of 221,973,400 H Shares. As approved by the Hong Kong Stock Exchange, 221,973,400 H Shares, which were issued by the Company additionally upon the full exercise of the Over-allotment Option, were listed and commenced trading on the main board of the Hong Kong Stock Exchange as at April 20, 2015.

3. Transfer of shares involving changes

N/A

4. Impact of changes in shareholdings on financial indicators including the basic and diluted earnings per share and net asset per share attributable to the ordinary shareholders of the Company in the recent year and the last period

During the Reporting Period, there were changes to the total share capital of the Company due to the issuance of H Shares. The calculation of the earnings per share during the Reporting Period was based on the weighted average of the total share capital according to the time when changes in shareholdings occurred. No adjustment was needed for calculating the earnings per share in 2014 and the first quarter of 2015. Net asset per share attributable to owners of the Company as per the consolidated statements as at the end of 2014 was RMB6.69. Based on the data calculated at the end of 2014, the net asset per share upon the issue of H Shares was RMB8.45, representing an increase of RMB1.76.

5. Total number of shares of the Company and changes in the shareholding structure and the assets and liabilities structure of the Company

	Before the offering and listing of H Shares		Before the full exercise of the Over-allotment Option		After the full exercise of the Over-allotment Option	
Type of shares	Number of shares held	Percentage of shareholding (%)	Number of shares held	Percentage of shareholding (%)	Number of shares held	Percentage of shareholding (%)
Listed domestic shares (A Shares)	5,919,291,464	100.00	5,919,291,464	80.00	5,919,291,464	77.67
Listed foreign shares (H Shares)	0	0.00	1,479,822,800	20.00	1,701,796,200	22.33
Total number of shares	5,919,291,464	100.00	7,399,114,264	100.00	7,621,087,664	100.00

After the full exercise of the Over-allotment Option, the total share capital of the Company was changed. Before the offering and listing of H Shares, after the offering and listing of H Shares and before the full exercise of the Over-allotment Option, and after the full exercise of the Over-allotment Option, changes in the shareholdings of shareholders who hold more than 5% shares of the Company were as follows:

	Before the offering and listing of H Shares		Before the full exercise of the Over-allotment Option		After the full exercise of the Over-allotment Option	
Name of shareholder	Number of shares held	Percentage of shareholding (%)	Number of shares held	Percentage of shareholding (%)	Number of shares held	Percentage of shareholding (%)
Liaoning Cheng Da	1,250,154,088	21.12	1,250,154,088	16.90	1,250,154,088	16.40
Liaoning Cheng Da	1,244,652,926	21.03	1,244,652,926	16.82	1,244,652,926	16.33
Zhongshan Public Utilities	686,754,216	11.60	686,754,216	9.28	686,754,216	9.01

As at the end of 2014, the Group had a gearing ratio of 75.46%. As of June 30, 2015, the Group's gearing ratio was 77.25%.

Note: When calculate the gearing ratio, the accounts payable to brokerage clients was excluded from assets or liabilities.

II. NUMBER OF SHAREHOLDERS AND THEIR SHAREHOLDINGS OF THE COMPANY

(I) Total number of shareholders

At the end of the Reporting Period, the Company has a total of 166,291 shareholders, of which, 164,009 of A shareholders and 2,282 of H shareholders. At the end of the Reporting Period, the number of preferred shareholders whose voting rights were resumed was nil.

(II) Shareholdings of top ten shareholders

1. The table of shareholdings of the Company's top ten shareholders as of June 30, 2015

Unit: Shares

Shareholdings of shareholders who hold more than 5% shares (if less than ten, shareholdings of former ten shareholders)								
Name of shareholder	Capacity of shareholder	Percentage of shareholding (%)	Number of shared held as at the end of the Reporting Period	Increase or decrease during the Reporting Periods	Number of shares with selling restrictions held	Number of shares without selling restrictions held	Pledge or freeze Status of shares	Pledge or freeze Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.31	1,700,113,400	1,700,113,400	0	1,700,113,400	–	0
Liaoning Cheng Da Co., Ltd.	Domestic general legal entity	16.40	1,250,154,088	–	0	1,250,154,088	–	0
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.33	1,244,652,926	–	0	1,244,652,926	–	0
Zhongshan Public Utilities Group Co., Ltd.	Domestic general legal entity	9.01	686,754,216	–	0	686,754,216	–	0
Jiayu Guan Hongcheng Electric Energy Limited	Domestic general legal entity	2.97	226,242,941	-36,830,855	0	226,242,941	–	0
Puning Xinhong Industrial Investment Co., Ltd.	Domestic general legal entity	1.91	145,936,358	–	0	145,936,358	Pledge	144,000,000
Jieyang Xinhong Asset Management Center	Domestic general legal entity	1.75	133,737,449	–	0	133,737,449	–	0
Heungkong Group Limited	Domestic general legal entity	1.57	119,286,246	-115,713,439	0	119,286,246	Pledge	107,680,000
Industrial and Commercial Bank of China Limited - Shenwan Lingxin Shenyin Wanguo Securities Industry Index Rating Securities Investment Funds	Fund and wealth management products, etc.	1.39	105,812,152	40,713,856	0	105,812,152	–	0
Anhui Huamao Textile Co. Ltd.	Domestic general legal entity	0.66	50,200,000	-9,800,000	0	50,200,000	–	0

Note 1: Among H shareholders 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 listed foreign shares (H Shares) and shares held by other shareholders are RMB-denominated ordinary shares (A Shares);

Note 3: At the end of the Reporting Period, no shares of the Company were held by A shareholders mentioned above through credit-based securities accounts;

Note 4: During the Reporting Period, no A shareholders mentioned above conducted agreed repurchase type securities trading; and

Note 5: During the Reporting Period, no shareholders who hold more than 5% A Shares caused an increase or a decrease in shares as a result of participating in refinancing business.

2. Table of shareholdings of the Company's top ten shareholders of tradable shares without selling restrictions as of June 30, 2015

Unit: Shares

Shareholdings of top ten shareholders without selling restrictions

Name of shareholder	Number of shares without selling restrictions held as at the end of the Reporting Period	Type of shares	Number of shares
HKSCC Nominees Limited	1,700,113,400	Listed foreign shares	1,700,113,400
Liaoning Cheng Da Co., Ltd.	1,250,154,088	RMB-dominated ordinary shares	1,250,154,088
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,244,652,926	RMB-dominated ordinary shares	1,244,652,926
Zhongshan Public Utilities Group Co., Ltd.	686,754,216	RMB-dominated ordinary shares	686,754,216
Jiayu Guan Hongcheng Electric Energy Limited	226,242,941	RMB-dominated ordinary shares	226,242,941
Puning Xinhong Industrial Investment Co., Ltd.	145,936,358	RMB-dominated ordinary shares	145,936,358
Jieyang Xinhong Asset Management Center	133,737,449	RMB-dominated ordinary shares	133,737,449
Heungkong Group Limited	119,286,246	RMB-dominated ordinary shares	119,286,246
Industrial and Commercial Bank of China Limited - Shenwan Lingxin Shenyin Wanguo Securities Industry Index Rating Securities Investment Funds	105,812,152	RMB-dominated ordinary shares	105,812,152
Anhui Huamao Textile Co. Ltd.	50,200,000	RMB-dominated ordinary shares	50,200,000

III. CHANGES IN CONTROLLING SHAREHOLDERS OR DE FACTO CONTROLLERS

There was no controlling shareholder or de facto controller in the Company.

IV. PROPOSAL ON OR IMPLEMENTATION OF A SHARE ACQUISITION PLAN BY SHAREHOLDERS OF THE COMPANY AND PERSONS ACTING IN CONCERT WITH THEM DURING THE REPORTING PERIOD

1. Liaoning Cheng Da, the largest shareholder of the Company (excluding HKSCC Nominees Limited, the shares held by which were owned by non-registered H shareholders, same as below), convened a meeting of the board of directors on April 21, 2015 and a general meeting on May 11, 2015. At the meetings, Liaoning Cheng Da considered and passed the "Resolution on Implementing Market Capitalization Management on Part of Equity Interest in GF Securities" (《關於對部分廣發証券股權實施市值管理的議案》), which intends to implement market capitalization management on part of Liaoning Cheng Da's equity interest in the Company by transferring its shareholding interest in the Company in the secondary market up to an aggregate of 250,000,000 shares, or to increase its shareholding in the Company through acquisition in the secondary market up to an aggregate of 250,000,000 shares when opportunity arises.

   Please refer to the relevant announcements disclosed by Liaoning Cheng Da on the website of the SSE (http://www.sse.com.cn) for details.

2. Jilin Aodong, the second largest shareholder of the Company, convened a board meeting on July 2, 2015 and a general meeting on July 21, 2015. At the meetings, Jilin Aodong considered and passed the "Resolution on Implementing Market Capitalization Management on Part of Equity Interest in GF Securities" (《關於對部分廣發証券股權實施市值管理的議案》), which intends to implement market capitalization management on part of Jilin Aodong's equity interest in the Company by way of acquisition of up to an aggregate on 300,000,000 shares from the stock exchanges where the Company's shares are listed, or to reduce its shareholdings in the Company by transferring its shareholding interest in the Company up to an aggregate of 300,000,000 shares in the stock exchange where the Company's shares are listed when opportunity arises.

   Please refer to the relevant announcements disclosed by Jilin Aodong on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) for details.

3. Zhongshan Public Utilities, the third largest shareholder of the Company, convened a board meeting on July 24, 2015 and a general meeting on August 11, 2015. At the meetings, Zhongshan Public Utilities considered and passed the "Resolution on Implementing Market Capitalization Management on Part of Equity Interest in GF Securities" (《關於對部分廣發証券股權實施市值管理的議案》), which intends to implement market capitalization management on part of equity interest of Zhongshan Public Utilities in the Company by way of acquisition of up to an aggregate of 300,000,000 shares from the stock exchanges where the Company's shares are listed, or to reduce its shareholdings in the Company by transferring its shareholding interest in the Company up to an aggregate of 300,000,000 shares in the stock exchanges where the Company's shares are listed when opportunity arises.

   Please refer to the relevant announcements disclosed by Zhongshan Public Utilities on the website of CNINFO (巨潮資訊網) (http://www.cninfo.com.cn) for details.

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

As at June 30, 2015, so far as the Directors, having made all reasonable enquiries, are aware, the following parties (other than the Directors, Supervisors and chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and has been entered in the register kept by the Company according to Section 336 of the SFO:

No.	Name of substantial shareholders	Type of share	Nature of interests	Number of shares held (share)	Percentage of total issued shares of the Company (%)	Percentage of total issued A Shares/H Shares of the Company (%)	Long position *(Note 1)*/ short position *(Note 2)*
1	Liaoning Cheng Da Co., Ltd.	A Share	Beneficial owner	1,250,154,088	16.40	21.12	Long position
2	Jilin Aodong Pharmaceutical Group Co., Ltd.	A Share	Beneficial owner	1,244,652,926	16.33	21.03	Long position
3	Zhongshan Public Utilities Group Co., Ltd.	A Share	Beneficial owner	686,754,216	9.01	11.60	Long position
4	Fubon Life Insurance Co., Ltd.	A Share	Interests in controlled corporation	417,000	0.01	0.01	Long position
		H Share	Interests in controlled corporation	124,804,800 *(Note 3)*	1.64	7.33	Long position
5	Fubon Financial Holding Co., Ltd.	H Share	Beneficial owner	124,804,800 *(Note 3)*	1.64	7.33	Long position
6	L.R. Capital Principal Investment Limited	H Share	Beneficial owner	102,854,000 *(Note 4)*	1.35	6.04	Long position
7	Wong Yuen Ping	H Share	Interests in controlled corporation	102,854,000 *(Note 4)*	1.35	6.04	Long position

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 purchase the underlying shares; (ii) such shareholder is under an obligation to purchase 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 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 subscribe 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 loss if the price of the underlying shares declines.

Note 3: Such 124,804,800 H Shares represent the same block of shares;

Note 4: Such 102,854,000 H Shares represent the same block of shares; and

Note 5: Under Section 336 of the SFO, interest disclosure forms 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 Hong Kong Stock Exchange, except for the satisfaction of certain conditions. Therefore, there could be difference between substantial shareholders' latest shareholdings in the Company and the shareholdings submitted to Hong Kong Stock Exchange.

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, 2015 required to be recorded in the register pursuant to Section 336 of the SFO.

VI. 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 at June 30, 2015, according to the information obtained by the Company and so far as the Directors are aware, none of the Directors, Supervisors or chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), which shall be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which is taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or would be required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

VII. REPURCHASE, SALE OR REDEMPTION OF THE SECURITIES OF THE COMPANY

Other than disclosed in this report, during the Reporting Period, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any listed securities of the Company and its subsidiaries.

VIII. REVIEW OF THE AUDIT COMMITTEE

The Audit Committee under the Board has reviewed and confirmed the Company's unaudited interim financial report in 2015 during the six months ended June 30, 2015, and has no objection against matters, including, the accounting policies and practices, adopted by the Company.

Section 6 Preference Shares

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

Section 7 Particulars about Directors, Supervisors, Senior Management and Employees

I. CHANGES IN SHAREHOLDING OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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

II. CHANGES IN THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Positions	Type	Date of resolution
Sun Xiaoyan（孫曉燕）	Executive director	Elected	December 8, 2014
Chan Kalok（陳家樂）	Independent non-executive director	Elected	December 8, 2014
Chak Mei Hing（翟美卿）	Supervisor	Resigned	March 20, 2015
Zeng Hao（曾浩）	Senior management	Resigned	May 4, 2015
Xu Xinzhong（徐信忠）	Supervisor	Elected	July 21, 2015

According to a resolution passed at the 2014 Second Extraordinary General Meeting of the Company held on December 8, 2014, it was agreed that Ms. Sun Xiaoyan be elected as an executive director of the Eighth Session of the Board of the Company and Mr. Chan Kalok be elected as an independent non-executive director of the Eighth Session of the Board of the Company. The appointment of Ms. Sun Xiaoyan would become effective from the date when all the following conditions were satisfied: the listed foreign shares (H Shares) issued by the Company were listed and commenced trading on the Main Board of the Hong Kong Stock Exchange and the applicable Articles of Association (draft) after the listing of H Shares being approved by the securities regulatory authorities. The appointment of Mr. Chan Kalok would become effective from the date when all the following conditions were satisfied: obtaining the approval of his qualification as an independent director of securities companies from the securities regulatory authorities and the qualification certificate of an independent director of listed companies from the Shenzhen Stock Exchange, the listed foreign shares (H Shares) issued by the Company were listed and commenced trading on the Hong Kong Stock Exchange and the applicable Articles of Association (draft) after H Shares are listed being approved by the securities regulatory authorities.

On January 20, 2015, Guangdong Bureau of CSRC promulgated the "Approval on Chan Kalok's Qualification as an Independent Director of the Securities Companies" (Guangdong Zheng Jian Xu Ke [2015] No.5). In January 2015, Mr. Chan Kalok obtained the "Completion Certification of Senior Management of Listed Companies" (Senior Management (Independent Director) of the listed companies of the Shenzhen Stock Exchange, Pei Xun Zi No. (150613720)) issued by the Shenzhen Stock Exchange. On March 17, 2015, Guangdong Bureau of CSRC promulgated the "Approval on the Change in Important Provisions of the Articles of Association of GF Securities Co., Ltd." (Guangdong Zheng Jian Xu Ke [2015] No.18). On April 10, 2015, the listed foreign shares (H Shares) issued by the Company were listed and commenced trading on the Main Board of the Hong Kong Stock Exchange. Therefore, all the conditions required for the appointment of Ms. Sun Xiaoyan as an executive director of the Eighth Session of the Board of the Company and Mr. Chan Kalok as an independent director of the Eighth Session of the Board of the Company, were satisfied. Ms. Sun Xiaoyan has assumed her role as executive director with effect from April 10, 2015 for a term until the expiry date of the term of the Eighth Session of the Board of the Company. Mr. Chan Kalok has assumed his role as independent director with effect from April 10, 2015 for a term until the expiry date of the term of the Eighth Session of the Board of the Company.

On March 20, 2015, the Company received a resignation letter from Ms. Chak Mei Hing in relation to her resignation as a supervisor of the Eighth Session of the Supervisory Committee.

On May 4, 2015, the Company received a resignation letter from Mr. Zeng Hao in relation to his resignation as a deputy general manager of the Company. The resignation letter would become effective from the date when it is delivered to the Board of the Company, and Mr. Zheng Hao will not continue to hold office in the Company.

Mr. Xu Xinzhong was elected as a Supervisor of the Eighth Session of the Supervisory Committee of the Company at the 2015 First Extraordinary General Meeting of the Company held on July 21, 2015. On July 28, 2015, the Company received the "Approval on Xu Xinzhong's Qualification as a Supervisor of Securities Companies" (Guangdong Zheng Jian Xu Ke [2015] No.32) issued by the Guangdong Bureau of the CSRC, which approved his qualification as a Supervisor of securities companies. Therefore, Mr. Xu Xinzhong would duly perform his obligations as a Supervisor of the Company.

As at the date of the report, the Board of the Company is comprised of 11 directors as follows:

Executive Directors: Mr. Sun Shuming, Mr. Lin Zhihai, Mr. Qinli and Ms. Sun Xiaoyan;

Non-executive Directors: Mr. Shang Shuzhi, Mr. Li Xiulin and Mr. Chen Aixue;

Independent Non-executive Directors: Mr. Liu Jiwei, Mr. Yang Xiong, Mr. Tang Xin and Mr. Chan Kalok

III. STAFF AND REMUNERATION POLICIES

As of June 30, 2015, the Group had 9,656 employees, of whom, 8,769 in total were from the parent company and 887 were from the subsidiaries.

The remuneration package of the Company's employees comprises basic salary, performance bonus and staff benefits. The Company stringently abided by and strictly enforced the "Labor Law", "Labor Contract Law" and other external laws and regulations, and established a sound human resources management systems and processes, including "Management Regulation on the Salary for GF Securities Employees", "Administrative Measures on the Labor Contract for GF Securities Employees", and effectively protected the rights and interests for employees in labor protection, working conditions, salary payment, social insurance, working hours management, rest and vacation, the interests of female employees.

The Company established a comprehensive welfare and security system, including social insurance, annuity, housing subsidies, housing fund, supplementary medical insurance, benefits leave, union welfare, and welfare of female employees. The Company established a comprehensive welfare and security system, and it successively developed the internal systems such as "Administrative Measures on the Welfare for GF Securities Employee", "Administrative Measures on the Welfare for Union Member of GF Securities", "Administrative Measures on the Benefits Leave for GF Securities Employee" to establish a comprehensive welfare and security system.

Section 8 Financial Statements

I. Review report

The 2015 Interim Financial Report of the Company prepared in accordance with IFRS has not been audited but reviewed by Deloitte Touche Tohmatsu and the review report is enclosed hereinafter.

Section 8 Financial Statements

II. Financial statements and notes *(Enclosed hereinafter).*

Report on Review of Condensed Consolidated Financial Statements

Deloitte.
德勤

德勤・關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

TO THE BOARD OF DIRECTORS OF GF Securities Co., Ltd.
(Incorporated in the People's Republic of China with limited liabilities)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of GF Securities Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 107 to 170, which comprise the condensed consolidated statement of financial position as at 30 June 2015 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on the Main Board of 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") issued by the International Accounting Standard Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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" ("ISRE 2410"). A review of these condensed consolidated financial statements 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our review conclusion, we draw attention to the fact that the comparative condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 June 2014 and the relevant explanatory notes included in these condensed consolidated financial statements have not been reviewed in accordance with ISRE 2410.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

21 August 2015

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2015

	NOTES	Six months ended 30 June	
		2015	2014
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Revenue			
Commission and fee income	3	**10,603,385**	2,561,963
Interest income	4	**6,564,510**	1,659,161
Net investment gains	5	**6,675,929**	1,437,083
Total revenue		**23,843,824**	5,658,207
Other income and gains or losses	6	**149,050**	(2,281)
Total revenue and other income		**23,992,874**	5,655,926
Depreciation and amortisation	7	**(135,972)**	(121,193)
Staff costs	8	**(6,281,439)**	(1,699,486)
Commission and fee expenses	9	**(202,723)**	(136,403)
Interest expenses	10	**(4,151,748)**	(1,093,846)
Other operating expenses	11	**(2,019,954)**	(696,165)
Impairment losses		**(34,917)**	(91)
Total expenses		**(12,826,753)**	(3,747,184)
Share of results of associates and joint ventures		**172,670**	214,129
Profit before income tax		**11,338,791**	2,122,871
Income tax expense	12	**(2,701,043)**	(446,735)
Profit for the period		**8,637,748**	1,676,136
Attributable to:			
Owners of the Company		**8,405,961**	1,674,990
Non-controlling interests		**231,787**	1,146
		8,637,748	1,676,136
Earnings per share attributable to owners of the Company (Expressed in RMB Yuan per share)	13		
– Basic		**1.26**	0.28
– Diluted		**1.26**	N/A

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period	**8,637,748**	1,676,136
Other comprehensive income/(expense):		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
Net fair value changes during the period	**4,064,486**	165,546
Reclassification adjustment to profit or loss on disposal	**(2,850,156)**	(20,195)
Income tax impact	**(241,195)**	(35,021)
Subtotal	**973,135**	110,330
Share of fair value gain/(loss) on available-for-sale financial assets of associates	**68,094**	(12,617)
Share of exchange differences arising on translation of associates	**(77)**	(89)
Exchange differences arising on translation	**(1,325)**	13,528
Other comprehensive income for the period, net of income tax	**1,039,827**	111,152
Total comprehensive income for the period	**9,677,575**	1,787,288
Attributable to:		
Owners of the Company	**9,366,449**	1,763,230
Non-controlling interests	**311,126**	24,058
	9,677,575	1,787,288

The accompanying notes presented on pages 115 to 170 form part of these unaudited condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	NOTES	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current assets			
Property and equipment	14	**1,356,166**	1,287,461
Prepaid lease payments		**322,528**	327,342
Investment properties		**26,142**	27,011
Goodwill		**2,046**	2,047
Other intangible assets		**148,738**	152,556
Interests in associates	15	**2,246,633**	1,548,796
Interests in joint ventures		**406,451**	35,369
Available-for-sale financial assets	16	**3,046,690**	2,109,902
Advances to customers	19	**42,124**	—
Loan and receivable investments		**205,766**	206,000
Financial assets held under resale agreements	17	**971,016**	431,864
Accounts receivable	20	**222,950**	—
Long-term investment prepayment		**—**	225,000
Pledged/restricted bank deposits		**80,000**	80,000
Deferred tax assets	18	**658,255**	230,185
Total non-current assets		**9,960,505**	6,438,533
Current assets			
Advances to customers	19	**140,097,577**	64,695,844
Due from banks		**—**	1,000,000
Prepaid lease payments		**9,628**	9,628
Accounts receivable	20	**4,453,619**	1,267,371
Other accounts receivable, other receivables and prepayments	21	**3,073,312**	1,893,399
Amounts due from associates		**22,292**	8,292
Available-for-sale financial assets	16	**49,832,939**	32,300,214
Loan and receivable investments		**622,910**	402,692
Financial assets held under resale agreements	17	**10,093,809**	11,800,690
Financial assets at fair value through profit or loss	22	**61,485,973**	26,936,662
Derivative financial assets	23	**302,634**	91,293
Deposits with exchanges and non-bank financial institutions	24	**4,893,692**	3,029,862
Clearing settlement funds	25	**26,693,106**	22,624,796
Pledged/restricted bank deposits		**369,329**	401,148
Bank balances	26	**205,214,863**	67,199,352
Total current assets		**507,165,683**	233,661,243
Total assets		**517,126,188**	240,099,776

Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	NOTES	**As at 30.6.2015 RMB'000 (unaudited)**	As at 31.12.2014 RMB'000 (audited)
Current liabilities			
Borrowings	28	**1,950,996**	1,285,907
Short-term financing payables	29	**52,229,716**	29,536,739
Due to banks and other financial institutions		**1,500,000**	1,123,000
Accounts payable to brokerage clients	30	**189,088,203**	71,465,563
Accrued staff costs	31	**6,098,439**	3,201,902
Other accounts payable, other payables and accruals	32	**6,079,158**	2,714,123
Provisions		**33,360**	33,360
Current tax liabilities		**2,546,634**	1,081,182
Other liabilities	33	**7,864,891**	4,283,311
Derivative financial liabilities	23	**293,571**	87,304
Financial assets sold under repurchase agreements	34	**80,661,668**	50,717,726
Bonds Payable-due within one year	36	**6,694,689**	—
Total current liabilities		**355,041,325**	165,530,117
Net current assets		**152,124,358**	68,131,126
Total assets less current liabilities		**162,084,863**	74,569,659

Equity			
Share capital	35	**7,621,088**	5,919,291
Capital reserve		**31,679,119**	8,587,817
Investment revaluation reserve		**2,914,717**	1,952,136
Translation reserve		**(95,805)**	(93,712)
General reserves		**9,247,211**	9,247,211
Retained profits		**21,220,240**	13,998,137
Equity attributable to owners of the Company		**72,586,570**	39,610,880
Non-controlling interests		**2,056,985**	1,766,576
Total equity		**74,643,555**	41,377,456
Non-current liabilities			
Other accounts payable, other payables and accruals	32	**75,100**	—
Financial assets sold under repurchase agreements	34	**11,000,000**	4,050,000
Deferred tax liabilities	18	**361,358**	111,539
Bonds payable	36	**73,004,850**	26,030,664
Long-term loans		**3,000,000**	3,000,000
Total non-current liabilities		**87,441,308**	33,192,203
Total equity and non-current liabilities		**162,084,863**	74,569,659

This unaudited condensed consolidated financial statements on pages 107 to 170 was approved for issue by the Board of Directors on 21 August 2015 and signed on its behalf by:

Sun Shuming
Director

Lin Zhihai
Director

The accompanying notes presented on pages 115 to 170 form part of these unaudited condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Equity attributable to owners of the Company								
	Share capital RMB'000 (Note 35)	Capital reserve RMB'000	Investment revaluation reserve RMB'000	Translation reserve RMB'000	General reserves RMB'000	Retained profits RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2015 (Audited)	5,919,291	8,587,817	1,952,136	(93,712)	9,247,211	13,998,137	39,610,880	1,766,576	41,377,456
Profit for the period	—	—	—	—	—	8,405,961	8,405,961	231,787	8,637,748
Other comprehensive income for the period	—	—	962,581	(2,093)	—	—	960,488	79,339	1,039,827
Total comprehensive income for the period	—	—	962,581	(2,093)	—	8,405,961	9,366,449	311,126	9,677,575
Issue of H shares (Note 35)	1,701,797	23,694,517	—	—	—	—	25,396,314	—	25,396,314
Capital injection from non-controlling shareholders	—	—	—	—	—	—	—	80,966	80,966
Transaction cost of issuance of H shares	—	(603,215)	—	—	—	—	(603,215)	—	(603,215)
Change in equity interests of subsidiaries without loss of control	—	—	—	—	—	—	—	(2,554)	(2,554)
Dividends recognised as distribution (Note 37)	—	—	—	—	—	(1,183,858)	(1,183,858)	(99,129)	(1,282,987)
At 30 June 2015 (Unaudited)	7,621,088	31,679,119	2,914,717	(95,805)	9,247,211	21,220,240	72,586,570	2,056,985	74,643,555
At 1 January 2014 (Audited)	5,919,291	8,587,701	785,634	(94,598)	7,951,745	11,454,893	34,604,666	138,310	34,742,976
Profit for the period	—	—	—	—	—	1,674,990	1,674,990	1,146	1,676,136
Other comprehensive income for the period	—	—	74,596	13,644	—	—	88,240	22,912	111,152
Total comprehensive income for the period	—	—	74,596	13,644	—	1,674,990	1,763,230	24,058	1,787,288
Change in equity interests of subsidiaries without loss of control	—	—	—	—	—	—	—	4,000	4,000
Dividends recognised as distribution (Note 37)	—	—	—	—	—	(1,183,858)	(1,183,858)	—	(1,183,858)
At 30 June 2014 (Unaudited)	5,919,291	8,587,701	860,230	(80,954)	7,951,745	11,946,025	35,184,038	166,368	35,350,406

The accompanying notes presented on pages 115 to 170 form part of these unaudited condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
OPERATING ACTIVITIES		
Profit before income tax	**11,338,791**	2,122,871
Adjustments for:		
Interest expenses	**4,151,748**	1,093,846
Share of results of associates and joint ventures	**(172,670)**	(214,129)
Depreciation and amortisation	**135,972**	121,193
Impairment losses	**34,917**	91
Gain on disposal of property and equipment and other intangible assets	**(542)**	(419)
Foreign exchange (gains) losses, net	**(286,781)**	17,073
Net realised gains from disposal of available-for-sale financial assets	**(2,888,633)**	(20,195)
Dividend income and interest income from available-for-sale financial assets	**(794,877)**	(521,740)
Interest income and net realised gain from loan and receivable investments	**(17,378)**	(12,587)
Unrealised fair value changes in financial assets at fair value through profit or loss	**(153,812)**	(356,359)
Unrealised fair value changes in derivatives	**(77,788)**	(19,630)
Operating cash flows before movements in working capital	**11,268,947**	2,210,015
Increase in advances to customers	**(75,443,856)**	(2,669,631)
Decrease in due from banks	**1,000,000**	—
Increase in interest receivables	**(891,420)**	(54,577)
Decrease (increase) in financial assets held under resale agreements	**1,180,728**	(837,159)
(Increase) decrease in financial assets at fair value through profit or loss	**(34,284,376)**	554,215
Increase in deposits with exchanges and non-bank financial institutions	**(1,863,005)**	(31,901)
Decrease (increase) in pledged/restricted bank deposits	**31,819**	(86,858)
Increase in other current assets	**(413,302)**	(460,871)
(Increase) decrease in clearing settlement funds-clients	**(2,278,565)**	841,527
Increase in cash held on behalf of customers	**(115,617,250)**	(5,962,802)
Increase in accounts payable to brokerage clients	**117,622,640**	5,262,974
Increase (decrease) in accrued staff costs	**2,896,537**	(47,829)
Increase (decrease) in other accounts payable, other payables and accruals and other liabilities	**1,389,534**	(475,310)
Increase (decrease) in financial assets sold under repurchase agreements	**36,893,942**	(1,659,963)
Increase (decrease) in due to banks and other financial institutions	**377,000**	(800,000)
Decrease in provisions	**—**	(12,296)
Cash used in operations	**(58,130,627)**	(4,230,466)
Income taxes paid	**(1,654,685)**	(501,277)
Interest paid	**(1,775,534)**	(496,337)
NET CASH USED IN OPERATING ACTIVITIES	**(61,560,846)**	(5,228,080)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
INVESTING ACTIVITIES		
Dividends and interest received from investments	**1,187,609**	647,480
Purchases of property and equipment and other intangible assets	**(106,093)**	(63,137)
Proceeds from disposal of property and equipment and other intangible assets	**17,982**	742
Capital injection to associates	**(593,033)**	(111,000)
Capital injection to joint ventures	**(310,200)**	—
Purchase of additional interest in a subsidiary	**(2,500)**	—
Cash flows arising from the consolidation of collective asset management schemes and funds	**620,086**	—
Purchase or proceeds on disposal of available-for-sale financial assets, net	**(14,761,956)**	2,853,576
Purchase of loan and receivable investment	**(687,904)**	(164,126)
Disposal of loan and receivable investment	**467,920**	—
Payment on other investment activities	**(285,000)**	(20,000)
Proceeds from other investment activities	**—**	25,000
NET CASH USED IN INVESTING ACTIVITIES	**(14,453,089)**	3,168,535
FINANCING ACTIVITIES		
Dividends paid to shareholders	**(1,282,987)**	—
Repayment of short-term loan interest	**(18,063)**	(4,659)
Repayment of short-term financing payables and bonds interest	**(1,135,682)**	(876,134)
Repayment of long-term loans interest	**(104,712)**	—
Capital injection from non-controlling shareholders	**80,966**	4,000
Net proceeds from short-term financing payables and bonds issued	**76,235,480**	2,545,000
Net proceeds from borrowings	**665,089**	673,719
Proceeds from long-term loans	**—**	1,000,000
Decrease (increase) in pledged/restricted bank deposits	**399,148**	(86,916)
Proceeds from issuance of H shares	**25,396,314**	—
Transaction cost paid on issue of H shares	**(28,398)**	—
NET CASH FROM FINANCING ACTIVITIES	**100,207,155**	3,255,010
NET INCREASE IN CASH AND CASH EQUIVALENTS	**24,193,220**	1,195,465
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**18,973,572**	6,628,510
Effect of foreign exchange rate changes	**(5,215)**	3,072
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**43,161,577**	7,827,047

1. GENERAL STATEMENTS 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, 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 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 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 the PRC laws. On 25 July 2001, the Company 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 became 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"), a company then listed on the Shenzhen Stock Exchange 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 43rd Floor (Room 4301-4316), Metro Plaza, No.183-187, Tianhe North Road, Tianhe District, Guangzhou, People's Republic of China ("PRC").

The Group and the Company is principally engaged in securities brokerage, securities investment consultation, financial advisory business relating to securities trading and securities investment, securities underwriting and sponsorship, securities proprietary trading, provision of futures intermediary services for futures companies, margin financing and securities lending, proxy sale of financial products, securities investment fund custodian, market-making of stock options, asset management, project and investment management and commodity futures brokerage, financial futures brokerage and futures investment advisory.

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" and the applicable disclosure requirements set out in Appendix 16 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange. 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 2014.

Principal 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 financial statements for the year ended 31 December 2014, except for the adoption of the amendments to standards effective on 1 January 2015, as follows:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The application of the above amendments to IFRSs in the current period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or on the disclosures set out in these condensed consolidated financial statements.

3. COMMISSION AND FEE INCOME

	Six months ended30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Commission on securities dealing and broking and handling fee income	**8,079,260**	1,480,655
Underwriting and sponsors fees	**623,409**	691,025
Commission on futures and options contracts dealing and broking and handling fee income	**179,208**	90,801
Asset management and fund management fee income	**1,434,928**	171,312
Consultancy and financial advisory fee income	**252,333**	121,077
Others	**34,247**	7,093
	10,603,385	2,561,963

4. INTEREST INCOME

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Deposits with exchanges and non-bank financial institutions and bank balances	**1,555,615**	508,124
Advances to customers and securities lending	**4,516,058**	955,707
Financial assets held under resale agreements	**427,282**	183,980
Due from banks	**355**	—
Others	**65,200**	11,350
	6,564,510	1,659,161

5. NET INVESTMENT GAINS

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net realised gains from disposal of available-for-sale financial assets	**2,888,633**	20,195
Dividend income and interest income from available-for-sale financial assets	**794,877**	521,740
Net realised gains (losses) from disposal of financial assets at fair value through profit or loss	**2,708,536**	(336,972)
Dividend income and interest income from financial assets at fair value through profit or loss	**788,236**	558,669
Interest income and net realised gains from loan and receivable investments	**17,378**	12,587
Net realised (losses) gains from derivatives	**(1,266,994)**	339,687
Unrealised fair value change of financial instruments at fair value through profit or loss		
– financial assets at fair value through profit or loss	**153,812**	356,359
– derivatives	**591,451**	(35,182)
	6,675,929	1,437,083

6. OTHER INCOME AND GAINS OR LOSSES

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Foreign exchange gains (losses), net	**286,781**	(17,073)
Government grants	**75,296**	1,979
Commission from tax withholding and remitting	**4,956**	2,473
Gain on disposal of property and equipment and other intangible assets	**542**	419
Third-party interests in consolidated collective asset management schemes and funds	**(251,219)**	466
Others	**32,694**	9,455
	149,050	(2,281)

7. DEPRECIATION AND AMORTISATION

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation of property and equipment	**106,371**	100,360
Depreciation of investment properties	**868**	868
Amortisation of prepaid lease payments	**4,814**	4,814
Amortisation of other intangible assets	**23,919**	15,151
	135,972	121,193

8. STAFF COSTS

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Salaries, bonus and allowances	**5,847,364**	1,389,916
Social welfare	**184,885**	147,304
Contributions to annuity schemes	**86,981**	52,709
Early retirement benefits	**7,394**	5,195
Others	**154,815**	104,362
	6,281,439	1,699,486

9. COMMISSIONAND FEE EXPENSES

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Securities and futures dealing and broking expenses	**178,741**	50,054
Underwriting and sponsors fee expenses	**10,250**	80,674
Other service expenses	**13,732**	5,675
	202,723	136,403

Note: Fund distribution and administration expenses amounting to RMB183.92 million are classified under other operating expenses described in note 11.

10. INTEREST EXPENSES

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest on liabilities that are wholly repayable within five years:		
– Accounts payable to brokerage clients	**199,524**	55,226
– Financial assets sold under repurchase agreements	**1,657,278**	348,672
– Borrowings	**16,835**	4,591
– Due to banks and other financial institutions	**138,150**	53,946
– Short-term financing bills	**254,389**	301,930
– Corporate bonds	**531,295**	69,344
– Subordinated bonds	**667,646**	—
– Long-term loans	**104,137**	767
– Principals of structured notes	**332,848**	488
– Others	**21,224**	30,460
Interest on liabilities that are not wholly repayable within five years:		
– Corporate bonds	**228,422**	228,422
	4,151,748	1,093,846

11. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
General and administrative expenses	**303,764**	153,549
Business taxes and surcharges	**1,081,059**	237,037
Operating lease rentals in respect of rented premises	**158,870**	140,202
Fund distribution and administration expenses	**183,920**	—
Data transmission expenses	**70,612**	64,374
Securities and futures investor protection funds	**95,243**	25,493
Business travel expenses	**40,679**	25,233
Provision	**29**	717
Sundry expenses	**85,778**	49,560
	2,019,954	696,165

12. INCOME TAX EXPENSE

	Six months ended30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax:		
PRC Enterprise Income Tax	**3,112,629**	361,897
Hong Kong Profits Tax	**7,651**	—
Over provision in prior years:		
PRC Enterprise Income Tax	**(144)**	(16)
Hong Kong Profit Tax	**—**	(40)
Subtotal	**3,120,136**	361,841
Deferred income tax (Note 18)	**(419,093)**	84,894
	2,701,043	446,735

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

Upon the approval of the "Circular of Tax Reduction from the Municipal Tax Department of Urumqi Economic and Technological Development Zone" (「烏魯木齊經濟技術開發區地方税務局減免税備案通知書」(烏經濟區地税股備字[2012] 25號)), GF Xinde Investment Management Co., Limited, a wholly-owned subsidiary, is subject to a tax rate of 12% from 25 May 2012 to 31 December 2015.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. Tax arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

13. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share attributable to owners of the Company is as follows:

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Earnings for the purpose of basic earnings per share:		
Profit for the period attributable to owners of the Company	**8,405,961**	1,674,990
Number of shares:		
Weighted average number of share in issue(Note) (2014: Number of shares in issue) (in thousand)	**6,668,605**	5,919,291
Earnings per share:		
Earnings per share (RMB)	**1.26**	0.28

The over allotment options granted by the Company in April 2015 has no significant impact in the computation of diluted earnings per share for the six months ended 30 June 2015. The Group had no dilutive potential ordinary shares outstanding for the six months ended 30 June 2014.

Note: The time-weighting factor of weighted average number of shares in issue in 2015 is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

14. PROPERTY AND EQUIPMENT

	Leasehold land 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 2015	802,741	670,669	108,511	148,929	515,152	278,769	2,524,771
Additions	—	47,298	5,859	6,243	12,239	104,134	175,773
Disposals/written-off	—	(26,319)	(3,158)	(3,188)	(10,675)	—	(43,340)
Effect of foreign currency exchange differences	—	(21)	—	(1)	(7)	—	(29)
As at 30 June 2015	802,741	691,627	111,212	151,983	516,709	382,903	2,657,175
Depreciation and impairment							
As at 1 January 2015	254,952	451,753	72,886	95,173	362,546	—	1,237,310
Charge for the period	14,291	43,365	6,182	10,078	32,455	—	106,371
Eliminate on disposals/written-off	—	(26,041)	(3,158)	(3,101)	(10,349)	—	(42,649)
Effect of foreign currency exchange differences	—	(17)	—	—	(6)	—	(23)
As at 30 June 2015	269,243	469,060	75,910	102,150	384,646	—	1,301,009
Carrying values							
As at 30 June 2015	533,498	222,567	35,302	49,833	132,063	382,903	1,356,166

14. PROPERTY AND EQUIPMENT – *continued*

	Leasehold land 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 2014	609,552	720,612	100,729	137,812	503,462	184,751	2,256,918
Additions	—	68,440	12,497	21,126	46,230	94,018	242,311
Acquired on acquisition of a subsidiary	193,189	10,615	3,102	1,866	8,011	—	216,783
Disposals/written-off	—	(128,778)	(7,765)	(11,855)	(42,271)	—	(190,669)
Effect of foreign currency exchange differences	—	(220)	(52)	(20)	(280)	—	(572)
As at 31 December 2014	802,741	670,669	108,511	148,929	515,152	278,769	2,524,771
Depreciation and impairment							
As at 1 January 2014	227,864	492,813	69,080	87,724	336,163	—	1,213,644
Charge for the year	27,088	87,131	11,601	17,942	66,845	—	210,607
Eliminate on disposals/written-off	—	(127,955)	(7,739)	(10,456)	(40,170)	—	(186,320)
Effect of foreign currency exchange differences	—	(236)	(56)	(37)	(292)	—	(621)
As at 31 December 2014	254,952	451,753	72,886	95,173	362,546	—	1,237,310
Carrying values							
As at 31 December 2014	547,789	218,916	35,625	53,756	152,606	278,769	1,287,461

The carrying amount of Group's property, plant and equipment included the leasehold interest in land as the leasehold payments cannot be allocated reliably between the land and building elements, as such the entire lease is classified as finance lease and accounted for as property, plant and equipment.

15. INTERESTS IN ASSOCIATES

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Cost of unlisted investments in associates	**902,533**	369,500
Share of post-acquisition profits and other comprehensive income, net of dividends received	**1,284,260**	1,119,456
	2,186,793	1,488,956
Unlisted investment in an associate at fair value through profit or loss (Note)	**59,840**	59,840
	2,246,633	1,548,796

Note: The Group elects to measure its investment in YKS Holdings Limited held through a venture capital organisation, an indirect wholly owned subsidiary, at fair value through profit or loss as management measures the performance of this associate on a fair value basis. Note 45 set out for valuation process and fair value information for the associate measures at fair value through profit or loss.

15. INTERESTS IN ASSOCIATES – *continued*

At the end of each reporting period, the Group has the following significant associate:

Name of associate	Place and date of establishment	Equity interest held by the Group As at 30.6.2015	31.12.2014	Principal activities
易方達基金管理有限公司 E Fund Management Co., Limited. ("E Fund")	PRC 17 April 2001	**25.00%**	25.00%	Fund raising, fund selling, asset management, and CSRC approved business.

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current		
Measured at fair value:		
Equity securities	**48,577**	121,737
Funds	**3,540**	3,117
Other investments (Note 1)	**781,294**	226,513
Measured at cost:		
Equity securities	**2,213,279**	1,758,535
Total	**3,046,690**	2,109,902
Analysed as:		
Listed outside Hong Kong[(i)]	**52,117**	124,854
Unlisted	**2,994,573**	1,985,048
	3,046,690	2,109,902
Current		
Measured at fair value:		
Debt securities	**32,631,018**	23,121,954
Equity securities	**4,740,683**	3,666,381
Funds	**2,230,830**	1,943,004
Other investments (Note 1)	**10,230,408**	3,568,875
Total	**49,832,939**	32,300,214
Analysed as:		
Listed in Hong Kong	**122,551**	—
Listed outside Hong Kong[(i)]	**15,202,629**	11,844,904
Unlisted	**34,507,759**	20,455,310
Total	**49,832,939**	32,300,214

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS – *continued*

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

Note 1: Other investments mainly represent investments in: (i) collective asset management products issued and managed by the Group, whereby the Group's interest in and exposure to them are not significant; (ii) wealth management products issued by banks; (iii) targeted asset management products (or trust investments) managed by non-bank financial institutions, which mainly invest in debt securities, publicly traded equity securities listed in the PRC and loans. The Group has committed to hold its investments in collective asset management products which are managed by the Group till the end of the investment period ranging from one to three years.

The unlisted equity securities held by the Group are issued by private companies in, among others, the manufacturing industry, energy technology, and medical or electronic communication sectors. As the reasonable range of fair value estimation is so significant that the directors of the Company are of the opinion that the fair value cannot be measured reliably, these equity securities are measured at cost less impairment at the end of each reporting period.

Fair value of the Group's available-for-sale investments are determined in the manner described in note 45.

As at 30 June 2015, the listed equity securities of the Group included approximately RMB1,227.97 million (31 December 2014: RMB510.41 million) of restricted shares. The restricted shares are listed in the PRC with a legally enforceable restriction on these securities that prevents the Group to dispose of within the specified period.

As at 30 June 2015, the Group entered into securities lending arrangement with clients that resulted in the transfer of available-for-sale equity securities and exchange-traded funds with total fair values of RMB348.73 million (31 December 2014: RMB580.59 million) to clients. These securities continued to be recognised as financial assets.

In the opinion of the directors, non-current available-for-sale financial assets are not expected to be realised within one year from the end of the reporting period.

17. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current		
Analysed by collateral type:		
Stock[(i)]	**971,016**	431,864
Analysed by market:		
Stock exchanges	**971,016**	431,864
Current		
Analysed by collateral type:		
Stock[(i)]	**7,450,535**	6,481,515
Bond[(ii)]	**2,642,160**	5,315,855
Fund	**1,114**	3,320
	10,093,809	11,800,690
Analysed by market:		
Stock exchanges	**7,485,950**	7,296,435
Interbank bond market	**2,607,859**	4,504,255
	10,093,809	11,800,690

(i) The financial assets (pledged by stock) held under resale agreements are those resale agreements which qualified investors entered into with the Group with a commitment to purchase the specified securities at a future date with an agreed price.

(ii) Mainly for inter-bank pledged resale agreement and inter-bank outright resale agreement.

18. DEFERRED TAXATION

For presentation purpose, 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 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Deferred tax assets	**658,255**	230,185
Deferred tax liabilities	**(361,358)**	(111,539)
	296,897	118,646

The following are the major deferred tax assets (liabilities) recognised and movements:

	Financial assets at fair value through profit or loss/ derivatives RMB'000	**Accrued staff cost** RMB'000	**Available-for-sale investment** RMB'000	**Allowance for impairment losses** RMB'000	**Property and equipment** RMB'000	**Others** RMB'000	**Total** RMB'000
Audited							
At 1 January 2014	65,282	394,140	(152,598)	41,060	—	10,129	358,013
(Charge) credit to profit or loss	(87,467)	304,722	(15,820)	16,572	1,218	(24,359)	194,866
Charge to other comprehensive income	—	—	(414,450)	—	—	—	(414,450)
Acquisition of a subsidiary	—	10,786	(9,393)	603	(23,303)	1,524	(19,783)
At 31 December 2014	(22,185)	709,648	(592,261)	58,235	(22,085)	(12,706)	118,646
Unaudited							
(Charge) credit to profit or loss	(200,835)	697,128	(60,333)	(18,373)	492	1,367	419,446
Charge to other comprehensive income	—	—	(241,195)	—	—	—	(241,195)
At 30 June 2015 (Unaudited)	(223,020)	1,406,776	(893,789)	39,862	(21,593)	(11,339)	296,897

19. ADVANCES TO CUSTOMERS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-Current		
Loans to margin clients	**42,124**	—
Current		
Loans to margin clients	**140,190,463**	64,749,359
Less: Impairment on advances to customers	**(92,886)**	(53,515)
	140,097,577	64,695,844

As at 30 June 2015, the overall loans and advances to customers have been assessed for impairment on a collective assessment basis, which are based on the evaluation of probability of default, loss given default, exposure at default of accounts and management's judgement, including the current creditworthiness and the past collection statistics of individual accounts or a portfolio of accounts in view of the overall growing loan balance and economic condition. On this basis, the amount of impairment was RMB92.89 million (31 December 2014: RMB53.52 million).

20. ACCOUNTS RECEIVABLE

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Accounts receivable from/related to:		
Non-current		
Principal and deposits of equity return swaps (Note)	**222,950**	—
Current		
Cash clients	**384,547**	234,126
Clearing house	**652,951**	9,595
Brokers	**60,051**	72,165
Asset management fee and trading seats commission	**672,294**	337,722
Advisory and financial planning fee	**3,054**	1,271
China Securities Investor Protection Fund Corporation for dormant accounts etc.	**26,455**	26,455
Investment funds redemption receivable	**431,000**	283,000
Principal and deposits of equity return swaps (Note)	**1,751,978**	201,680
Settlement deposits receivable	**383,543**	51,659
Others	**88,612**	50,564
	4,454,485	1,268,237
Less: Allowance for doubtful debts	**(866)**	(866)
	4,453,619	1,267,371

Note: The amount represents the principal and deposits paid in relation to equity return swap contracts entered by the Group, and mature within 2 years as at 30 June 2015. These contracts contain non-closely related embedded derivatives as their returns are linked to the fluctuation in certain stock index and stock shares. In the opinion of the directors, the fair values of these embedded derivatives of certain contracts are considered insignificant. Therefore, the related embedded derivatives being bifurcated form their respective host contracts are not accounted for. For those embedded derivatives with significant fair values, they are accounted under note 23 after being bifurcated form their respective host contracts.

20. ACCOUNTS RECEIVABLE – *continued*

Aging analysis of accounts receivable is based on agreement dates as follows:

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current		
Within 1 year	**222,950**	—
Current		
Within 1 year	**4,422,259**	1,229,631
Between 1 and 2 years	**2,504**	4,972
Between 2 and 3 years	**1,216**	2,751
More than 3 years	**27,640**	30,017
	4,453,619	1,267,371

The movement in the allowance for doubtful debts is set out below:

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
At beginning of the year	**866**	863
Effect of foreign currency exchange differences	**—**	3
At end of the period/year	**866**	866

The normal settlement terms of accounts receivable from clients, brokers and clearing house are within two days after trade date. Trading limits are set for clients. Normal settlement terms of accounts receivable from advisory and financial planning, asset and fund management are determined in accordance with the contract terms, ranging from three months to six months after the service was provided.

The Group seeks to maintain tight control over its outstanding accounts receivable in order to minimise credit risk. Overdue balances are regularly monitored by the management.

21. OTHER ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND PREPAYMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Other accounts receivable[(i)]	**45,938**	50,938
Interest receivable	**2,700,285**	1,676,518
Other receivables	**134,793**	90,123
Dividends receivables	**6,728**	6,482
Amounts due from trading business clients[(ii)]	**89,893**	9,203
Entrusted loan[(iii)]	**30,000**	—
Investment prepayment	**—**	75,183
Others	**124,511**	48,788
	3,132,148	1,957,235
Less: Allowance for doubtful debts	**(58,836)**	(63,836)
	3,073,312	1,893,399

The movements in the allowance for doubtful debts are set out below:

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
At beginning of the year	**63,836**	5,430
Impairment losses recognised	**513**	58,406
Reversal of impairment losses	**(5,000)**	—
Amounts written off as uncollectible	**(513)**	—
At end of the period/year	**58,836**	63,836

(i) The balance represents amount arising from trading business, which is considered irrecoverable due to financial difficulties of counterparty and, therefore, is fully provided for allowance for doubtful debts.

(ii) The balance of amounts due from trading business clients comprises trading-business-related funds of GF Commodity Co., Limited, a wholly owned subsidiary of the Company. The amount of impairment was RMB7.47 million as at 30 June 2015 and 31 December 2014.

(iii) As at 30 June 2015, the balance of entrusted loan comprises short-term loan whereby GF Xinde Investment Management Co., Limited, a wholly owned subsidiary of the Company, lent to a third-party named Guangzhou Flamingo Network Technology Co., Ltd. (廣州火烈鳥網絡科技有限公司), which Ping-An Bank Co., Limited acted as the entrusted bank. The principal of such loan is RMB30 million, with an interest rate of 10% per annum and will be settled within 1 year.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets held for trading

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Debt securities	**34,187,991**	17,709,430
Equity securities	**8,096,221**	4,606,580
Funds	**15,113,197**	1,725,876
Other investments[(i)]	**3,743,681**	2,163,997
	61,141,090	26,205,883
Analysed as:		
Listed in Hong Kong	**264,495**	208,304
Listed outside Hong Kong[(ii)]	**17,145,147**	11,094,054
Unlisted[(iii)]	**43,731,448**	14,903,525
	61,141,090	26,205,883

Financial assets designated at fair value through profit or loss

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Convertible debt securities	**145,047**	730,779
Equity investments	**199,836**	—
	344,883	730,779
Analysed as:		
Listed outside Hong Kong[(ii)]	**145,047**	730,779
Unlisted[(iii)]	**199,836**	—
	344,883	730,779

(i) Other investments represent investments in collective asset management products issued and managed by the Group and other financial institutions, whereby the Group's interest in and exposure to them are not significant.

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

(iii) Unlisted securities mainly comprise of debt securities traded in Interbank Bond Market.

Fair value of the Group's financial assets held for trading are determined in the manner described in note 45.

23. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30.6.2015		As at 31.12.2014	
	Assets RMB'000 (unaudited)	**Liabilities RMB'000 (unaudited)**	Assets RMB'000 (audited)	Liabilities RMB'000 (audited)
PRC stock index futures[(i)]	**—**	**—**	—	—
Treasury bond futures[(ii)]	**—**	**—**	—	—
Commodity futures[(ii)]	**—**	**—**	—	—
Interest rate swaps[(iii)]	**287,606**	**271,276**	84,679	75,046
Equity return swaps[(iii)]	**4,755**	**2,130**	6,614	12,107
HK stock index futures[(iv)]	**727**	**—**	—	—
America stock index futures[(v)]	**82**	**—**	—	86
Structured notes[(vi)]	**—**	**300**	—	65
Stock option[(vii)]	**9,464**	**19,865**	—	—
	302,634	**293,571**	91,293	87,304

(i) PRC stock index futures: under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in the PRC stock index futures (the "PRC SIF") were settled daily and the corresponding receipts and payments were included in "clearing settlement funds" as at 30 June 2015 and 31 December 2014. Accordingly, the net position of the PRC SIF contracts was nil at the end of the reporting period.

(ii) Treasury bond futures and commodity futures: under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in treasury bond futures and commodity futures were settled daily and the corresponding receipts and payments were included in "clearing settlement funds" as at 30 June 2015 and 31 December 2014. Accordingly, the net position of the treasury future contracts and commodity future contracts was nil at the end of the reporting period.

(iii) Interest rate swaps and equity return swaps:

The notional principal amounts of the Group's interest rate swaps contracts as at 30 June 2015 were RMB44,722 million (31 December 2014: RMB23,655 million), respectively.

The notional principal amounts of the Group's equity return swaps contracts were RMB20,570 million as at 30 June 2015 (31 December 2014: RMB4,089 million). Details of equity return swaps contracts are set out in Notes 20 and 32.

(iv) HK stock index futures: the notional principal amounts of the Group's HK stock index futures contracts were RMB38.45 million as at 30 June 2015 (31 December 2014:nil).

(v) America stock index futures: the notional principal amounts of the Group's America Stock Index futures contracts were RMB5.65 million as at 30 June 2015 (31 December 2014: RMB3.77 million).

(vi) The amounts represent the fair value of embedded derivatives of structured notes, details set out in Notes 29 and 36.

(vii) Stock option: the notional principal amounts of the Group's stock option contracts were RMB399 million as at 30 June 2015 (31 December 2014:nil).

24. DEPOSITS WITH EXCHANGES AND NON-BANK FINANCIAL INSTITUTIONS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Deposits with stock exchanges:		
Shanghai Stock Exchange	**407,604**	124,680
Shenzhen Stock Exchange	**202,870**	77,779
Hong Kong Stock Exchange	**41,636**	28,345
Deposits with futures and commodity exchanges:		
Hong Kong Futures Exchange Limited	**2,092**	1,604
Shanghai Futures Exchange	**699,675**	535,978
Zhengzhou Commodity Exchange	**150,409**	165,029
Dalian Commodity Exchange	**393,135**	263,381
China Financial Futures exchange	**2,510,470**	1,332,458
Intercontinental Exchange, Inc	**6,113**	6,119
China Securities Finance Corporation Limited	**53,077**	48,890
Shanghai Clearing House	**49,853**	25,847
HKFE Clearing Corporation Limited	**23,139**	19,077
LCH Clearnet Group Limited	**12,066**	6,372
Guarantee fund paid to China Financial Futures Exchange	**20,149**	20,157
China Beijing Equity Exchange	**2,555**	878
LME Clear Limited	**179,092**	225,936
Others	**139,757**	147,332
	4,893,692	3,029,862

25. CLEARING SETTLEMENT FUNDS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Clearing settlement funds held with clearing houses for:		
House accounts	**2,559,883**	770,139
Clients	**24,133,223**	21,854,657
	26,693,106	22,624,796

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

26. BANK BALANCES

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
House accounts	**40,601,694**	18,203,433
Cash held on behalf of customers[(i)]	**164,613,169**	48,995,919
	205,214,863	67,199,352

Bank balances comprise time and demand deposits at bank which bear interest at the prevailing market rates.

(i) The Group maintain bank accounts with banks to hold customers' deposits arising from normal business transactions. The Group had recognised the corresponding amount in accounts payable to brokerage clients (note 30).

27. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the followings:

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Bank balances – house	**40,601,694**	18,203,433
Clearing settlement funds – house	**2,559,883**	770,139
	43,161,577	18,973,572

Cash and cash equivalent includes bank deposits with original maturity of more than three months held by the Group. As at 30 June 2015, bank deposits with original maturity of more than three months, which can be withdrawn on demand without prior notice to banks, held by the Group were RMB207 million (31 December 2014: RMB790.12 million).

28. BORROWINGS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Secured short-term bank loans	**697,122**	568,008
Unsecured short-term bank loans	**1,253,874**	717,899
	1,950,996	1,285,907

As at 30 June 2015, the bank borrowings of GF Holdings (Hong Kong) Corporation Limited were pledged by margin financing clients' securities (As at 31 December 2014: pledged by margin financing clients' securities and bank deposits). As at 30 June 2015, bank borrowings bear interest rates ranging from 1.62% to 1.87% per annum (31 December 2014: 1.10% to 2.65%).

29. SHORT-TERM FINANCING PAYABLES

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Unsecured and unguaranteed:		
Short-term financing bill payables (Note 1)	**9,000,000**	11,900,000
Short-term bond payables (Note 2)	**30,498,836**	15,492,249
Principals of structured notes (Note 3)	**12,730,880**	2,144,490
	52,229,716	29,536,739

Note 1: Short-term financing bill payables

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Analysed as:		
Inter-bank	**9,000,000**	11,900,000

As at 30 June 2015, short-term financing bills were debt securities issued in the PRC inter-bank market by the Company bearing interest rates ranging from 3.20% to 4.88% per annum (31 December 2014: 4.10% to 6.20%), respectively, repayable within two months.

Note 2: Short-term bond payables

Name	Issue amount RMB	Value date	Maturity date	Coupon rate
GF1402	5,000,000,000	24/11/2014	24/09/2015	4.50%
GF1501	3,000,000,000	09/03/2015	08/03/2016	5.30%
GF1502	4,000,000,000	28/04/2015	20/11/2015	4.95%
GF1503	6,000,000,000	19/05/2015	19/05/2016	4.30%
GF1504	4,000,000,000	27/05/2015	18/11/2015	4.24%
GF1505	6,000,000,000	27/05/2015	22/01/2016	4.34%
GF1506	2,500,000,000	08/06/2015	04/09/2015	4.15%

Note 3: Principals of structured notes

As at 30 June 2015, the amount represents principals received from investors for subscription of structured notes issued by the Company. The structured notes bear fixed rate interest or variable rate linked to certain stock index. The interests are repayable upon maturity within one year. The notes with variable rate contain non-closely related derivative as their returns are linked to the fluctuation of stock index. For those embedded derivatives, they are accounted for in the condensed consolidated financial statements under note 23 after being bifurcated from their respective host contracts.

30. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

As at 30 June 2015, accounts payable to brokerage clients of approximately RMB27,952.72 million (31 December 2014: RMB7,433.42 million) were related to margin deposits and cash collateral received from clients for margin financing and securities lending arrangements.

31. ACCRUED STAFF COSTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Salaries, bonus and allowances	**5,924,836**	3,001,478
Social welfare	**2,521**	2,081
Annuity schemes	**—**	36,817
Early retirement benefits	**122,647**	122,647
Others	**48,435**	38,879
	6,098,439	3,201,902

32. OTHER ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Other accounts payable		
Non-current		
Deposits of equity return swaps[(i)]	**75,100**	—
Current		
Deposits of equity return swaps[(i)]	**883,490**	74,171
Payables for open-ended fund clearing	**248,484**	681,813
Commission payable and related accrued expenses for sale of funds	**211,275**	153,069
Others	**78,917**	70,985
	1,497,266	980,038
Other payables and accruals		
Current		
Business taxes and other taxes	**959,767**	355,299
Interest payable	**1,755,525**	756,797
Accrued expenses	**106,296**	77,100
Payables for securities and futures investor protection fund	**99,850**	43,906
Futures risk reserve	**85,871**	77,775
Funds risk reserve	**48,577**	34,923
Project quality deposits	**40,000**	40,000
Payable to R&F	**315,395**	233,526
Payable for equipment purchases	**61,558**	56,288
Block trade deposits	**500,000**	—
IPO expenses payable	**574,817**	—
Others	**109,336**	58,471
	4,656,992	1,734,085
Total	**6,154,258**	2,714,123

(i) Equity return swaps contain non-closely related embedded derivatives as their returns are linked to the fluctuation of certain stock index or specific stock price. In the opinion of the directors, the fair value of certain embedded derivative is insignificant. Therefore, the related embedded derivatives being bifurcated form their respective host contracts are not accounted for. For those embedded derivatives with significant fair values, they are accounted for under note 23 after being bifurcated form their respective host contracts.

33. OTHER LIABILITIES

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Third-party interests in consolidated collective asset management schemes and funds	**7,864,891**	4,283,311

Third-party interests in consolidated collective asset management schemes and funds consist of third-party unit holders' interests in these consolidated structured entities which are reflected as a liability since they can be put back to the Group for cash.

The realisation of third-party interests in consolidated collective asset management schemes and funds cannot be predicted with accuracy since these represent the interests of third-party unit holders in consolidated collective asset management schemes and funds held to back investment contract liabilities and are subject to market risk and the actions of third-party investors.

The Group has newly consolidated 6 of its products, which are not individually significant to the Group, during the period with total assets of RMB745.95 million on their respective acquisition dates with the proportion of attributable to other product unit holders amounted to RMB708.67 million recognized as other liabilities including the redemption proceed to be distributed of RMB600.93 million. The resulted cash inflow is amounted RMB620.09 million.

34. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current		
Analysed by collateral type:		
Rights and interests in margin loans	**11,000,000**	4,050,000
Analysed by market:		
Over the counter	**11,000,000**	4,050,000
Current		
Analysed by collateral type:		
Bonds	**48,161,668**	26,282,726
Rights and interests in margin loans	**32,500,000**	24,435,000
	80,661,668	50,717,726
Analysed by market:		
Stock exchanges	**17,540,118**	11,240,909
Interbank bond market	**30,621,550**	15,041,817
Over the counter	**32,500,000**	24,435,000
	80,661,668	50,717,726

35. SHARE CAPITAL

All shares issued by the Company are fully paid common shares. The par value per share is RMB1. The Company's number of shares issued and their nominal value are as follows:

	As at 30.6.2015 (unaudited)	As at 31.12.2014 (audited)
Registered, issued and fully paid ordinary shares of RMB1 each (in thousands):		
Domestic shares	**5,919,291**	5,919,291
H shares	**1,701,797**	—
	7,621,088	5,919,291
Share capital (in RMB'000)		
Domestic shares	**5,919,291**	5,919,291
H shares	**1,701,797**	—
	7,621,088	5,919,291

In April 2015, the Company completed its initial public offering of 1,479,822,800 H shares on the Main Board of Hong Kong Stock Exchange. In April 2015, the joint global coordinators exercised the overallotment option and thus the Company had issued additional 221,973,400 H shares which are also listed on the Main Board of Hong Kong Stock Exchange. A total of 1,701,796,200 new shares have been issued by the Company to the public during the period.

36. BONDS PAYABLE

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Non-current		
Listed non-convertible corporate bonds (Note 1)	**10,485,413**	11,982,457
Subordinated bonds (Note 1)	**55,665,294**	12,178,367
Structured notes (Note 2)	**6,854,143**	1,869,840
	73,004,850	26,030,664
Current		
Listed non-convertible corporate bonds (Note 1)	**1,498,391**	—
Structured notes (Note 2)	**5,196,298**	—
	6,694,689	—

Note 1:

Name	Issue amount RMB	Value date	Maturity date	Coupon rate
13GF01[(i)]	1,500,000,000	17/06/2013	17/06/2018	4.50%
13GF02	1,500,000,000	17/06/2013	17/06/2018	4.75%
13GF03	9,000,000,000	17/06/2013	17/06/2023	5.10%
14GF01	3,000,000,000	24/07/2014	24/07/2018	5.70%
14GF02	3,000,000,000	24/07/2014	24/07/2019	5.90%
14GF03	5,000,000,000	18/12/2014	18/12/2018	6.00%
14GF04	1,200,000,000	19/12/2014	19/12/2017	6.00%
15GF01	3,000,000,000	30/01/2015	30/01/2018	5.55%
15GF02	3,500,000,000	30/03/2015	30/03/2018	5.40%
15GF03	9,000,000,000	29/04/2015	29/04/2018	5.40%
15GF04	6,000,000,000	29/05/2015	29/05/2018	5.00%
15GF05	9,000,000,000	29/05/2015	29/05/2017	5.35%
15GF06	5,000,000,000	08/06/2015	08/06/2018	5.00%
15GF07	8,000,000,000	15/06/2015	15/06/2018	5.40%

(i) Pursuant to the approval from the CSRC and shareholders of the Company, the Company issued a 5-year bond with face value of RMB1.5 billion from June 17 to 19 June 2013. The issuer can choose whether to increase coupon rate within thirtieth working day before 17 June 2016, and the bond holders can choose whether to sell back at face value on 17 June 2016. Therefore, "13GF01" is classified under current liability.

Note 2: Principals of structured notes

As at 30 June 2015, the amount represent principals received from investors for subscription of structured notes issued by the Company. The structured notes bearing fixed rate interest ranging from 4.50% to 6.97% per annum (31 December 2014: 6.30% to 6.97%). Structured notes maturing within one year as at 30 June 2015 are classified under current liability.

37. DIVIDENDS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Dividends recognised as distribution	**1,183,858**	1,183,858

Pursuant to the resolution of the shareholders meeting held on 9 March 2015, the Company distributed cash dividends of RMB2.00 for every 10 shares (tax included) based on 5.92 billion shares held amounting to RMB1.18 billion in total for the year ended 31 December 2014.

Pursuant to the resolution of the shareholders meeting held on 12 May 2014, the Company distributed cash dividends of RMB 2.00 for every 10 shares (tax included) based on 5.92 billion shares held amounting to RMB 1.18 billion in total for the year ended 31 December 2013.

38. RELATED PARTY TRANSACTIONS

(1) Shareholders

The Group's transactions with shareholders

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Investment in shareholders of the Company classified as:		
Available for sale financial assets		
– 吉林敖東藥業集團股份有限公司		
Jilin Aodong Pharmaceutical Group Co., Ltd.*	**1,121,295**	1,163,576
– 遼寧成大股份有限公司		
Liaoning Cheng Da Co., Ltd.*	**2,488**	4,372
– 中山公用事業集團股份有限公司		
Zhongshan Public Utilities Group Co., Ltd.*	**81,280**	78,080
Investment in shareholders of the Company classified as:		
Financial assets as FVTPL-financial assets held for trading		
– 吉林敖東藥業集團股份有限公司		
Jilin Aodong Pharmaceutical Group Co., Ltd. *	**7,031**	824
– 遼寧成大股份有限公司		
Liaoning Cheng Da Co. Ltd. *	**9,076**	1,016
	1,221,170	1,247,868

* English translated name is for identification purpose only.

38. RELATED PARTY TRANSACTIONS – *continued*

(2) Other related parties

The Group's transactions with associates

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Commission and fee income		
Funds under the management of GF Fund	**—**	25,467
Funds under the management of E Fund	**38,424**	6,616
	38,424	32,083

The Group's balances with an associate

	As at	As at
	30.6.2015	31.12.2014
	RMB'000	RMB'000
	(unaudited)	(audited)
Commission receivable from exchange trading units and distributing financial products		
E Fund	**22,292**	8,292

(3) Key management personnel

The remuneration of the key management personnel of the Group was as below:

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Short-term benefits		
– Salaries, allowance and bonuses	**9,531**	8,137
Post-employment benefits		
– Employer's contribution to pension schemes/annuity plans	**1,132**	377
	10,663	8,514

38. RELATED PARTY TRANSACTIONS – *continued*

(4) Transactions entered with shareholders

The Company's wholly-owned subsidiary GF Xinde Investment Management Co., Ltd. entered into an agreement with Zhongshan Public Utilities Environment Protection Industry Investment Co., Ltd.*(中山公用環保產業投資有限公司), a wholly-owned subsidiary of Zhongshan Public Utilities Group Co., Ltd, a shareholder of the Company, to establish GF Xinde•Zhongshan Public Utilities M&A Fund Management Co., Ltd.*(廣發信德•中山公用併購基金管理有限公司) as well as GF Xinde•Zhongshan Public Utilities M&A Fund*(廣發信德•中山公用併購基金).

Details of the aforesaid transactions were disclosed in the Company's announcement dated on 13 May 2015.

The Company's wholly-owned subsidiary GF Xinde Investment Management Co., Ltd. entered into an agreement with Jilin Aodong Pharmaceutical Group Co., Ltd., a shareholder of the Company, to establish GF Xinde•Jilin Aodong Fund Management Co., Ltd.*(廣發信德•吉林敖東基金管理有限公司), GF Xinde• Jilin Aodong Chinese Medicine Modernization Industry Fund *(廣發信德•吉林敖東中藥現代化產業基金) as well as Jilin Aodong Innovative Industry Development Fund *(吉林敖東創新產業發展基金).

Details of the aforesaid transactions were disclosed in the Company's announcement dated on 18 June 2015.

Up to 30 June 2015, the funds and fund management companies mentioned above have not yet been established.

* English translated name is for identification purpose only.

39. CAPITAL COMMITMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Capital expenditure in respect of acquisition of property and equipment:		
– Contracted but not provided for	**560,292**	609,222

40. OPERATING LEASE COMMITMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Within one year	**182,775**	199,285
In the second to fifth years inclusive	**279,173**	324,893
Over five years	**29,948**	43,510
Total	**491,896**	567,688

Operating lease payments represent rentals payable by the Group for certain of its office properties. Lease of rented premises are negotiated with fixed lease term for 1 to 20 years.

41. SEGMENT REPORTING

The Group's operating segments are consistent with the Group's consolidated financial information for the year ended 31 December 2014.

The operating and reportable segment information provided to the chief operating decision maker for the six months ended 30 June 2015 and 2014 is as follows:

	Investment banking RMB'000	Wealth management RMB'000	Trading and Institution client service RMB'000	Investment management RMB'000	Other RMB'000	Segment total RMB'000	Eliminations RMB'000	Consolidated total RMB'000
Unaudited								
For the six months ended 30 June 2015								
Segment revenue and results								
Segment revenue	780,830	13,551,535	6,002,196	2,883,056	626,207	23,843,824	—	23,843,824
Segment other income and gains (other losses)	5,795	7,951	6	(177,767)	313,065	149,050	—	149,050
Segment revenue and other income	786,625	13,559,486	6,002,202	2,705,289	939,272	23,992,874	—	23,992,874
Segment expenses	(346,828)	(6,331,319)	(1,871,783)	(983,467)	(3,293,356)	(12,826,753)	—	(12,826,753)
Segment result	439,797	7,228,167	4,130,419	1,721,822	(2,354,084)	11,166,121	—	11,166,121
Share of results of associates and joint ventures	—	—	—	171,601	1,069	172,670	—	172,670
Profit/(loss) before income tax	439,797	7,228,167	4,130,419	1,893,423	(2,353,015)	11,338,791	—	11,338,791
Unaudited								
As at 30 June 2015								
Segment assets and liabilities								
Segment assets	746,163	181,302,153	98,765,568	27,302,682	209,724,367	517,840,933	(1,373,000)	516,467,933
Deferred tax assets								658,255
Group's total assets								517,126,188
Segment liabilities	307,969	170,202,242	93,179,389	11,897,561	166,534,114	442,121,275	—	442,121,275
Deferred tax liabilities								361,358
Group's total liabilities								442,482,633

41. SEGMENT REPORTING – *continued*

	Investment banking RMB'000	Wealth management RMB'000	Trading and Institution client service RMB'000	Investment management RMB'000	Other RMB'000	Segment total RMB'000	Eliminations RMB'000	Consolidated total RMB'000
Unaudited								
For the six months 30 June2014								
Segment revenue and results								
Segment revenue	764,370	2,894,295	1,484,137	342,962	172,443	5,658,207	—	5,658,207
Segment other income and gains (other losses)	495	6,892	(64)	364	(9,968)	(2,281)	—	(2,281)
Segment revenue and other income	764,865	2,901,187	1,484,073	343,326	162,475	5,655,926	—	5,655,926
Segment expenses	(277,619)	(1,534,390)	(757,263)	(76,371)	(1,101,541)	(3,747,184)	—	(3,747,184)
Segment result	487,246	1,366,797	726,810	266,955	(939,066)	1,908,742	—	1,908,742
Share of results of associates and joint ventures	—	—	—	215,019	(890)	214,129	—	214,129
Profit/(loss) before income tax	487,246	1,366,797	726,810	481,974	(939,956)	2,122,871	—	2,122,871
Audited								
As at 31 December 2014								
Segment assets and liabilities								
Segment assets	1,078,991	74,516,711	38,692,069	16,471,813	110,471,007	241,230,591	(1,361,000)	239,869,591
Deferred tax assets								230,185
Group's total assets								240,099,776
Segment liabilities	195,342	65,092,165	35,588,659	6,361,354	91,373,261	198,610,781	—	198,610,781
Deferred tax liabilities								111,539
Group's total liabilities								198,722,320

42. FINANCIAL INSTRUMENTS

	As at 30.6.2015 RMB'000 (unaudited)	As at 31.12.2014 RMB'000 (audited)
Financial Assets		
Loans and receivables	**396,842,702**	174,990,045
Available-for-sale financial assets	**52,879,629**	34,410,116
Financial assets at fair value through profit or loss	**61,788,607**	27,027,955
Investment in an associate at fair value through profit or loss	**59,840**	59,840
	511,570,778	236,487,956
Financial liabilities		
Derivative financial liabilities	**293,571**	87,304
Financial liabilities at amortised cost	**431,332,999**	193,774,634
	431,626,570	193,861,938

43. MATURITY PROFILE OF ASSETS AND LIABILITIES

An analysis of the maturity profile of certain assets and liabilities of the Group based on the remaining contractual maturity as at 30 June 2015 and 31 December 2014 is as follows:

As at 30 June 2015

	Repayable on demand RMB'000	less than 1 year RMB'000	More than 1 but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Assets					
Advances to customers	1,525,932	138,571,645	42,124	—	140,139,701
Loan and receivable investments	—	622,910	205,766	—	828,676
Financial assets held under resale agreements	—	10,093,809	971,016	—	11,064,825
Principals and deposits of equity return swap	—	1,751,978	222,950	—	1,974,928
Debt securities classified as:					
Available-for-sale financial assets	—	6,359,430	21,917,515	4,354,073	32,631,018
Financial assets at fair value through profit and loss	—	7,561,212	14,554,695	12,217,131	34,333,038
Deposits with exchanges and non-bank financial institution	4,893,692	—	—	—	4,893,692
Clearing settlement funds	26,693,106	—	—	—	26,693,106
Pledged/restricted bank deposits	449,329	—	—	—	449,329
Bank balances	186,665,963	18,548,900	—	—	205,214,863
Total	220,228,022	183,509,884	37,914,066	16,571,204	458,223,176

43. MATURITY PROFILE OF ASSETS AND LIABILITIES – *continued*

As at 30 June 2015

	Repayable on demand RMB'000	less than 1 year RMB'000	More than 1 but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Liabilities					
Bonds payable	—	6,694,689	64,017,828	8,987,022	79,699,539
Long-term loans	—	—	3,000,000	—	3,000,000
Principals and deposits of equity return swap	—	883,490	75,100	—	958,590
Accounts payable to brokerage clients	189,088,203	—	—	—	189,088,203
Due to banks and other financial institutions	—	1,500,000	—	—	1,500,000
Short-term financing payables	—	52,229,716	—	—	52,229,716
Financial assets sold under repurchase agreements	—	80,661,668	11,000,000	—	91,661,668
Borrowing	—	1,950,996	—	—	1,950,996
Total	189,088,203	143,920,559	78,092,928	8,987,022	420,088,712

43. MATURITY PROFILE OF ASSETS AND LIABILITIES – *continued*

As at 31 December 2014

	Repayable on demand RMB'000	less than 1 year RMB'000	More than 1 but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Assets					
Advances to customers	1,040,619	63,655,225	—	—	64,695,844
Loan and receivable investments	—	402,692	206,000	—	608,692
Financial assets held under resale agreements	—	11,800,690	431,864	—	12,232,554
Debt securities classified as:					
Available-for-sale financial assets	—	3,394,879	13,349,069	6,378,006	23,121,954
Financial assets at fair value through profit and loss	—	4,208,042	8,953,945	5,278,222	18,440,209
Deposits with exchanges and non-bank financial institution	3,029,862	—	—	—	3,029,862
Due from banks	—	1,000,000	—	—	1,000,000
Clearing settlement funds	22,624,796	—	—	—	22,624,796
Pledged/restricted bank deposits	481,148	—	—	—	481,148
Bank balances	52,739,232	14,460,120	—	—	67,199,352
Total	79,915,657	98,921,648	22,940,878	11,656,228	213,434,411

43. MATURITY PROFILE OF ASSETS AND LIABILITIES – *continued*

As at 31 December 2014

	Repayable on demand RMB'000	less than 1 year RMB'000	More than 1 but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Liabilities					
Bonds payable	—	—	17,044,450	8,986,214	26,030,664
Long-term loans	—	—	3,000,000	—	3,000,000
Principals and deposits of equity return swap	—	74,171	—	—	74,171
Accounts payable to brokerage clients	71,465,563	—	—	—	71,465,563
Due to banks and other financial institutions	—	1,123,000	—	—	1,123,000
Short-term financing payables	—	29,536,739	—	—	29,536,739
Financial assets sold under repurchase agreements	—	50,717,726	4,050,000	—	54,767,726
Borrowing	—	1,285,907	—	—	1,285,907
Total	71,465,563	82,737,543	24,094,450	8,986,214	187,283,770

44. FINANCIAL RISK MANAGEMENT

44.1 Risk management policies and organisation structure

(1) Risk management policies

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operating performance, and maximise the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the various risks the Group exposes to, and to establish an appropriate tolerance for risk management practice, so as to monitor, notify and respond to the risks regularly and effectively and to control risks at an acceptable level.

The risks the Group exposes 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 indicator, risk limits, risk policies and internal control process. The Group also manages risks with information system on a continuous monitoring basis.

(2) Structure of the risk-management organization

The Group adopts a four-level risk management organisation structure system, namely "board of directors and its subordinated risk management committee, management executives and risk control committee and asset allocation committee, various control and supporting departments, and business departments". First-line risk manage organisations have been set up in all major business departments of the Company. Organisations and staff of all levels are required to perform their authorised risk management duties with clear segregation of duties and emphasis on mutual collaboration. The Group's main back offices and middle offices are risk management department, compliance and legal affairs department, internal auditing department and treasury department. These departments cooperate with each other and each focus on specific aspects, perform risk assessment before the projects implement, on-going control, investigation and evaluation after completion, and contribute to the sustainable development of the business for the Group.

Risk management department, a standing body of the Group's risk control committee, takes charge of the independent assessment and monitoring of the Group's market risk and credit risk. It coordinates with each department regarding the management of model risk, liquidity risk and operational risk; supervises the implementation of the Group's risk policies such as risk limits; assesses, monitors and reports on the Group's risk capitals; organizes and implements comprehensive and specific stress tests; and carries out routine activities of the Group's risk control committee and so on. Compliance and legal department is the core department responsible for the compliance management of the Group, including the compliance of the Group's business and employees, and the Group's legal matters. The internal auditing department is responsible for independently and objectively auditing, supervising, assessing and impelling to improve the management performance of all the departments' risk management, internal control and operating results.

44. FINANCIAL RISK MANAGEMENT – *continued*

44.2 Credit Risk

Credit risk is the risk of loss due to a company's failures or inabilities to fulfil its obligations, or the downgrade of credit rating of it. The credit risk the Group exposed to mainly relates to the following businesses: (i) fixed income financial assets and the corresponding derivative investments; (ii) financing businesses such as margin financing and financial assets held under resale agreements (mainly refer to security transaction with repurchase agreement and stock-pledged repo).

Fixed income financial assets include bank balances, clearing settlement funds, loan investment and bonds. Credit risk mainly includes the risk caused by its counterparties and securities issuer's default risk.

The counterparties of derivatives trading the Group engaged in were large and mid-sized financial corporations in Mainland China with restricted line of credit. Repurchase agreements could cause credit risk, but those agreements are mainly pledged government bonds and the transactions' settlement is conducted by exchanges, credit risk is therefore considered to be low. Therefore, the credit risk exposure arising from interest rate swaps is also insignificant.

In terms of the financing business, the credit risk exposure of margin financing and securities lending includes liabilities arising from purchasing securities by borrowings and selling the borrowed securities. The major credit risks of repurchase agreement and stock-pledged repo are derived from the default risk of counterparties due to their failure to repay the principal and interest of debts when due. The guarantees provided are sufficient and the credit risk of financing business is managed at an acceptable level.

44. FINANCIAL RISK MANAGEMENT – *continued*

44.3 Market Risk

Market risks refer to the financial loss risk caused by the unfavourable volatility of the fair values or future cash flows of the financial instruments, which are subjected to interest rate risk, exchange risk and other price risk.

The management of the Group determines the policy for the maximum market exposure the Group is willing to assume, the measurement and monitoring of such exposure are determined based on the risk preference, capital position, risk tolerance, and size of business of the Group. The Group develops relevant investment size limits and risk limits based on the risk exposure and disaggregates them into different investment departments, while manages market risks through the combination of investment transaction control, Value at Risk (VaR), sensitivity analysis, stress testing, risk assessment and monitoring of profit and loss, concentration and liquidity. The risk management department of the Group ("Risk Management Department"), which is independent from business departments, performs comprehensive assessment, monitoring and management on the overall market risk of the Group, and reports the assessment and monitoring results to each business department, the Group's management and the risk management committee. When concretely implementing the market risk management process, the front desk serves as the first line management directly responsible for market risks, which dynamically manages the market risks resulted from the portion of positions held and actively takes measures to reduce risk exposure or performs risk hedging when the risk exposure is high; the Risk Management Department continuously and directly communicate risk information with teams of business departments to discuss risk status and extreme loss scenarios. Meanwhile, market risk conditions and their changes of the Group as a whole and each business department are timely reported to the Group's management through regular risk reporting.

The Risk Management Department uses a series of quantitative methods to estimate possible losses resulted from market risks, including possible losses arising from normal market fluctuations and extreme market movements. The Risk Management Department measures possible short-term losses from normal fluctuations mainly by means of VaR and sensitivity analysis; while possible losses in extreme case are estimated through stress testing.

44. FINANCIAL RISK MANAGEMENT – *continued*

44.3 Market Risk – *continued*

Interest rate risk

Interest rate risk is the risk of fluctuation in the fair value or future cash flows arising from adverse movements in interest rates. The Group's interest-bearing assets include bank deposits, clearing settlement funds, refundable deposits, and debenture investments. Fixed-income investments of the Group are mainly central bank bills, government bonds, medium-term notes, high-quality short-term papers, corporate bonds, treasury bond futures and interest rate swaps. There has been no changes in the interest rate risk management policies since 31 December 2014.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest-bearing assets and liabilities. The analysis is prepared assuming interest-bearing assets and liabilities outstanding at the end of the period were outstanding for the whole period. When reporting to the management on the interest rate risk, a 100 basis points increase or decrease in the relevant interest rates will be adopted for sensitivity analysis, assuming all other variables were held constant, which represents a reasonably possible change in interest rates. A positive number below indicates an increase in profit before income tax and other comprehensive income before income tax or vice versa.

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit before income tax for the period		
Increase by 100bps	**141,076**	43,042
Decrease by 100bps	**(141,076)**	(43,042)

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Other comprehensive income before income tax		
Increase by 100bps	**(556,434)**	(283,762)
Decrease by 100bps	**581,699**	308,378

44. FINANCIAL RISK MANAGEMENT – *continued*

44.3 Market Risk – *continued*

Currency risk

Currency risk refers to the unfavourable volatilities of the Group's financial condition and cash flows due to the fluctuation of the foreign exchange rates. Except for overseas subsidiaries which hold financial assets that are denominated in foreign currencies different from the relevant Group entity's functional currency, the Group only holds a small amount of foreign currency denominated investment. The management considers the foreign exchange rate risk of the Group is not material as the ratio of the Group's foreign currency assets and liabilities is minimal.

Price risk

Price risk is primarily about the unfavourable changes of share price, financial derivative instruments prices and commodity price that cause financial loss during the Group's on-balance and off-balance business. Quantitatively, price risk the Group facing is mainly the proportionate fluctuation in the Group's profits due to the price fluctuation of the trading financial instrument and the proportionate fluctuation in the Group's equity due to the price fluctuation of the available-for-sale financial instrument. Other than daily monitoring the investment position, trading and earnings indictors, the Group mainly uses VaR, risk sensitivity indicators, stress testing indicators calculated by Risk Management Department in daily risk monitoring.

Sensitivity analysis

The analysis below is performed 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, 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 or vice versa.

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit before income tax for the period		
Increase by 10%	**820,680**	449,938
Decrease by 10%	**(823,129)**	(460,780)

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Other comprehensive income before income tax		
Increase by 10%	**764,697**	332,027
Decrease by 10%	**(764,697)**	(332,027)

44. FINANCIAL RISK MANAGEMENT – *continued*

44.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficultly in meeting obligations associated with financial liabilities due to shortages of capital or funds. During the normal course of business, the Group may face liquidity risk caused by macroeconomic policy change, market fluctuation, poor operations, credit downgrades, mismatch of assets and liabilities, low turnover rate of assets, early redemption of exchange-quoted bond repurchase product by customers, large underwriting on a firm commitment basis, significant proprietary trading position, or high ratio of long term investment. If the Group fail to address any liquidity risk by adjusting the asset structure, the consequences of such non-compliance with regulatory requirements on risk indicators could be costly. The regulatory body could penalise the Group by imposing restrictions on the Group's and business operation. In severe cases, the Group could lose one or more business qualifications, leading an adverse impact on the Group's and the Company's operation and reputation.

To address liquidity risk, the Group has set up a dynamic risk monitoring system with net asset as a core index according to relevant regulations. The Group generates sensitivity analysis periodically and stress test using the information system and the data processing system. The systems have been launched and in a long-term smooth operation. It could furnish liquidity risk with relevant quantitative analysis and develop a powerful guidance and support for operations and activities. The Risk Management Department under the Group is responsible for monitoring all kinds of business operation risks. The Group sets up the funds management department, which works together with the Risk Management Department to take actions such as credit lending or temporary investments, scenario analysis, stress test, monitoring liquidity coverage ratio and net stable funding ratio for controlling the overall liquidity risk. The decision of massive fund allocation and operation shall be made collectively by the asset allocation committee and the risk control committee. The Group use concentration control, trading limit control and monitoring the market liquidity of financial instruments held by 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.

As at 30 June 2015, cash and bank deposits held by the Group amounting to RMB205.21 billion (31 December 2014: RMB67.67 billion) and financial assets such as monetary funds, government bonds and short-term financing bills amounting to RMB21.88 billion (31 December 2014: RMB5.00 billion), providing a strong capability of quick liquidation to meet foreseeable financing commitments or clients' withdrawal demands on maturity. Therefore, the Group considers the exposure to liquidity risk as insignificant.

45. FAIR VALUE OF FINANCIAL INSTRUMENTS

For financial reporting purposes, fair value measurements are categorised in to 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.

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

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

The carrying amounts of the financial assets and financial liabilities not measured at fair value on a recurring basis approximate their fair values as at 31 December 2014 and 30 June 2015.

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following tables give information about how the fair values of these financial assets and financial liabilities are determined including their fair value hierarchy, valuation technique(s) and key inputs use.

Financial assets/ financial liabilities	Fair value as at 30 June 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
1) Financial assets at fair value through profit or loss						
Debt securities						
– Traded on stock exchanges	**6,214,909**	6,168,987	level 1	Quoted bid prices in an active market.	N/A	N/A
– Traded on stock exchanges (inactive)	**2,391,338**	777,795	level 2	Recent transaction prices.	N/A	N/A
– Traded on inter-bank market	**25,726,791**	11,493,427	level 2	Discounted cash flows with future cash flows that are estimated based on contractual amounts and coupon rates, discounted at a rate that reflects the credit risk of counterparty.	N/A	N/A
Equity securities						
– Traded on stock exchanges	**7,392,781**	4,466,310	level 1	Quoted bid prices in an active market.	N/A	N/A
– Traded on stock exchanges (inactive)	**144,238**	86,726	level 2	Recent transaction prices.	N/A	N/A
– Traded on national equities exchanges	**559,202**	53,544	level 2	Recent transaction prices.	N/A	N/A
– Equity Investment	**199,836**	—	level 3	Recent transaction prices.	Long-term revenue growth, weighted average cost of capital	The higher the long-term revenue growth, the higher the value; The higher the weighted average cost of capital, the lower the value.

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis – *continued*

Financial assets/ financial liabilities	Fair value as at 30 June 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
1) Financial assets at fair value through profit or loss						
Funds						
– funds with quoted bid prices	**15,113,197**	1,725,876	level 1	Quoted bid prices in an active market.	N/A	N/A
Other investments						
– Collective asset management products issued by financial institutions	**669,294**	33,202	level 2	Calculated based on the fair value of the underlying investments which are debt securities (included listed in exchanges and listed in Interbank Bond Market) in each portfolio.	N/A	N/A
– Other asset management products/wealth management products	**21,420**	—	level 2	Calculated based on the fair value of the underlying investments which are debtsecurities (included listed in exchanges and listed in Interbank Bond Market) in each portfolio.	N/A	N/A
– Collective asset management schemes issued by financial institutions	**6,464**	11,952	level 3	Calculated based on the fair value of the underlying investments which mainly invest in loan and the fair value of loan and receivables is determined with an adjustment of discount of lack of marketability and the loan interest rate under the same conditions.	Discount for lack of marketability	The higher the discount the lower the fair value
– Other asset management products/wealth management products	**3,046,503**	2,118,843	level 3	Based on the net asset values of the investment, determined with reference to third party valuation of underlying investment portfolio and adjustments of related expenses.	Third party valuation of underlying investment portfolio.	The higher the third party valuation the higher the fair value
	61,485,973	26,936,662				

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis – *continued*

Financial assets/ financial liabilities	Fair value as at 30 June 2015	31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
2) Available-for-sale financial assets						
Debt securities						
– Traded on stock exchanges	**8,421,375**	7,081,836	level 1	Quoted bid prices in an active market.	N/A	N/A
– Traded on stock exchanges (inactive)	**1,810,000**	520,395	level 2	Recent transaction prices.	N/A	N/A
– Traded on inter-bank market	**22,399,643**	15,519,723	level 2	Discounted cash flows with future cash flows that are estimated based on contractual amounts and coupon rates, discounted at a rate that reflects the credit risk of counterparty.	N/A	N/A
Equity securities						
– Traded on stock exchanges	**3,350,485**	3,261,184	level 1	Quoted bid prices in an active market.	N/A	N/A
– Traded on stock exchanges (inactive)	**210,809**	16,524	level 2	Recent transaction prices.	N/A	N/A
– Restricted shares	**1,227,966**	510,410	level 3	Discounted cash flows. The fair value is determined with reference to the quoted market prices with an adjustment of discount for lack of marketability.	Discount for lack of marketability	The higher the discount, the lower the fair value
Funds						
– Funds with quoted bid prices	**2,019,593**	1,946,121	level 1	Quoted bid prices in an active market.	N/A	N/A
– Other funds	**214,777**	—	level 2	Based on the net asset values of the funds, determined with reference to observable (quoted) prices of underlying investment portfolio and adjustments of related expenses.	N/A	N/A

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis – *continued*

Financial assets/ financial liabilities	Fair value as at 30 June 2015	31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
2) Available-for-sale financial assets						
Other investments						
– Wealth management products issued by banks	**97,500**	11,000	level 1	Quoted bid prices in an active market.	N/A	N/A
– Collective asset management schemes issued by financial institutions	**871,937**	744,031	level 2	Calculated based on the fair value of the underlying investments which are debt securities (included listed in exchanges and listed in Interbank Bond Market) in each portfolio.	N/A	N/A
– Trading seat	**6,847**	8,138	level 2	Recent transaction prices.	N/A	N/A
– Collective asset management schemes issued by financial institutions	**206,746**	182,773	level 3	Calculated based on the fair value of the underlying investments which mainly invest in loan and receivables, and the fair value of loan and receivables is determined by reference to the future cash flow with an adjustment of discount for lack of marketability and the loan interest rate under the same conditions.	Discount for lack of marketability	The higher the discount the lower the fair value
– Other asset management products/ wealth management products	**9,828,672**	2,849,446	level 3	Based on the net asset values of the investment, determined with reference to third party valuation of underlying investment portfolio and adjustments of related expenses.	Third party valuation of underlying investment portfolio	The higher the third party valuation the higher the fair value
	50,666,350	32,651,581				

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis – *continued*

Financial assets/ financial liabilities	Fair value as at 30 June 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
3) Derivative financial instruments						
Equity return swaps – assets	**4,755**	6,614	level 2	Calculated based on the difference between the equity return of underlying equity securities based on quoted prices from stock exchanges in the PRC and the fixed income agreed in the swap agreements between the Company and the counterparty.	N/A	N/A
Equity return swaps – liabilities	**(2,130)**	(12,107)	level 2	Calculated based on the difference between the equity return of underlying equity securities based on quoted prices from stock exchanges in the PRC and the fixed income agreed in the swap agreements between the Company and the counterparty.	N/A	N/A
Structured notes – liabilities	**(300)**	(65)	level 2	Calculated based on the interest expense of underlying stock indexes from stock exchanges in the PRC.	N/A	N/A
Interest rate swaps – assets	**287,606**	51,597	level 2	Discounted cash flows. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
Interest rate swaps – liabilities	**(271,276)**	(42,099)	level 2	Discounted cash flows. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis – *continued*

Financial assets/ financial liabilities	Fair value as at 30 June 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input to fair value
3) Derivative financial instruments						
Interest rate swaps – assets	**—**	33,082	level 1	Quoted bid prices in an active market.	N/A	N/A
Interest rate swaps – liabilities	**—**	(32,947)	level 1	Quoted bid prices in an active market.	N/A	N/A
Stock index futures – assets	**809**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
Stock index futures – liabilities	**—**	(86)	level 1	Quoted bid prices in an active market.	N/A	N/A
Treasury bond futures	**—**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
Gold futures	**—**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
Good futures	**—**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
Stock option – assets	**9,464**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
Stock option – liabilities	**(19,865)**	—	level 1	Quoted bid prices in an active market.	N/A	N/A
4) Designated at fair value through profit or loss						
Investment in an associate	**59,840**	59,840	level 3	Recent transaction prices.	Long-term revenue growth weighted average cost of capital	The higher the long-term revenue growth, the higher the value; The higher the weighted average cost of capital, the lower the value.

(i) Under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in stock index futures, treasury bond futures, gold futures and part of interest rate swaps were settled daily in PRC, the corresponding receipts and payments were included in "clearing settlement funds" as at 30 June 2015 and 31 December 2014. Accordingly, the net position of the derivative financial instruments mentioned above was nil at the end of each reporting period.

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

As at 30 June 2015

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets:				
Available-for-sale investments				
– Debt securities	**8,421,375**	**24,209,643**	**—**	**32,631,018**
– Equity investments	**3,350,485**	**210,809**	**1,227,966**	**4,789,260**
– Funds	**2,019,593**	**214,777**	**—**	**2,234,370**
– Others	**97,500**	**878,784**	**10,035,418**	**11,011,702**
Financial assets at fair value through profit or loss				
– Debt securities	**6,214,909**	**28,118,129**	**—**	**34,333,038**
– Equity investments	**7,392,781**	**703,440**	**199,836**	**8,296,057**
– Funds	**15,113,197**	**—**	**—**	**15,113,197**
– Others	**—**	**690,714**	**3,052,967**	**3,743,681**
Unlisted investment in an associate at fair value through profit or loss	**—**	**—**	**59,840**	**59,840**
Derivative financial assets	**10,273**	**292,361**	**—**	**302,634**
Total	**42,620,113**	**55,318,657**	**14,576,027**	**112,514,797**
Financial liabilities:				
Derivative financial liabilities	**(19,865)**	**(273,706)**	**—**	**(293,571)**

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

As at 31 December 2014

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets:				
Available-for-sale investments				
– Debt securities	7,081,836	16,040,118	—	23,121,954
– Equity investments	3,261,184	16,524	510,410	3,788,118
– Funds	1,946,121	—	—	1,946,121
– Others	11,000	752,169	3,032,219	3,795,388
Financial assets at fair value through profit or loss				
– Debt securities	6,168,987	12,271,222	—	18,440,209
– Equity investments	4,466,310	140,270	—	4,606,580
– Funds	1,725,876	—	—	1,725,876
– Others	—	33,202	2,130,795	2,163,997
Unlisted investment in an associate at fair value through profit or loss	—	—	59,840	59,840
Derivative financial assets	33,082	58,211	—	91,293
Total	24,694,396	29,311,716	5,733,264	59,739,376
Financial liabilities:				
Derivative financial liabilities	33,033	54,271	—	87,304

45. FAIR VALUE OF FINANCIAL INSTRUMENTS – *continued*

Reconciliation of Level 3 fair value measurements

	Six months ended 30.6.2015		For the year ended 31.12.2014	
	Financial assets at fair value through profit or loss RMB'000 (unaudited)	**Available-for-sale financial assets RMB'000 (unaudited)**	Financial assets at fair value through profit or loss RMB'000 (audited)	Available-for-sale financial assets RMB'000 (audited)
At 1 January	**2,190,635**	**3,542,629**	—	2,703,012
Total gains/losses				
Profit or loss	**75,977**	**—**	88,822	—
Other comprehensive income	**—**	**676,374**	—	124,812
Purchases	**1,057,031**	**9,295,628**	2,101,813	3,272,441
Settlements	**(11,000)**	**(2,142,903)**	—	(2,397,467)
Transfers out of level 3	**—**	**(108,344)**	—	(160,169)
As at end of the period/year	**3,312,643**	**11,263,384**	2,190,635	3,542,629
Total gains for the period/year for assets/liabilities held as at end of the period/year – included in investment income	**75,977**	**—**	88,822	—

46. OUTSTANDING LITIGATIONS

As at 30 June 2015 and 31 December 2014, the Group involved as defendant in certain lawsuits with claim amounts of approximately RMB4.4 million and RMB9.4 million, respectively. Based on the court rulings, advices from legal representatives and management judgement, no provision had been made to the claim amounts. The directors of the Company are of the opinion the final court judgment will not have a significant impact on the Group's financial position or operations.

47. EVENTS AFTER THE END OF REPORTING PERIOD

On 4 July 2015, the Company, together with the other 20 securities companies, convened a meeting and issued the "Joint Announcement of 21 Securities Firms". Following the meeting, the Company entered into the Master Agreement for OTC Derivatives Trading in the China Securities Futures Market (《中國證券期貨市場場外衍生品交易主協議》) and the Confirmation of Return Swaps Trading (《收益互換交易確認書》) (together referring as the "the Agreements") with China Securities Finance Corporation Limited (the "CSFCL") to invest in blue chip or ETFs on 6 July 2015. On the date of the Agreements, as a participant of the meeting bound by the terms of the Agreements, the Company contributed an amount equivalent to 15% of its net asset position as at 30 June 2015 (the "Funding") and completed the transfer of Funding to CSFCL. Based on the terms of the Agreements, a special account has been established by CSFCL to manage the funding contributed by the Company and other securities companies centrally. The Company entitled to the profit or loss derived from the special account in proportion to the funding portion contributed.

Section 9 Documents Available for Inspection

(1) Texts of 2015 interim report with the signature of legal representative of the Company.

(2) Text of the financial statements with the signatures and seals of the person in charge of the Company, the Chief Financial Officer and the head of accounting department of the Company.

(3) The original copies of all corporate documents and announcements publicly disclosed on newspapers designated by the CSRC during the Reporting Period.

(4) Other relevant materials.

GF Securities Co., Ltd.
Legal representative: Sun Shuming

August 21, 2015