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CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 581)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		Changes
	2024	2023	
Sales volume (<i>tonnes</i>)			
– Self-manufactured steel products	3.76 million	3.88 million	(3.1%)
– Trading of steel products	0.07 million	0.10 million	(30.0%)
	3.83 million	3.98 million	(3.8%)
Revenue (<i>RMB</i>)			
– Sales of self-manufactured steel products	13.19 billion	13.97 billion	(5.6%)
– Sales of power equipment	1.92 billion	1.62 billion	18.4%
– Real estate	0.02 billion	0.08 billion	(72.0%)
– Trading of steel products, iron ore and related raw materials and others	7.44 billion	6.39 billion	16.4%
	22.57 billion	22.06 billion	2.3%
Gross profit (<i>RMB</i>)			
– Sales of self-manufactured steel products	643 million	562 million	14.4%
– Sales of power equipment	136 million	93 million	46.2%
– Real estate	7 million	45 million	(84.4%)
– Trading of steel products, iron ore and related raw materials and others	114 million	19 million	500.0%
	900 million	719 million	25.2%
Gross profit per tonne (<i>RMB</i>)			
– Sales of self-manufactured steel products	171	145	17.9%

* For identification purposes only

	For the six months ended 30 June		Changes
	2024	2023	
EBITDA ¹ (RMB)	815 million	1,050 million	(22.4%)
EBITDA ¹ margin	3.6%	4.8%	N/A
EBIT ² (RMB)	250 million	401 million	(37.8%)
EBIT ² margin	1.1%	1.8%	N/A
Profit before income tax (RMB)	143 million	266 million	(46.2%)
Profit for the period (RMB)	123 million	276 million	(55.4%)
Profit for the period attributable to owners of the Company (RMB)	94 million	282 million	(66.7%)
Basic earnings per share (RMB)	0.03	0.08	(62.5%)
Interim dividend per share (HK\$)	–	–	–
Return on equity ³	0.4%	1.2%	N/A
Adjusted profit for the period (a non-HKFRS measure) ⁴ (RMB)	123 million	218 million	(43.7%)
	As at		
	30 June	31 December	
	2024	2023	Changes
Total assets (RMB)	52.21 billion	50.03 billion	4.4%
Net assets value per share (exclude non-controlling interests) (RMB)	5.96	5.98	(0.3%)
Debt-to-capital ratio ⁵	71.0%	63.0%	N/A

¹ China Oriental Group Company Limited (the “Company”) defines EBITDA as profit for the period before finance costs — net, income tax expense/(credit), amortisation, depreciation and non-cash non-recurring items. During the six months ended 30 June 2024, there were no adjustments of non-cash non-recurring items in the calculation (2023 corresponding period: nil).

² The Company defines EBIT as profit for the period before finance costs — net, income tax expense/(credit) and non-cash non-recurring items. During the six months ended 30 June 2024, there were no adjustments of non-cash non-recurring items in the calculation (2023 corresponding period: nil).

³ Return on equity is calculated as profit attributable to owners of the Company divided by the average of the beginning and ending balances of the equity attributable to owners of the Company for that period.

⁴ The Company defines the adjusted profit for the period (a non-HKFRS measure) as profit for the period excluding non-recurring gain and the provision for impairment of both (i) properties under development and held for sale; and (ii) loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC. For the six months ended 30 June 2024, the foregoing provisions were not made based on the Group’s evaluation of market situation and current provision of relevant property development projects in the PRC, and no non-recurring gain was recorded. Therefore, such non-HKFRS measure did not apply to the profit for the six months ended 30 June 2024. Please refer to the sub-section headed “Management Discussion and Analysis — Non-HKFRS Measure” for details of the non-HKFRS measure.

⁵ Debt-to-capital ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, lease liabilities and loans from related parties. Total capital includes non-current borrowings, non-current lease liabilities and equity attributable to owners of the Company.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024 together with the comparative figures for the corresponding period in 2023.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Note</i>	Six months ended 30 June	
		2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
		Unaudited	
Revenue	4	22,565,340	22,058,731
Cost of sales		(21,665,160)	(21,339,463)
Gross profit		900,180	719,268
Distribution costs		(56,936)	(58,022)
Administrative expenses		(360,675)	(365,597)
Research and development expenses		(192,680)	(167,238)
(Provision for)/reversal of impairment of financial and contract assets, net		(14,833)	17,137
Other expenses		(22,033)	(11,392)
Gains/(losses) from derivative financial instruments	6	32,843	(21,912)
Other income	6	73,808	72,533
Other (losses)/gains – net	6	(111,407)	217,092
Operating profit	6	248,267	401,869
Finance income	7	145,646	110,666
Finance costs	7	(252,328)	(245,955)
Share of results of associates and a joint venture		1,518	(578)
Profit before income tax		143,103	266,002
Income tax (expense)/credit	8	(20,074)	10,133
Profit for the period		123,029	276,135

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME** *(continued)*

	Six months ended 30 June	
	2024	2023
<i>Note</i>	RMB'000	RMB'000
	Unaudited	
Other comprehensive income:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Fair value gains on debt investments at fair value through other comprehensive income	1,856	3,896
<i>Item reclassified to profit or loss</i>		
Transfer of fair value losses previously credited to reserve to statement of profit or loss upon disposal of debt investments at fair value through other comprehensive income	34	16
Other comprehensive income for the period, net of income tax	1,890	3,912
Total comprehensive income for the period	124,919	280,047
Profit for the period attributable to:		
– Owners of the Company	94,063	282,255
– Non-controlling interests	28,966	(6,120)
	123,029	276,135
Total comprehensive income attributable to:		
– Owners of the Company	95,953	286,167
– Non-controlling interests	28,966	(6,120)
	124,919	280,047
Earnings per share for profit attributable to owners of the Company for the period <i>(express in RMB per share)</i>		
– Basic earnings per share	<i>9</i> RMB0.03	RMB0.08
– Diluted earnings per share	<i>9</i> RMB0.03	RMB0.08

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2024	As at 31 December 2023
	<i>Note</i>	RMB'000 Unaudited	RMB'000 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	11	14,407,649	14,396,707
Right-of-use assets		1,543,584	1,581,919
Investment properties	11	160,666	166,367
Intangible assets	11	1,679,977	1,710,649
Investment in associates and a joint venture		186,422	184,904
Financial assets at fair value through other comprehensive income		355,000	449,833
Financial assets at fair value through profit or loss	16	238,194	325,896
Amount due from a related party		10,000	–
Properties under development and held for sale	12	117,524	93,647
Prepayments, deposits and other receivables	15	143,649	154,562
Long-term bank deposits		300,000	1,390,000
Loan receivables	17	855,956	941,780
Deferred income tax assets		705,963	685,191
Total non-current assets		20,704,584	22,081,455
Current assets			
Properties under development and held for sale	12	211,679	219,400
Inventories	13	4,906,185	5,962,303
Trade receivables	14	3,007,616	2,871,278
Contract assets	14	1,176,494	1,057,565
Prepayments, deposits and other receivables	15	3,990,983	4,429,107
Financial assets at fair value through other comprehensive income		97,560	–
Financial assets at fair value through profit or loss	16	5,060,241	4,134,058
Amounts due from related parties		116,907	128,899
Prepaid current income tax		73,059	65,399
Loan receivables	17	671,324	497,720
Notes receivable - bank acceptance notes	18	204,393	346,957
Restricted bank balances		6,556,292	4,490,458
Cash and cash equivalents		5,347,021	3,618,030
Structured bank deposits		90,541	127,543
Total current assets		31,510,295	27,948,717
Total assets		52,214,879	50,030,172

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)

		As at 30 June 2024	As at 31 December 2023
	<i>Note</i>	RMB'000 Unaudited	RMB'000 Audited
EQUITY			
Equity attributable to owners of the Company			
Share capital		380,628	380,628
Share premium		3,532,234	3,532,234
Other reserves		1,863,519	1,860,033
Retained earnings		16,420,063	16,495,881
		<u>22,196,444</u>	<u>22,268,776</u>
Non-controlling interests		2,736,658	2,709,009
		<u>24,933,102</u>	<u>24,977,785</u>
LIABILITIES			
Non-current liabilities			
Borrowings	19	3,956,638	2,383,933
Lease liabilities		27,754	21,354
Long-term payables		–	8,352
Deferred revenue		22,164	24,923
Deferred income tax liabilities		43,740	67,056
		<u>4,050,296</u>	<u>2,505,618</u>
Total non-current liabilities			
Current liabilities			
Trade payables	20	4,126,254	4,385,823
Accruals and other current liabilities		2,819,040	3,112,418
Contract liabilities		1,022,259	1,424,604
Amounts due to related parties		142,022	85,321
Current income tax liabilities		321,528	346,318
Lease liabilities		17,978	9,519
Derivative financial instruments		451	21,398
Borrowings	19	14,542,311	13,089,962
Long-term payables, current portion		25,074	33,041
Dividends payable		214,564	38,365
		<u>23,231,481</u>	<u>22,546,769</u>
Total current liabilities		23,231,481	22,546,769
		<u>27,281,777</u>	<u>25,052,387</u>
Total liabilities		27,281,777	25,052,387
		<u>52,214,879</u>	<u>50,030,172</u>
Total equity and liabilities		52,214,879	50,030,172

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	
Net cash generated from operating activities	1,253,428	598,770
Net cash (used in)/generated from investing activities	(414,910)	544,320
Net cash generated from financing activities	883,641	1,370,715
Net increase in cash and cash equivalents	1,722,159	2,513,805
Effect of foreign exchange rate changes	6,832	27,592
Cash and cash equivalents, beginning of period	3,618,030	2,124,697
Cash and cash equivalents, end of period	<u>5,347,021</u>	<u>4,666,094</u>

SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in Bermuda on 3 November 2003 as an exempted company with limited liability under the Companies Act 1981 of Bermuda as a result of a group reorganisation. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company's shares have been listed on the Stock Exchange since 2 March 2004.

The Company together with its subsidiaries are hereinafter collectively referred to as the Group. The Group is principally engaged in the manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials, sales of power equipment and real estate business. The Group has major manufacturing plants in Hebei Province and Guangdong Province of the PRC and sells mainly to customers located in the PRC. The Group also carries out property development business which is mainly in the PRC.

These condensed consolidated financial statements are presented in thousands of units of RMB unless otherwise stated. These condensed consolidated financial statements have been approved for issue by the Board on 29 August 2024.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by HKICPA as well as the applicable disclosure requirements of the Listing Rules.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, as appropriate.

Other than disclosed below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

(a) Application of amendments to HKFRSs

For the six months ended 30 June 2024, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS for the six months ended 30 June 2024 has had no material impact on the Group's consolidated financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

(b) Change of accounting estimates

The Group has reviewed the estimate of the useful life of property, plant and equipment from time to time and at least at the end of each financial year. Estimates of useful lives require adjustment from time to time in the light of changes in experience and knowledge. Taking into account the actual status, operation and maintenance of the items in the property, plant and equipment, and the depreciation policies of listed companies in the iron and steel industry, the Group has changed the useful life of certain items of machinery in its iron and steel production process from 10 years to 15 years starting from 1 January 2024.

The change in calculation of accounting estimates adopts the future applicable method, and its impact on the Group's condensed consolidated financial statements for the six months ended 30 June 2024 is as below:

	Impact of the changes in accounting estimates on the profit of the period RMB'000 Unaudited Increase/(Decrease)
Changes in the useful life of certain items of machinery (from 10 years to 15 years)	<u>100,772</u>

4. REVENUE

The Group is principally engaged in the manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials, sales of power equipment and real estate business. Sales recognised for the six months ended 30 June 2024 and 2023 were as follows:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	Unaudited	Unaudited
Sales:		
– H-section steel products	5,869,916	7,055,205
– Iron ore	5,435,032	4,570,854
– Strips and strip products	5,392,807	5,130,934
– Power equipment	1,918,771	1,620,604
– Sheet piling	1,483,270	1,223,352
– Coke	819,684	491,072
– Cold rolled sheets and galvanised sheets	712,975	734,530
– Steel scrap	90,187	216,968
– Billets	50,289	274,532
– Real estate	23,382	83,623
– Others	769,027	657,057
	<u>22,565,340</u>	<u>22,058,731</u>

5. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the management committee, which comprises all executive Directors and top management. The chief operating decision-maker reviews the Group's internal reporting in order to assess performance and allocate resources.

Based on these reports, the chief operating decision-maker considers the business from a business perspective. From a business perspective, the chief operating decision-maker assesses the performance of the iron and steel and the real estate segments.

- (i) Iron and steel – Manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials and sales of power equipment; and
- (ii) Real estate – Development and sales of properties.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of revenue and operating profit. This measurement is consistent with that in the consolidated financial statements for the year ended 31 December 2023.

The segment information provided to the chief operating decision-maker for the reportable segments for the period was as follows:

	Six months ended 30 June 2024		
	Iron and steel	Real estate	Total
	RMB'000	RMB'000	RMB'000
		Unaudited	
Revenue	22,541,958	23,382	22,565,340
Segment results:			
Operating profit	244,150	4,117	248,267
Finance (costs)/income – net	(111,144)	4,462	(106,682)
Share of results of associates and a joint venture	1,518	–	1,518
Profit before income tax			143,103
Income tax expense			(20,074)
Profit for the period			123,029
Other profit or loss items			
Depreciation and amortisation	564,744	320	565,064
Capital expenditure	609,402	–	609,402

	Six months ended 30 June 2023		
	Iron and steel	Real estate	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		Unaudited	
Revenue	21,975,108	83,623	22,058,731
Segment results:			
Operating profit	370,306	31,563	401,869
Finance (costs)/income – net	(137,804)	2,515	(135,289)
Share of results of associates and a joint venture	(578)	–	(578)
Profit before income tax			266,002
Income tax credit			10,133
Profit for the period			<u>276,135</u>
Other profit or loss items			
Depreciation and amortisation	647,880	340	648,220
Capital expenditure	1,341,295	3	1,341,298

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets are determined after deducting related allowance that is reported as direct offsets in the statement of financial position.

Segment liabilities are those operating liabilities that result from the operating activities of a segment.

The segment assets and liabilities as at 30 June 2024 were as follows:

	Iron and steel <i>RMB'000</i>	Real estate <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
	Unaudited			
Segment assets	<u>44,993,482</u>	<u>1,609,567</u>	<u>(1,308,728)</u>	<u>45,294,321</u>
Segment assets for reportable segments				45,294,321
Unallocated:				
Deferred income tax assets				705,963
Financial assets at fair value through other comprehensive income				452,560
Financial assets at fair value through profit or loss				5,298,435
Structured bank deposits				90,541
Long-term bank deposits				300,000
Prepaid current income tax				<u>73,059</u>
Consolidated assets				<u><u>52,214,879</u></u>
Segment liabilities	<u>8,054,466</u>	<u>1,456,807</u>	<u>(1,308,728)</u>	<u>8,202,545</u>
Segment liabilities for reportable segments				8,202,545
Unallocated:				
Current income tax liabilities				321,528
Current borrowings				14,542,311
Non-current borrowings				3,956,638
Derivative financial instruments				451
Dividends payable				214,564
Deferred income tax liabilities				<u>43,740</u>
Consolidated liabilities				<u><u>27,281,777</u></u>

The segment assets and liabilities as at 31 December 2023 were as follows:

	Iron and steel <i>RMB'000</i>	Real estate <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
		Audited		
Segment assets	<u>42,669,767</u>	<u>1,557,192</u>	<u>(1,374,707)</u>	<u>42,852,252</u>
Segment assets for reportable segments				42,852,252
Unallocated:				
Deferred income tax assets				685,191
Financial assets at fair value through other comprehensive income				449,833
Financial assets at fair value through profit or loss				4,459,954
Structured bank deposits				127,543
Long-term bank deposits				1,390,000
Prepaid current income tax				<u>65,399</u>
Consolidated assets				<u><u>50,030,172</u></u>
Segment liabilities	<u>9,001,308</u>	<u>1,478,754</u>	<u>(1,374,707)</u>	<u>9,105,355</u>
Segment liabilities for reportable segments				9,105,355
Unallocated:				
Current income tax liabilities				346,318
Current borrowings				13,089,962
Non-current borrowings				2,383,933
Derivative financial instruments				21,398
Dividends payable				38,365
Deferred income tax liabilities				<u>67,056</u>
Consolidated liabilities				<u><u>25,052,387</u></u>

6. OPERATING PROFIT

The operating profit of the Group has been derived after crediting/(charging) the following items:

	Six months ended 30 June	
	2024 <i>RMB'000</i> Unaudited	2023 <i>RMB'000</i> Unaudited
Depreciation of property, plant and equipment (<i>Note 11</i>)	(498,368)	(579,902)
Depreciation of right-of-use assets	(27,681)	(23,834)
Amortisation of intangible assets (<i>Note 11</i>)	(33,314)	(37,366)
Depreciation of investment properties (<i>Note 11</i>)	(5,701)	(7,118)
Provision for impairment of prepayments, deposits and other receivables	–	(3,410)
(Provision for)/reversal of impairment of loan receivables	(349)	40,988
Provision for impairment of trade receivables and contract assets	(14,484)	(20,441)
Reversal of impairment of properties under development and held for sale	–	19,633
Provision for impairment of inventories to net realisable value	(13,354)	(2,482)
Other income		
– Interest income from loan receivables	5,301	6,394
– Government grants	41,210	31,754
– Dividend income from financial assets at fair value through other comprehensive income	2,937	17,038
– Rental income	23,148	16,174
– Interest income from financial assets at fair value through other comprehensive income	1,212	1,173
Other (losses)/gains – net		
– Fair value (losses)/gains from financial assets at fair value through profit or loss	(154,090)	112,665
– Other foreign exchange (losses)/gains – net	(39,232)	64,829
– Investment income from financial assets at fair value through profit or loss	69,416	59,986
– Gains on disposal of investment properties	–	8,474
– Gains on early termination of lease contracts	–	5,585
– Gains on disposal of property, plant and equipment	3,076	552
– Investment income from structured bank deposits	108	136
– Losses on derecognition of notes receivable	(715)	(49,276)
– Others	10,030	14,141
Gains/(losses) from derivative financial instruments	32,843	(21,912)

7. FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Interest expenses on borrowings	(278,811)	(240,403)
Interest expenses on lease liabilities	(734)	(960)
Net foreign exchange gains/(losses) on borrowings and dividends payable	6,726	(28,319)
	<u> </u>	<u> </u>
Total finance costs	(272,819)	(269,682)
Less: amounts capitalised as qualifying assets	20,491	23,727
	<u> </u>	<u> </u>
Finance costs	(252,328)	(245,955)
Finance income – interest income	145,646	110,666
	<u> </u>	<u> </u>
Finance costs – net	<u>(106,682)</u>	<u>(135,289)</u>

For the six months ended 30 June 2024, a capitalisation rate of 3.12% (for the six months ended 30 June 2023: 3.49%) was used, representing the average borrowing cost of the loans relating to financing the construction of property, plant and equipment.

8. INCOME TAX EXPENSE/(CREDIT)

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Current income tax		
– PRC EIT	61,581	(5,608)
– Singapore profits tax	2,581	1,179
	<u> </u>	<u> </u>
	64,162	(4,429)
	<u> </u>	<u> </u>
Deferred income tax		
– PRC EIT	(44,088)	(5,704)
	<u> </u>	<u> </u>
	<u>20,074</u>	<u>(10,133)</u>

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average applicable tax rate of 15.00% (for the six months ended 30 June 2023: 19.43%) to respective profits of the consolidated entities for the six months ended 30 June 2024 and 2023 as follows:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Profit before income tax	143,103	266,002
Taxation calculated at statutory tax rates applicable in corresponding countries and regions	21,471	51,681
Tax exemption of subsidiaries with preferential tax policy	(26,267)	(22,016)
Temporary differences and tax losses for which no deferred income tax asset was recognised	50,414	20,464
Utilisation of previously unrecognised tax losses and temporary differences	(4,015)	(26,732)
Withholding tax of intra-group dividends income and interest income	9,774	18,586
Additional deduction of research and development expenses and other expenses	(26,158)	(35,002)
Effect of non-taxable income	(6,497)	(18,768)
Effect of non-deductible expenses	1,352	1,654
	20,074	(10,133)

The Group is subject to the global minimum top-up tax Pillar Two Rules. Pillar Two Rules has been enacted in Hong Kong and Singapore, and will come into effect from 1 January 2025. Since the Pillar Two Rules is not yet effective at the reporting date, the Group has no related current tax exposure. The Group has applied the temporary mandatory exception for recognising and disclosing deferred income tax assets and liabilities for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group is continuing to assess the impact of the Pillar Two income taxes on its future financial performances.

9. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2024	2023
	Unaudited	Unaudited
Profit attributable to owners of the Company (<i>RMB'000</i>)	94,063	282,255
Weighted average number of ordinary shares in issue (<i>thousands of shares</i>)	3,722,569	3,722,569
Basic earnings per share (<i>RMB per share</i>)	0.03	0.08

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As at 30 June 2024 and 2023, the Group did not have any dilutive potential ordinary share. Therefore, diluted earnings per share was the same as basic earnings per share.

10. DIVIDENDS

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Final, paid (<i>a</i>)	169,876	101,521

- (a) At the Board meeting held on 27 March 2024, the Board proposed a special dividend of approximately HK\$186 million, representing HK\$0.05 per ordinary share for the year ended 31 December 2023. The proposed special dividend of approximately HK\$186 million (equivalent to approximately RMB170 million) was approved by the Shareholders at the AGM on 28 June 2024 and was paid on 20 August 2024.

At the Board meeting held on 31 March 2023, the Board proposed a special dividend of approximately HK\$112 million, representing HK\$0.03 per ordinary share for the year ended 31 December 2022. The proposed special dividend of approximately HK\$112 million (equivalent to approximately RMB102 million) was approved by the Shareholders at the AGM on 8 June 2023 and was paid on 18 August 2023.

- (b) At the Board meetings held on 29 August 2024 and 31 August 2023, the Board did not recommend the distribution of an interim dividend for the six months ended 30 June 2024 and 2023 respectively.

11. CAPITAL EXPENDITURE

	Property, plant and equipment <i>RMB'000</i>	Investment properties <i>RMB'000</i> Unaudited	Intangible assets <i>RMB'000</i>
Six months ended 30 June 2024			
Opening carrying amount as at 1 January 2024 (Audited)	14,396,707	166,367	1,710,649
Additions	574,721	–	2,642
Disposals	(65,411)	–	–
Depreciation and amortisation <i>(Note 6)</i>	(498,368)	(5,701)	(33,314)
	<u>14,407,649</u>	<u>160,666</u>	<u>1,679,977</u>
Closing carrying amount as at 30 June 2024 (Unaudited)	<u>14,407,649</u>	<u>160,666</u>	<u>1,679,977</u>
Six months ended 30 June 2023			
Opening carrying amount as at 1 January 2023 (Audited)	14,544,200	196,580	1,803,654
Additions	585,523	1,788	6,039
Disposals	(596)	(10,630)	–
Depreciation and amortisation <i>(Note 6)</i>	(579,902)	(7,118)	(37,366)
	<u>14,549,225</u>	<u>180,620</u>	<u>1,772,327</u>
Closing carrying amount as at 30 June 2023 (Unaudited)	<u>14,549,225</u>	<u>180,620</u>	<u>1,772,327</u>

Impairment assessment

The Group regularly performs impairment assessment on the non-financial assets. The assessment includes the best estimates of the impairment indicators that is reasonably available as of the reporting date. Based on the result of the assessment, no impairment was recognised related to long-term assets during the current interim period (for the six months ended 30 June 2023: nil).

12. PROPERTIES UNDER DEVELOPMENT AND HELD FOR SALE

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Non-Current		
Properties under development comprise:		
– Land use rights	202,496	202,496
– Construction costs	144,686	120,586
Less: impairment provision	(229,658)	(229,435)
	<u>117,524</u>	<u>93,647</u>
Current		
Properties under development comprise:		
– Construction costs	5,184	3,679
Less: impairment provision	(1,282)	(1,282)
	<u>3,902</u>	<u>2,397</u>
Completed properties held for sale	311,488	320,937
Less: impairment provision	(103,711)	(103,934)
	<u>207,777</u>	<u>217,003</u>
	<u>211,679</u>	<u>219,400</u>
Total	<u><u>329,203</u></u>	<u><u>313,047</u></u>

13. INVENTORIES

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Raw materials and materials in-transit	2,892,022	4,248,490
Work-in-progress	282,984	388,567
Finished goods	1,796,715	1,377,429
Less: impairment provision	(65,536)	(52,183)
Inventories – net	<u><u>4,906,185</u></u>	<u><u>5,962,303</u></u>

14. TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Trade receivables	3,273,140	3,125,292
Contract assets	1,246,838	1,124,935
Less: impairment provision for trade receivables	(265,524)	(254,014)
impairment provision for contract assets	(70,344)	(67,370)
	<hr/>	<hr/>
Trade receivables and contract assets – net	4,184,110	3,928,843
	<hr/> <hr/>	<hr/> <hr/>

As at 30 June 2024 and 31 December 2023, the carrying amount of the Group's trade receivables and contract assets approximated their fair values.

As at 30 June 2024 and 31 December 2023, the ageing analysis of the gross amount of trade receivables based on invoice date was as follows:

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Within 3 months	1,643,409	1,883,027
4–6 months	731,631	450,579
7–12 months	326,231	135,406
Over 1 year	571,869	656,280
	<hr/>	<hr/>
	3,273,140	3,125,292
	<hr/> <hr/>	<hr/> <hr/>

As at 30 June 2024, trade receivables amounting to approximately RMB325 million (31 December 2023: approximately RMB463 million) were secured by letters of credit issued by third party customers.

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Non-current		
Prepayments for purchase of long-term assets	52,363	43,616
Prepaid expenses	19,359	23,961
Other receivables related to leases	76,649	91,707
Less: impairment provision	(4,722)	(4,722)
Other receivables related to leases – net	71,927	86,985
	143,649	154,562
Current		
Prepayments for purchase of inventories	2,133,592	1,842,879
Other receivables related to disposal of a subsidiary	–	214,199
Other receivables	1,505,857	1,509,987
Less: impairment provision	(228,909)	(222,427)
Other receivables – net	1,276,948	1,287,560
Deposits	180,890	232,043
Prepaid expenses	68,506	107,743
Prepaid tax	243,479	665,439
Other receivables related to leases	91,778	83,454
Less: impairment provision	(4,210)	(4,210)
Other receivables related to leases – net	87,568	79,244
	3,990,983	4,429,107
Total	4,134,632	4,583,669

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Non-current		
Listed equity interests	238,194	261,111
Financial investment products	–	64,785
	<u>238,194</u>	<u>325,896</u>
Current		
Investment funds	1,426,759	1,128,876
Listed bond investments	1,111,219	1,326,293
Money market funds	1,036,793	139,361
Financial investment products	932,802	1,029,446
Bond market funds	284,994	283,076
Listed equity interests	267,674	227,006
	<u>5,060,241</u>	<u>4,134,058</u>
Total	<u><u>5,298,435</u></u>	<u><u>4,459,954</u></u>

17. LOAN RECEIVABLES

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Non-current		
Long-term loan receivables (a)	1,139,880	1,232,502
Less: impairment provision (c)	(283,924)	(290,722)
	<u>855,956</u>	<u>941,780</u>
Current		
Short-term and current portion of long-term loan receivables (b)	676,664	502,395
Less: impairment provision (c)	(5,340)	(4,675)
	<u>671,324</u>	<u>497,720</u>
Total loan receivables, net of provision	<u><u>1,527,280</u></u>	<u><u>1,439,500</u></u>

The Group provided loans to third parties. The details of the loans are set out below:

- (a) As at 30 June 2024, long-term loan receivable of approximately RMB348 million (31 December 2023: approximately RMB348 million) was secured by pledge of certain production capacity of the borrower, facilitated by the government department concerned, interest-free, with repayment terms of 5 years and is wholly repayable in 2025.

As at 30 June 2024, long-term loan receivable of approximately RMB93 million was reclassified to short-term loan receivables due to the signed supplemental agreements and the improvement in the counterparty's payment capability, and the Group expected the loan would be retrieved within 1 year.

- (b) As at 30 June 2024, short-term loan receivable of approximately RMB70 million (31 December 2023: approximately RMB70 million) was borrowed by Mr. Wang Anjing, the chairman of Client Service International, Inc. (北京科藍軟件系統股份有限公司, "CSII"). The loan was secured by the borrower's pledge of listed equity shares of CSII, interest bearing at rate of 10% per annum.

As at 30 June 2024, current portion of long-term loan receivable of approximately RMB254 million (31 December 2023: approximately RMB254 million) was borrowed by Mr. Liu Feng and Ms. Liu Yanhua, the non-controlling shareholders of HJT. The loan, which was secured by the pledge of borrowers' listed equity shares of HJT, was interest-free. The principal was matured on 10 January 2024 and the maturity date was extended to 10 January 2025 by the borrowers in accordance with the terms of the loan.

As at 30 June 2024, long-term loan receivable of approximately RMB91 million (31 December 2023: approximately RMB91 million) was secured by certain properties in Hong Kong, interest bearing at rate of 10% per annum and principal will be repaid in June 2025.

As at 30 June 2024, short-term loan receivable of approximately RMB178 million (31 December 2023: approximately RMB178 million) was borrowed by Huzhou Fenglin Volcanic Equity Investment Partnership (Limited Partnership)*(湖州風林火山股權投資合夥企業(有限合夥), "Fenglin Volcanic"), which was secured by the borrower's pledge of listed equity shares of Jiangsu Shentong Valve Co., Ltd.* (江蘇神通閘門股份有限公司, "Jiangsu Shentong"), interest bearing at rate of 8% per annum. Fenglin Volcanic was the second largest shareholder of Jiangsu Shentong, and Mr. Han Li was the largest shareholder and the chairman of Jiangsu Shentong.

As at 30 June 2024, short-term loan receivable of approximately RMB40 million was borrowed by Ms. Huang Xingfeng, the shareholder of Jiangxi Yuean New Materials Co., Ltd.* (江西悅安新材料股份有限公司, "Jiangxi Yuean"). The loan was secured by the borrower's pledge of listed equity shares of Jiangxi Yuean, interest bearing at rate of 8% per annum.

- (c) As at 30 June 2024, provisions amounting to approximately RMB289 million (31 December 2023: approximately RMB295 million) were recognised on the loan receivables based on expected credit losses given that the decline in the value of underlying asset and evolved uncertainty in the recoverable amount.

The fair values of loan receivables approximated their carrying amounts as at the end of the period, as the impact of discounting was not significant.

18. NOTES RECEIVABLE - BANK ACCEPTANCE NOTES

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Notes receivable designated as financial assets at fair value through other comprehensive income	204,393	346,957

The settlement of the notes receivable was guaranteed by banks with maturity dates within 1 year. The notes receivable can be convertible into cash and cash equivalents by paying discounting interests and the credit risks in respect of the notes receivable were considered to be low.

As at 30 June 2024, notes receivable amounting to approximately RMB68 million (31 December 2023: nil) was pledged as security for issuing notes payable (Note 20) and no notes receivable (31 December 2023: approximately RMB23 million) was pledged as security for the Group's bank borrowing (Note 19).

As at 30 June 2024 and 31 December 2023, the ageing analysis of notes receivable was as follows:

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Within 3 months	138,486	193,396
4-6 months	65,907	142,172
7-12 months	–	11,389
	204,393	346,957

19. BORROWINGS

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Non-current		
Bank borrowings		
– Secured (i)	485,400	573,800
– Unsecured	3,471,238	1,810,133
	<u>3,956,638</u>	<u>2,383,933</u>
Current		
Bank borrowings		
– Secured (i)	9,020,694	4,600,640
– Unsecured	5,516,280	8,483,985
	<u>14,536,974</u>	<u>13,084,625</u>
Other borrowings, unsecured (ii)	5,337	5,337
	<u>14,542,311</u>	<u>13,089,962</u>
Total borrowings	<u><u>18,498,949</u></u>	<u><u>15,473,895</u></u>

The borrowings of the Group as at 30 June 2024 were composed of the following:

- (i) The secured bank borrowings as at 30 June 2024, totalling approximately RMB9,506 million were secured by property, plant and equipment, investment properties, right-of-use assets, notes receivable - bank acceptance notes (Note 18), long-term bank deposits and restricted bank balances of the Group.

The secured bank borrowings as at 31 December 2023, totalling approximately RMB5,174 million were secured by property, plant and equipment, investment properties, right-of-use assets, notes receivable - bank acceptance notes (Note 18), long-term bank deposits and restricted bank balances of the Group.

- (ii) The other unsecured borrowings of approximately RMB5 million (31 December 2023: approximately RMB5 million) represented a borrowing from a local county government without fixed term of repayment. Interest is charged at the one-year fixed bank deposit rate of RMB.

As at 30 June 2024 and 31 December 2023, the Group's borrowings were repayable as follows:

	Bank borrowings		Other borrowings	
	As at 30 June 2024 RMB'000 Unaudited	As at 31 December 2023 RMB'000 Audited	As at 30 June 2024 RMB'000 Unaudited	As at 31 December 2023 RMB'000 Audited
Within 1 year	14,536,974	13,084,625	5,337	5,337
Between 1 and 2 years	2,944,138	1,382,143	–	–
Between 2 and 5 years	713,500	533,790	–	–
Over 5 years	299,000	468,000	–	–
	<u>18,493,612</u>	<u>15,468,558</u>	<u>5,337</u>	<u>5,337</u>

20. TRADE PAYABLES

	As at 30 June 2024 RMB'000 Unaudited	As at 31 December 2023 RMB'000 Audited
Account payables	2,815,031	3,062,082
Notes payable	1,311,223	1,323,741
	<u>4,126,254</u>	<u>4,385,823</u>

As at 30 June 2024, notes payable of approximately RMB1,133 million represented bank acceptance notes which were secured by certain restricted bank balances and notes receivable - bank acceptance notes and approximately RMB178 million represented commercial acceptance notes which were guaranteed by credit.

As at 31 December 2023, notes payable of approximately RMB1,226 million represented bank acceptance notes which were secured by certain restricted bank balances and approximately RMB98 million represented commercial acceptance notes which were guaranteed by credit.

As at 30 June 2024 and 31 December 2023, the ageing analysis of the trade payables was as follows:

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Within 3 months	2,514,995	2,778,440
4–6 months	1,189,289	1,129,809
7–9 months	120,502	163,427
10–12 months	111,990	71,660
Over 1 year	189,478	242,487
	4,126,254	4,385,823

21. CAPITAL COMMITMENTS

	As at 30 June 2024 <i>RMB'000</i> Unaudited	As at 31 December 2023 <i>RMB'000</i> Audited
Purchase of property, plant and equipment		
– Contracted but not provided for	685,469	786,490
– Authorised but not contracted for	52,217	55,094
	737,686	841,584
Purchase of properties under development	321,911	377,590

MANAGEMENT DISCUSSION AND ANALYSIS

Looking back at the first half of 2024, despite the global economy as a whole showing a moderate recovery trend and maintaining stable growth, the inflation slowed down, and uncertainty in monetary policy increased. The economies of different regions continued to diverge, and emerging and developing market economies in Asia, such as China, provide the main driving force for global economic growth. During the period, China's economy operated steadily overall, with progress amidst stability, showing an upward trend of continued recovery. On the downstream demand side of the iron and steel industry, investment in infrastructure increased by approximately 5.4% year-on-year; new construction area of real estate sector decreased by approximately 23.7% year-on-year. The demand for steel used in the real estate sector remained sluggish; and sales and production volume of automobile saw steady year-on-year growth. Due to the drag from real estate sector, the demand for steel used in engineering machinery decreased. The overall downstream demand for steel products remained weak. In summary, in the first half of 2024, although the overall business environment of China's iron and steel industry has improved compared to that in the second half of 2023, it still maintained a pattern of "strong supply, weak demand, low prices, and high costs", with corporate profits continuously being squeezed. According to the National Bureau of Statistics of the PRC, the national production volumes of pig iron, crude steel and steel products in the first half of 2024 amounted to approximately 436 million tonnes, approximately 531 million tonnes and approximately 701 million tonnes respectively, representing a decrease of approximately 3.6%, a decrease of approximately 1.1% and an increase of approximately 2.8% respectively, compared to the corresponding period in 2023.

With regard to the policies of the iron and steel industry, in May 2024, the NDRC, the MIIT, the Ministry of Ecology and Environment of the PRC, and other ministries jointly issued the "Special Action Plan for Energy Conservation and Carbon Reduction in the Iron and Steel Industry"* (《鋼鐵行業節能降碳專項行動計劃》), aiming to continue implementing regulation and control of crude steel production, reduce energy consumption intensity in the iron and steel industry through energy-saving and carbon-reducing transformation and upgrade of energy-using equipment, in support to the achievement of the "14th Five-Year Plan" energy consumption intensity reduction target. In May 2024, the State Council issued the "Action Plan for Energy Conservation and Carbon Reduction in 2024–2025"* (《2024–2025年節能降碳行動方案》), which mentioned continuing to implement the regulation and control of crude steel production and strictly controlling the export of low value-added basic raw material products in 2024. By the end of 2025, the proportion of electric arc furnace steel production in the total crude steel production is expected to be raised to 15%, the proportion of production capacity above the energy efficiency benchmarking level in the iron and steel industry is expected to reach 30%, and production capacity below the energy efficiency standard level will complete technical transformation or be phased out. In addition, in June 2024, Tangshan Municipal Government issued the "National Carbon Peaking Pilot (Tangshan) Implementation Plan"* (《國家碳達峰試點(唐山)實施方案》), aiming that by 2025, the energy efficiency of iron and steel and coking enterprises will all reach above the benchmark level, the proportion of capacity reaching the benchmark level will exceed 30% and the proportion of electric arc furnace steelmaking will reach around 5%, so as to enhance the low-carbon transformation capability of the iron and steel industry, promote the carbon peaking of the iron and steel industry as soon as possible, and build the largest clean iron and steel production demonstration base in China. Against the backdrop of positive progress in internal structural adjustments and technological upgrades within the industry, China's iron and steel industry policy will continue to focus on energy efficiency improvement, green and low-carbon transformation, and carbon peaking.

Against this backdrop, notwithstanding the Group’s continued efforts to reduce costs and improve efficiency, increase investment in marketing promotion and environmental protection, and strengthen product research and development in order to enhance operational efficiency and sustainability, (i) a decrease in the average selling price of steel products of the Group was recorded due to a continuous sluggish downstream demand for iron and steel products for the six months ended 30 June 2024; (ii) the overall production costs of the Group remained at a relatively high level due to a steeper price decreasing trend of the steel products comparing to that of their major raw materials; and (iii) a fair value loss of approximately RMB154 million on the financial assets at fair value through profit or loss was recorded for the period, as compared with a fair value gain of approximately RMB113 million for the six months ended 30 June 2023, as a result, while the Group recorded a revenue of approximately RMB22.57 billion for the six months ended 30 June 2024, representing an increase of approximately 2.3% as compared to the corresponding period last year and the relevant overall gross profit increased by approximately 14.4% to approximately RMB643 million as compared to the corresponding period in 2023, the Group’s interim net profit was approximately RMB123 million, representing a decrease of approximately 55.4% as compared with the net profit of approximately RMB276 million for the corresponding period last year. EBITDA for the period decreased from approximately RMB1.05 billion for the corresponding period last year to approximately RMB815 million. Basic earnings per share for the period was RMB0.03 (2023 corresponding period: RMB0.08).

In April 2024, Hebei Jinxi Sheet Piling Section Steel Technology Co., Ltd, a subsidiary of the Company, was awarded the title of “National Workers’ Pioneer”* (全國工人先鋒號) by the All-China Federation of Trade Unions* (中華全國總工會). In June 2024, another subsidiary of the Company, Jinxi Limited, was ranked 14th in the “China TOP 100 Enterprises of Green Electricity Consumption (Green Certificate) 2023” * (2023年中國綠色電力 (綠證) 消費TOP 100企業) jointly issued by organisations such as China National Renewable Energy Information Management Centre* (國家可再生能源信息管理中心) and China Electricity Council. In addition, in July 2024, the Company was ranked the 338th among the “2024 Fortune China Top 500 Enterprises”.

Given the performance for the first half of 2024 and taking into account the current challenges in the iron and steel industry, the Board did not recommend the distribution of an interim dividend for 2024 and would like to consider the dividend arrangement for 2024 at the end of the year.

In respect of the iron and steel business, the Group focuses on the overall goal of cost reduction and efficiency improvement, leveraging on its strength of Grade A environmental performance and differentiated environmental protection management and control policies. The Group strives to become an ultimate exemplary and benchmarking enterprise in terms of energy efficiency and a first-class enterprise in the industry via measures such as peer benchmarking, process upgrading, technology introduction, equipment transformation and innovative breakthroughs. During the first half of 2024, in view of the challenges in the domestic iron and steel market, the Group formulated cost reduction plans for various aspects from procurement, logistics, production, etc., to enhance the cost reduction and efficiency awareness of each unit. The Group optimised the ratio of coke and ore blending, controlled and reduced scattered projects, increased the self-generated electricity ratio, and strengthened the management and control of various operational details, allowing the iron and steel business to gradually improve from the trough of the second half of last year. In addition, taking into account the actual status, operation and maintenance of the items in the property, plant and equipment, as well as referring to the depreciation policies of listed companies in the iron and steel industry, the Group has changed the useful life of certain items of machinery in the iron and steel production process from 10 years to 15 years starting from 1 January 2024. For details, please refer to Note 3 to the condensed consolidated financial statements. In the first half of 2024, the Group sold approximately 1.61 million tonnes of self-manufactured H-section steel products and kept securing its leading position in the H-section steel market of the PRC since 2009.

During the first half of 2024, the Group continued to strengthen the upstream and downstream linkage and integration with HJT's power transmission equipment business. HJT is principally engaged in the research and development, manufacturing and sales of power transmission equipment and it currently operates production plants in the PRC with an aggregate annual production capacity of approximately 500,000 tonnes. In the first half of 2024, HJT contributed revenue in sale of power equipment of approximately RMB1.92 billion to the Group.

In October 2022, Jinxi Limited entered into an agreement with the Fangchenggang City Government and related authorities (Please refer to the announcement of the Company dated 7 October 2022 for details). Since the signing of the agreement, the Fangchenggang City Government has been sincere and committed. Under the backdrop of the epidemic and various unfavourable factors, the Fangchenggang City Government fulfilled its obligations to return the remaining balance during the first half of 2024. The Company would like to express gratitude to the Fangchenggang City Government for its continuous efforts in overcoming the difficulties and challenges to fulfill the obligations.

With respect to the real estate business, apart from developing traditional real estate projects, the Group was also dedicated in promoting green structural construction development. In various projects of the Group located in Tangshan City and Suzhou City, the sales and delivery of most units have been completed in the past years. In the first half of 2024, the 4th phase of the Donghu Bay project in Tangshan City continued to record sales and deliveries and the Group recorded revenue and operating profit from real estate business of approximately RMB23 million and approximately RMB4 million, respectively.

In the first half of 2024, the Group's revenue and gross profit generated from the trading of steel products, iron ore and related raw materials amounted to approximately RMB6.67 billion (2023 corresponding period: approximately RMB5.73 billion) and approximately RMB26 million (2023 corresponding period: gross loss of approximately RMB34 million), respectively.

Last but not least, the Board would like to take this opportunity to express the heartfelt gratitude to the Shareholders for the continuous support, as well as appreciation to the staff for the dedication and contribution. The Company will continue to make unremitting efforts to create greater value for its Shareholders and strive to achieve the long-term success for the business.

BUSINESS REVIEW

Sales Analysis on Self-manufactured Steel Products

Sales Volume

For the six months ended 30 June 2024, the Group's total sales volume was approximately 3.76 million tonnes (2023 corresponding period: approximately 3.88 million tonnes), representing a decrease of approximately 3.1%.

The sales volume breakdown during the period and 2023 corresponding period was as follows:

	For the six months ended 30 June				Changes in sales volume <i>Increase/ (Decrease)</i>
	2024		2023		
	Sales volume		Sales volume		
	<i>('000 tonnes)</i>		<i>('000 tonnes)</i>		
H-section steel products	1,614	42.9%	1,945	50.1%	(17.0%)
Strips and strip products	1,627	43.2%	1,442	37.2%	12.8%
Cold rolled sheets and galvanised sheets	111	3.0%	122	3.1%	(9.0%)
Billets	16	0.4%	62	1.6%	(74.2%)
Sheet piling	394	10.5%	310	8.0%	27.1%
Total	<u>3,762</u>	<u>100%</u>	<u>3,881</u>	<u>100%</u>	<u>(3.1%)</u>

Revenue

Revenue for the six months ended 30 June 2024 was approximately RMB13,189 million (2023 corresponding period: approximately RMB13,969 million), representing a decrease of approximately 5.6%. Export to foreign countries contributed approximately RMB234 million (2023 corresponding period: approximately RMB280 million) to the revenue, representing approximately 1.8% (2023 corresponding period: approximately 2.0%) of revenue from sales of self-manufactured steel products.

The breakdown of revenue and average selling price by product (excluding value-added tax) during the period and the corresponding period in 2023 were as follows:

	For the six months ended 30 June				Changes in	
	2024		2023		Average	
	Revenue	Average selling price	Revenue	Average selling price	Revenue	selling price
	(RMB million)	(RMB/tonne)	(RMB million)	(RMB/tonne)	Increase/(Decrease)	
	Unaudited	Unaudited				
H-section steel products	5,747	3,561	6,979	3,588	(17.7%)	(0.8%)
Strips and strip products	5,382	3,307	4,986	3,457	7.9%	(4.3%)
Cold rolled sheets and galvanised sheets	527	4,726	572	4,677	(7.9%)	1.0%
Billets	50	3,124	209	3,375	(76.1%)	(7.4%)
Sheet piling	1,483	3,764	1,223	3,952	21.3%	(4.8%)
Total/Combined	<u>13,189</u>	<u>3,505</u>	<u>13,969</u>	<u>3,599</u>	<u>(5.6%)</u>	<u>(2.6%)</u>

The decrease in revenue from self-manufactured steel products was primarily due to the decrease in sales volume by approximately 3.1% and average selling price of the Group's steel products by approximately 2.6% to approximately RMB3,505 per tonne for the six months ended 30 June 2024 from approximately RMB3,599 per tonne for the corresponding period in 2023. The decrease in sales volume and average selling price of the Group's steel products was mainly due to a continuous sluggish downstream demand for the iron and steel products for the six months ended 30 June 2024.

Cost of Sales and Gross Profit

The gross profit for the six months ended 30 June 2024 was approximately RMB643 million (2023 corresponding period: approximately RMB562 million), representing an increase of approximately 14.4%. Gross profit margin was approximately 4.9% (2023 corresponding period: approximately 4.0%).

Average unit cost, gross profit/(loss) per tonne and gross profit/(loss) margin during the period and the corresponding period in 2023 were as follows:

	For the six months ended 30 June					
	2024			2023		
Average unit cost (RMB/tonne)	Gross profit per tonne (RMB)	Gross profit margin	Average unit cost (RMB/tonne)	Gross profit/(loss) per tonne (RMB)	Gross profit/(loss) margin	
H-section steel products	3,340	221	6.2%	3,434	154	4.3%
Strips and strip products	3,216	91	2.8%	3,297	160	4.6%
Cold rolled sheets and galvanised sheets	4,618	108	2.3%	4,774	(97)	(2.1%)
Billets	2,996	128	4.1%	3,419	(44)	(1.3%)
Sheet piling	3,451	313	8.3%	3,804	148	3.7%
Combined	<u>3,334</u>	<u>171</u>	<u>4.9%</u>	<u>3,454</u>	<u>145</u>	<u>4.0%</u>

Gross profit per tonne of the Group's steel products increased to approximately RMB171 for the six months ended 30 June 2024 from approximately RMB145 for the corresponding period in 2023, reflecting an increase of approximately 17.9%. Gross profit margin increased to approximately 4.9% for the six months ended 30 June 2024 from approximately 4.0% for the corresponding period in 2023. An increase of approximately RMB27 per tonne is attributable to the change in accounting estimates (Note 3 to the condensed consolidated financial statements). Disregarding such increase, the gross profit for the first half 2024 would be approximately RMB144 per tonne reflecting a decrease of approximately 0.7% compared to the corresponding period in 2023. The change in gross profit margin was a combined effect of the overall production costs of the Group remained at a relatively high level due to a steeper price decreasing trend of the steel products comparing to that of their major raw materials, and the aforesaid change in accounting estimates in the first half 2024.

Property Development

For the six months ended 30 June 2024, the revenue from sales of completed properties held for sale of the Group amounted to approximately RMB18 million. The GFA of properties delivered was approximately 2,500 m². The average selling price of properties delivered was approximately RMB7,100 per m².

As at 30 June 2024, the Group had the following project under construction with a GFA of approximately 248,000 m²:

No.	City	Property project	Phase of project	GFA under construction (m ²)	Estimated time of completion	Effective interest owned
1	Fangchenggang	Jinxi Xijiang Bay	Main structure	248,000	2029	97.6%

The above project is expected to be completed in 2029.

FUTURE PROSPECTS

Looking into July 2024, as inflation levels gradually decline, the global economy will continue to recover slowly but will still face challenges such as global trade friction, increased policy uncertainty and geopolitical conflicts. Under the influence of proactive fiscal policies and moderately loose monetary policies, it is expected that the overall domestic economy of China will continue to maintain a steady growth trend, but still face certain downward pressure. In the iron and steel industry, the outlook for downstream demand will hover at a low level, as the decline in investment of real estate development will be slightly narrowed, infrastructure investment growth is expected to rebound, and the manufacturing industry is anticipated to remain resilient. It is expected that the downstream industries will gradually improve in the second half of 2024, driving demand for steel products and there will be no risk of a significant decline in the annual steel consumption. Overall, the Group expects that the business environment of the iron and steel industry will still face various uncertainties in the second half of 2024, but the overall development trend will gradually improve.

Against this backdrop, the Group will continue to actively keep abreast of the PRC government's policies, focus on low-carbon and energy consumption development, and enhance its core competitiveness by improving efficiency and reducing costs, developing and increasing the proportion of high value-added products, expanding sales channels, continuously upgrading equipment and increasing investment in environmental protection, with a view to securing a leading position in the industry. In the second half of 2024, the Group will continue to promote the development of H-section steel, marine angle steel, sheet piling, power angle steel and marine steel, etc., and strengthen the upstream and downstream linkage and integration with HJT's power transmission equipment business. In addition to focusing on the steel manufacturing business, the Group will also continue to expand its steel products and raw materials trading business, steel downstream precast steel components and precast concrete components products for prefabricated construction, and develop steel slag pavement concrete and processing and trading of steel scrap business, as well as promoting the new materials business of recycling and sales of residual solid waste in production, all of which will gradually bring new opportunities for the Group in various aspects.

To achieve the objectives of carbon peak and carbon neutrality for the iron and steel industry and adhere to the commitment to green and sustainable development, the Group is closely following the policy development and exploring the feasibility of different technology solutions for carbon reduction to conduct studies and deployment for emission reduction at the earlier stage. Meanwhile, the Group continues to invest in various projects on equipment upgrades and environmental protection equipment, exploring new breakthroughs in energy saving and carbon reduction, and focusing on improving the energy structure, in a bid to further reduce emissions and achieve better cost efficiency.

Currently, the Group continues to accumulate a relatively large amount of cash and resources to meet its future development needs. In addition to focusing on the manufacturing and sales of steel products, the Group also continues to actively explore business opportunities in line with its corporate strategies, including those opportunities of horizontal and vertical (in particular, downstream) corporate merger and acquisition, associates and joint ventures, etc., in order to broaden the Group's revenue sources and enhance its profitability, realising the sustainable growth and enhancing its corporate value. In addition, the Group will also, from time to time, evaluate the possibility to increase dividend distributions under appropriate circumstances to reward the Shareholders for their support to the Group.

Since the completion of its initial public offering in 2004, the Company has weathered a number of the industry cycles of the iron and steel industry and has continued to thrive in the face of many economic uncertainties in the past 20 years. Since its listing, the Company, as a steel manufacturer with an annual production capacity to produce approximately 3.1 million tonnes of steel products and mainly selling steel billets and strip products, has gradually expanded its business to a year-to-date steel products production capacity of more than 10 million tonnes with its product categories covering H-section steel products, sheet piling, strips and strip products, billets, cold rolled sheets and galvanised sheets. At the same time, it has expanded to downstream businesses including real estate and power equipment businesses, as well as holding a A-shares subsidiary listed on the Shanghai Stock Exchange. The Group's revenue has increased by more than 5 times as compared with that of 2004. The H-section steel products produced by the Group have maintained a leading position in China. The Company also became a constituent stock of the Hang Seng Composite Index Series many years ago. Looking ahead, the Group will continue to develop its business along the road towards the goal of the world's largest section steel production base, exploring upstream and downstream extension in the industry in order to become a sizable enterprise with distinctive products. The Group will strive to make effective use of its existing sound financial position and efficient management model, on one hand, adopting the “specialisation, industry chain extension, high-tech and high-end”* (「專、長、高」) strategy as the direction for transformation and upgrading, continuously optimising the industry and product structure, and blazing a new trail of high-quality development driven by innovation, on the other hand, actively exploring new models and paths that align with green development concepts to promote the Group's green, low-carbon, and sustainable development. Through effective capital and asset allocation, the Group will create value for Shareholders and maximise business growth opportunities, while remaining robust and flexible in an ever-changing business environment, so as to maximise Shareholders' value.

FINANCIAL REVIEW

Non-HKFRS Measure

Given that the real estate market in the PRC went through a consolidation phase in 2023 and certain real estate companies faced the ongoing financial pressure, the Group adopted a prudent approach to make a provision of approximately RMB201 million for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC for the financial year ended 31 December 2023.

To supplement the Group's consolidated financial information which is prepared and presented in accordance with HKFRS, where applicable, the Company also used adjusted profit for the relevant financial period as an additional financial measure that is not required by, or presented in accordance with HKFRS. The Group defines adjusted profit for the relevant financial period as the Group's profit for such period excluding non-recurring gain

and the provision for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC. Despite the uncertainty as to the development of the real estate market of the PRC, with the introduction of various market stabilisation measures by the central and governments at all levels, the Company expects the real estate market of the PRC to gradually stabilise in the future. Therefore, the Company believes that by eliminating the impact of provision for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC, such adjusted profit provides Shareholders and potential investors with useful supplementary information in understanding and evaluating the Group's underlying performance in the same manner as they do for our management. The following table sets forth the reconciliation of the Group's adjusted profit for the relevant financial period as a non-HKFRS measure for the periods indicated to the most directly comparable financial measure prepared in accordance with HKFRS. For the six months ended 30 June 2024, no provision was made for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC based on the Group's evaluation of market situation and current provision of relevant property development projects in the PRC, and no non-recurring gain was recorded. Therefore, such non-HKFRS adjustment did not apply to the profit for the six months ended 30 June 2024.

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	Unaudited	Unaudited
Profit for the period	123,029	276,135
<i>Adjustments made in respect of:</i>		
Reversal of impairment of properties under development and held for sale [#]	–	(19,633)
Reversal of impairment of loan receivables relating to the real estate industry in second-and-lower-tier cities in the PRC [#]	–	(38,072)
Adjusted profit for the period	<u>123,029</u>	<u>218,430</u>

[#] The Company did not recognise the relevant current income tax or deferred income tax impact when making such provisions, and therefore did not calculate the relevant after-tax impact when presenting the adjustments.

However, the Company's presentation of adjusted profit is not intended to be considered in isolation from, or as a substitute for, the financial information prepared and presented in accordance with HKFRS. The use of the non-HKFRS measure above has its limitations as an analytical tool, and the adjusted profit presented by the Company may be different from similarly titled non-HKFRS measures presented by other companies. Shareholders and potential investors are therefore advised to consider the financial information of the Group in its entirety.

Liquidity and Financial Resources

In order to sustain a stable financial status, the Group closely monitors its liquidity and financial resources.

As at 30 June 2024, the Group had unutilised banking facilities of approximately RMB15.1 billion (as at 31 December 2023: approximately RMB13.9 billion).

As at 30 June 2024, the current ratio of the Group, representing current assets divided by current liabilities, was approximately 1.4 times (as at 31 December 2023: approximately 1.2 times) and the gearing ratio, representing total liabilities divided by total assets, was approximately 52.2% (as at 31 December 2023: approximately 50.1%).

As at 30 June 2024, the cash and cash equivalents of the Group amounted to approximately RMB5,347 million (as at 31 December 2023: approximately RMB3,618 million).

After considering its cash and cash equivalents as well as the banking facilities currently available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for general business expansion and development.

Capital Structures

As at 30 June 2024, borrowings of approximately RMB15,150 million of the Group bore fixed interest rates ranging from approximately 0.49% to approximately 4.80% per annum and borrowings of approximately RMB3,349 million of the Group bore floating interest rates ranging from approximately 2.70% to approximately 4.32% per annum. The Group's exposure to changes in market interest rates was considered to be limited. During the six months ended 30 June 2024, the Group also entered into certain foreign currency forward contracts to manage its exposure to foreign currency exchange rates fluctuation. As at 30 June 2024, the notional amounts of these derivative instruments amounted to nil.

The Group monitors its capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, lease liabilities and loans from related parties. The Group regards its non-current borrowings, non-current lease liabilities and equity attributable to owners of the Company as its total capital. As at 30 June 2024, the debt-to-capital ratio of the Group was approximately 71.0% (as at 31 December 2023: approximately 63.0%).

The consolidated interest expenses and capitalised interest for the six months ended 30 June 2024 amounted to approximately RMB280 million (2023 corresponding period: approximately RMB241 million). The interest coverage ratio (dividing profit for the period before finance costs – net and income tax expense/(credit) by total interest expenses) was approximately 0.9 times (2023 corresponding period: approximately 1.7 times).

Capital Commitments

As at 30 June 2024, the Group had capital commitments of approximately RMB1,060 million (as at 31 December 2023: approximately RMB1,219 million). It is estimated that the capital commitments will be financed by the Group's internal resources and available banking facilities.

Guarantees and Contingent Liabilities

As at 30 June 2024, the Group had no contingent liabilities (as at 31 December 2023: approximately RMB30 million).

Pledge of Assets

As at 30 June 2024, the net book value of the Group's leasehold land and land use rights amounting to approximately RMB279 million (as at 31 December 2023: approximately RMB293 million), property, plant and equipment amounting to approximately RMB392 million (as at 31 December 2023: approximately RMB518 million), investment properties amounting to approximately RMB53 million (as at 31 December 2023: approximately RMB54 million), notes receivable - bank acceptance notes amounting to approximately RMB68 million (as at 31 December 2023: approximately RMB23 million), long-term bank deposits amounting to approximately RMB300 million (as at 31 December 2023: approximately RMB1,390 million) and restricted bank balances amounting to approximately RMB6,350 million (as at 31 December 2023: approximately RMB4,410 million) had been pledged as securities for the Group's notes payable issuing, bank borrowings, letters of credit issuing and letters of guarantee issuing.

Exchange Risks

Foreign exchange risk is the risk to the Group's financial conditions and results of operations arising from movements of foreign exchange rates. The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. The Group's foreign exchange risk primarily arises from the procurement of iron ores and the relevant products from overseas suppliers and the Group's foreign currency borrowings, which are denominated and settled in USD. Foreign exchange rates fluctuate in reaction to the macro-economic performance of different countries and fund flows between countries arising from trade or capital commitments. In view of continuous fluctuation of the RMB exchange rate against USD, during the six months ended 30 June 2024, the Group entered into certain foreign currency forward contracts so as to reduce the impact of the volatility of the RMB exchange rate against USD. The Group also reviewed and rearranged its monetary assets to mitigate the impact from the change of RMB to USD exchange rate.

Steel Products, Iron Ore and Related Raw Materials Derivative Financial Instruments

In view of the significant fluctuation of steel products, iron ore and related raw materials prices during the six months ended 30 June 2024, the Group entered into certain steel products, iron ore and related raw materials future and future option contracts so as to reduce the impact of the volatility of the steel products, iron ore and related raw materials prices on the Group. The Group used a combination of steel products, iron ore and related raw materials derivatives to achieve the above purpose. The investment gains from steel products, iron ore and related raw materials derivative financial instruments amounted to approximately RMB33 million (2023 corresponding period: investment losses of approximately RMB9 million) for the six months ended 30 June 2024.

Dividend

The Board did not recommend the distribution of an interim dividend for the six months ended 30 June 2024.

The Board proposed a special dividend of approximately HK\$186 million, representing HK\$0.05 per ordinary share for the year ended 31 December 2023. The proposed dividend of approximately HK\$186 million (equivalent to approximately RMB170 million) was approved by the Shareholders at the AGM on 28 June 2024 and was paid on 20 August 2024.

Events after the Period

There were no significant events occurred to the Group from 30 June 2024 to the date of this announcement.

Financial Assets at Fair Value Through Profit or Loss

As at 30 June 2024, the Group held financial assets at fair value through profit or loss of approximately RMB5,298 million, accounting for approximately 10.1% of total assets, particulars of which are set out below:

Money Market Funds

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2024
Harvest Fund Management Company Limited					
嘉實基金管理有限公司					
Harvest Express Monetary Market Fund*					
嘉實快線貨幣市場基金	168,484	168,484	168,484	564	0.32%
Harvest Monetary Market Fund*					
嘉實貨幣市場基金	7,249	7,249	7,249	1	0.01%
Others	28	2,132	2,179	–	<0.01%
Bosera Asset Management Company Limited					
博時基金管理有限公司					
Bosera Hehui Money Market Fund					
博時合惠貨幣市場基金	111	111	111	150	<0.01%
Bosera Cash Pot Money Market Fund					
博時現金寶貨幣市場基金	160,301	160,301	160,301	403	0.31%
China Minsheng Banking Corp., Ltd.					
中國民生銀行股份有限公司					
HwaBao Cash Pot Monetary Market Fund*					
華寶現金寶貨幣市場基金	128,029	128,029	128,029	85	0.25%
Minsheng JiaYin Cash ZengLi Monetary Market Fund*					
民生加銀現金增利貨幣市場基金	10,007	10,007	10,007	7	0.02%
China Southern TianTianLi Monetary Market Fund*					
南方天天利貨幣市場基金	3,005	3,005	3,005	5	0.01%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to the total assets of the Group as at 30 June 2024
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	
China Southern Asset Management Company Limited					
南方基金管理股份有限公司					
China Southern TianTianLi Monetary Market Fund*					
南方天天利貨幣市場基金	51,432	51,432	51,432	353	0.10%
China Southern Cash ZengLi Fund*					
南方現金增利基金	77,514	77,514	77,514	18	0.15%
China Southern ShouYiBao Monetary Market Fund*					
南方收益寶貨幣市場基金	25,000	25,000	25,000	–	0.05%
Others	1,000	1,000	1,000	1	<0.01%
Aegon-Industrial Fund Management Company Limited					
興証全球基金管理有限公司					
Aegon-Industrial Monetary Market Securities Investment Fund*					
興全貨幣市場證券投資基金	4,001	4,001	4,001	2	0.01%
HwaBao WP Fund Management Company Limited					
華寶基金管理有限公司					
HwaBao Cash Pot Monetary Market Fund*					
華寶現金寶貨幣市場基金	10,362	10,362	10,362	218	0.02%
GF Fund Management Co., Ltd.					
廣發基金管理有限公司					
GF Fund RuiXuan FOF Single Asset Management Plan*					
廣發基金睿選FOF單一資產管理計劃	27,271	102,236	103,747	1,991	0.20%
E Fund Management (HK) Co., Limited					
E Fund (HK) US Dollar Money Market Fund	37	28,381	31,307	–	0.06%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	the total assets of the Group as at 30 June 2024
China Construction Bank Corporation and CCB Wealth Management Co., Ltd.					
中國建設銀行股份有限公司及 建信理財有限責任公司					
CCB Principal Tiantianyi Money Market Fund*					
建信天添益貨幣市場基金	39,084	39,084	39,084	120	0.07%
China Southern TianTianLi Monetary Market Fund*					
南方天天利貨幣市場基金	3,100	3,100	3,100	174	0.01%
HFT Investment Management Co., Ltd.					
海富通基金管理有限公司					
HFT TianYi Money Market Fund*					
海富通添益貨幣市場基金	50,248	50,248	50,248	253	0.10%
UBS SDIC Fund Management Co., Ltd.					
國投瑞銀基金管理有限公司					
UBS SDIC QianDuoBao Money Market Fund					
國投瑞銀錢多寶貨幣市場基金	105,266	105,266	105,266	303	0.20%
UBS SDIC ZengLiBao Money Market Fund					
國投瑞銀增利寶貨幣市場基金	40,086	40,086	40,086	87	0.08%
China Merchants Bank Co., Ltd.					
招商銀行股份有限公司					
E Fund Day Wealth Management Money Market Fund					
易方達天天理財貨幣市場基金	-	-	-	98	-
Others	15,160	15,160	15,281	4,087	0.03%
Total		<u>1,032,188</u>	<u>1,036,793</u>	<u>8,920</u>	<u>1.99%</u>

Investment strategies of money market funds

Unless otherwise specified, money market funds are funds generally investing in money market instruments with security and high liquidity. As the investment targets are mainly concentrated in short-term money market instruments, money market funds possess characteristics of high liquidity, low risk and relatively low return (but higher than deposits). The terms of investment targets generally are less than 1 year, and the investment scope mainly includes cash, bank fixed deposits, certificates of deposits, bonds with a remaining term of within 397 days, central bank notes with a term of within 1 year, bond repurchases, as well as other money market instruments with good liquidity approved by the CSRC and the People's Bank of China.

GF Fund Management Co., Ltd. (廣發基金管理有限公司)

GF Fund RuiXuan FOF Single Asset Management Plan* (廣發基金睿選FOF單一資產管理計劃) is a hybrid single asset management plan. Under the premise of strict risk control, the plan pursues steady appreciation of the entrusted property during the entrusted period. The main investments include: 1. equity assets: publicly offered infrastructure securities investment funds (REITs); 2. fixed income assets: including treasury bonds, central bank notes, bank deposits, money market funds as well as exchange-traded and interbank market reverse repurchases; and 3. cash assets: bank demand deposits. The plan shall allocate a minimum of 80% of its total assets to publicly offered funds. The proportion of equity assets of the total assets of the asset management plan shall range from 20% to 100%. The proportion of fixed income assets within the total assets of the asset management plan shall fall between 0% and 80% (exclusive), while the ratio of cash assets shall range from 0% to 100% of the asset management plan.

E Fund Management (HK) Co., Limited

E Fund (HK) US Dollar Money Market Fund's sole objective is to invest in short-term deposits and high quality money market instruments. The fund seeks to achieve a return in USD in line with prevailing money market rates, with primary considerations of both capital security and liquidity. The indicative asset allocation of the fund is as follows: 70% to 100% of the net asset value of the fund ("NAV"): USD-denominated and settled short-term deposits and high quality money market instruments; 0% to 30% of the NAV: Non-USD-denominated and settled short-term deposits and high quality money market instruments. The fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its NAV) in USD-denominated and settled short-term deposits and high quality money market instruments issued by governments, quasi-governments, international organisations and financial institutions. The fund may invest up to 30% of its NAV in non USD-denominated deposits and high quality money market instruments. High quality money market instruments include debt securities, commercial notes, certificates of deposits and commercial bills. Debt securities invested by the fund include but are not limited to government bonds, fixed and floating rate bonds. The fund will only invests in debt securities rated investment grade or above by an independent rating agency or onshore China bonds with a minimum credit rating of BBB- as rated by one of the credit rating agencies in China.

Financial Investment Products

Name of the financial assets	Number of	Investment	Fair value	Realised	Fair value
	units held			investment	
	as at	cost as at	as at	for the	to the total
	30 June	30 June	30 June	six months	assets of
	2024	2024	2024	ended	the Group
	(’000)	(RMB’000)	(RMB’000)	30 June	as at
				2024	30 June
				(RMB’000)	2024
China Construction Bank Corporation and					
CCB Wealth Management Co., Ltd.					
中國建設銀行股份有限公司及					
建信理財有限責任公司					
QianYuan - RiXinYueYi (Daily)					
Open-end RMB Financial Investment Product*					
乾元一日鑫月溢 (按日) 開放式資產					
組合型人民幣理財產品					
	11,465	11,465	11,465	112	0.02%
CCB Wealth Management “TianTianLi” (Daily)					
Open-end Investment Product*					
建信理財「天天利」按日					
開放式理財產品					
	1,900	1,900	1,900	-	<0.01%
Others	-	-	-	1	-
China Merchants Wealth Asset Management Co., Ltd.					
招商財富資產管理有限公司					
CM Wealth — Multi-Linked — ZhaoLi					
No. 54 Single Asset Management Plan*					
招商財富—多元掛鉤—招利54號					
單一資產管理計劃					
	50,059	60,700	43,125	-	0.08%
CM Wealth — Multi-Linked — ZhaoLi					
No. 88 Single Asset Management Plan*					
招商財富—多元掛鉤—招利88號					
單一資產管理計劃					
	50,000	50,000	37,655	-	0.07%
CM Wealth — Multi-Linked — ZhaoLi					
No. 127 Assembled Asset Management Plan*					
招商財富—多元掛鉤—招利127號					
集合資產管理計劃					
	30,001	30,000	23,653	-	0.05%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to the total assets of the Group as at 30 June 2024
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	
CSC Financial Co., Ltd.					
中信建投證券股份有限公司					
CSC Financial Snowball ZengLi VIP No. 11					
Assembled Assets Management Plan*					
中信建投雪球增利貴賓11號					
集合資產管理計劃	50,001	50,000	44,237	-	0.08%
Tebon Securities Co., Ltd.					
德邦證券股份有限公司					
Tebon Assets Management XingRui Weekly Gain					
No. 1 Assembled Assets Management Plan*					
德邦資管星瑞周周盈1號					
集合資產管理計劃	-	-	-	2,270	-
Tebon Securities XinLianXin HongTong					
No. 1 Assembled Assets Management Plan*					
德邦證券心連心鴻潼1號					
集合資產管理計劃	9,656	10,000	4,044	3,290	0.01%
AVIC Trust Company Limited					
中航信託股份有限公司					
AVIC Trust • TianQi No. [2020] 552 Sunac Qingdao					
One Sino Park Equity Investment Assembled					
Funds Trust Plan*					
中航信託 • 天啟[2020]552號					
融創青島壹號院股權投資					
集合資金信託計劃	34,807	34,807	34,807	2,514	0.07%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to the total assets of the Group as at 30 June 2024
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	
Huaan Securities Co., Ltd.					
華安證券股份有限公司					
Huaan Securities Monthly Gain No. 25					
Assembled Assets Management Plan*					
華安證券月月贏25號					
集合資產管理計劃					
	-	-	-	892	-
CITIC Securities Co., Ltd.					
中信証券股份有限公司					
CITIC Securities Co., Ltd. Strategy DianJin					
Series Phase 2509 Income Certificate*					
中信証券股份有限公司					
策略點金系列2509期收益憑證					
	50,000	50,000	36,768	4,020	0.07%
Harvest Fund Management Company Limited					
嘉實基金管理有限公司					
Harvest Fund Jinxi No. 1 Single Asset Management					
Plan (QDII)*					
嘉實基金津西1號					
單一資產管理計劃(QDII)					
	108,198	212,232	212,232	-	0.41%
Guotong Trust Co., Ltd.					
國通信託有限責任公司					
Guotong Trust • Zhongsheng No. 1 Single Fund Trust*					
國通信託 • 中勝1號單一資金信託					
	99,493	100,000	81,180	-	0.16%
Guotong Trust • Changyuan No. 1 Single Fund Trust*					
國通信託 • 昌源1號單一資金信託					
	69,136	70,000	44,079	-	0.08%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	to the total assets of the Group as at 30 June 2024
Bridge Trust Co., Ltd.					
百瑞信託有限責任公司					
Bridge Zhicheng-Xintou Ruixiang No. 5					
Assembled Funds Trust Plan*					
百瑞至誠－信投睿享5號					
集合資金信託計劃	150,000	150,000	150,000	–	0.29%
Bridge Zhicheng-Xintou Ruixiang No. 7					
Assembled Funds Trust Plan*					
百瑞至誠－信投睿享7號					
集合資金信託計劃	40,000	40,000	40,000	–	0.08%
China Universal Asset Management Company Limited					
匯添富基金管理股份有限公司					
China Universal-Tianfuniu No. 116					
Assembled Assets Management Plan*					
匯添富－添富牛116號					
集合資產管理計劃	5,481	10,254	6,056	–	0.01%
Shanghai JunXi Investment Management Co., Ltd.					
上海君犀投資管理有限公司					
JunXi XiZhou No. 8 Private Equity Investment Fund*					
君犀犀舟8號私募證券投資基金	94,407	94,994	106,361	–	0.20%
Others	61,994	73,994	55,240	2,469	0.11%
Total		<u>1,050,346</u>	<u>932,802</u>	<u>15,568</u>	<u>1.79%</u>

Investment strategies of financial investment products

Unless otherwise specified, financial investment products are generally bank wealth management products issued by certain reputable banking institutions in the PRC. The investment strategies are with security and liquidity in priority, while pursuing appropriate level of returns. They mainly invest in cash assets, money market instruments, money market funds, standardised fixed income assets, non-standardised debt assets and other regulatory-compliant assets portfolios. On this basis, they may conduct reasonable allocations of debt assets, equity assets, other assets or asset combinations that comply with regulatory requirements, so as to further increase the return level.

China Construction Bank Corporation (中國建設銀行股份有限公司) and CCB Wealth Management Co., Ltd. (建信理財有限責任公司)

CCB Wealth Management “TianTianLi” (Daily) Open-end Investment Product* (建信理財「天天利」按日開放式理財產品) adopts active management investment strategy, and strives to improve product returns on the premise of controlling interest rate risk, minimising the fluctuation risk of net asset value of products and satisfying liquidity. The investment scope of this product is as follows: 1. cash; 2. bank deposits within 1 year (including 1 year), bond repurchases, central bank notes, interbank deposits; 3. bonds with a remaining term of within 397 days (including 397 days), asset-backed securities issued in the interbank market and the stock exchange market; and 4. other monetary market instruments with good liquidity approved by the CBIRC and the People’s Bank of China. The product shall not invest in the following financial instruments: (1) stocks; (2) convertible bonds and exchangeable bonds; (3) floating rate bonds with fixed deposit interest rate as the benchmark interest rate, except for those that have entered the last interest rate adjustment period; (4) bonds and asset-backed securities with credit rating below AA+; and (5) other financial instruments prohibited by the CBIRC and the People’s Bank of China.

China Merchants Wealth Asset Management Co., Ltd. (招商財富資產管理有限公司)

CM Wealth — Multi-Linked — ZhaoLi No. 54 Single Asset Management Plan* (招商財富—多元掛鉤—招利54號單一資產管理計劃), CM Wealth — Multi-Linked — ZhaoLi No. 88 Single Asset Management Plan* (招商財富—多元掛鉤—招利88號單一資產管理計劃) and CM Wealth — Multi-Linked — ZhaoLi No. 127 Assembled Asset Management Plan* (招商財富—多元掛鉤—招利127號集合資產管理計劃) are commodity and financial derivative products. The asset manager will, in compliance with laws and regulations and the relevant provisions of the investment agreement, carry out investment to seek risked return for asset principals under the premise of risk control. These plans primarily invest in over-the-counter derivatives such as option contracts and income swaps issued by dealers with over-the-counter derivatives trading licenses; securities dealer income certificates; bank deposits, monetary funds and other money market instruments; publicly offered securities investment funds and other financial products and varieties as permitted by laws and regulations or regulatory authorities. The proportion of the plans’ position value invested in commodities and financial derivatives shall not be less than 80% of the plans’ total assets, and the interest in the derivatives account shall exceed 20% of the plans’ total assets.

CSC Financial Co., Ltd. (中信建投證券股份有限公司)

CSC Financial Snowball ZengLi VIP No. 11 Assembled Assets Management Plan* (中信建投雪球增利貴賓11號集合資產管理計劃) invests primarily in commodities and financial derivative-based financial instruments striving to realise investment returns for the plan's assets under the premise of strict risk control. The assembled plan has an investment scope that covers fixed income assets as well as commodities and financial derivatives. Fixed income assets include bank deposits, money market funds, while commodities and financial derivatives include over-the-counter options, returns swaps and non-principal protected income certificates with a snowball structure. The investment proportion includes: (1) investment in fixed income assets shall represent 0% to 20% of its total assets; and (2) investment in commodities and financial derivatives shall represent 80% to 100% of its total assets.

Tebon Securities Co., Ltd. (德邦證券股份有限公司)

Tebon Assets Management XingRui Weekly Gain No. 1 Assembled Assets Management Plan* (德邦資管星瑞周周盈1號集合資產管理計劃) is designed to achieve a steady appreciation of entrusted assets under the premises of strict risk control. The assembled plan mainly invests in the following areas: 1. asset-backed securities, asset-backed notes, debentures, subordinated bonds of financial institutions, corporate bonds, treasury bonds, local government bonds, financial bonds, central bank notes, short-term financing bonds, ultra short-term financing bonds, interbank certificates of deposit, medium-term notes, project income bonds, PPNs, bond repurchases, publicly issued convertible bonds, publicly issued exchangeable bonds which are issued domestically in accordance with laws as well as fixed-income securities permitted by laws and regulations; and 2. other cash management tools such as bond reverse repurchase, bank demand deposits and money market funds. The allocation proportion of the above categories of assets is as follows: 1. the proportion of fixed-income assets invested by the assembled plan shall not be less than 80% of the total assets of the assembled plan; and 2. the proportion of PPNs, non-public issued debentures, subordinated bonds of financial institutions, asset-backed securities and asset-backed notes invested by the assembled plan shall not be more than 60% of the total assets of the assembled plan, of which the total proportion of investment in asset-backed securities and asset-backed notes shall not exceed 20% of the net assets.

Tebon Securities XinLianXin HongTong No. 1 Assembled Assets Management Plan* (德邦證券心連心鴻潼1號集合資產管理計劃) is designed to achieve stable income in the medium to long term by constructing a spot investment portfolio consisting of equity and fixed income securities while managing systematic risk with hedging instruments such as stock index futures. The investment scope of the assembled plan includes all kinds of equity assets, debt assets, commodities and financial derivative assets, hybrid securities investment funds and money market funds issued domestically in accordance with laws, as well as other investment varieties permitted by the CSRC. The assembled plan can engage in the securities repurchase business. In addition to the restrictions of investment proportion set forth in the investment scope, the plan is subject to the following restrictions: 1. the shares issued by a single listed company held by the manager under all asset management plans managed shall not exceed 30% of the outstanding shares of the listed company; and 2. the funds invested in the same asset shall not exceed 25% of the net asset value of the plan; the funds invested in the same asset by the manager under all the assembled asset management plans shall not exceed 25% of such asset; except for bank demand deposits, treasury bonds, central bank notes, policy financial bonds and local government bonds and other investment varieties permitted by the CSRC.

AVIC Trust Company Limited (中航信託股份有限公司)

AVIC Trust • TianQi No. [2020] 552 Sunac Qingdao One Sino Park Equity Investment Assembled Funds Trust Plan* (中航信託 • 天啟[2020]552號融創青島壹號院股權投資集合資金信託計劃) is limited to the amount of funds raised under the trust plan, and will contribute capital to Beijing Sunac Jiamao Information Consulting Co., Limited* (北京融創嘉茂信息諮詢有限公司, “**Beijing Sunac**”) on a 70%:30% basis with Sunac (Qingdao) Real Estate Co., Limited* (融創(青島)置地有限公司, “**Sunac Qingdao**”), after the transfer of 70% equity interest in Beijing Sunac from Sunac Qingdao. Beijing Sunac shall use the entire contribution to acquire from Sunac Qingdao a 50% equity interest in Qingdao Haozhong Real Estate Co., Limited* (青島浩中房地產有限公司) which is held by Qingdao Haiyue Wenhua Industrial Co., Limited* (青島海悅文華實業有限公司, “**Haiyue Wenhua**”) on Sunac Qingdao’s behalf, who is the effective holder, so that AVIC Trust can ultimately enjoy the investment income from the real estate projects to be developed and constructed on the land parcels in Laoshan District, Qingdao (the “**Qingdao Subject Project**”), through its indirect equity interest in Haiyue Wenhua by virtue of its shareholdings in Beijing Sunac. The Qingdao Subject Project is a luxury residential project located in Laoshan District, Qingdao, which lies within 3 km from the service area of the planned “Qingdao Jinjialing Financial Zone”. The project’s developer is Sunac China while AVIC Trust is responsible for its supervision. It is pledged with the project company’s equity interest.

Huaan Securities Co., Ltd. (華安證券股份有限公司)

Huaan Securities Monthly Gain No. 25 Assembled Assets Management Plan* (華安證券月月贏25號集合資產管理計劃) primarily invests in bonds and other fixed-income financial products on the basis of strict risk control, so as to grasp market investment opportunities to achieve stable gain for the assembled plan. The assembled plan invests in treasury bonds, various financial bonds, central bank notes, corporate bonds, debentures, convertible bonds, exchangeable bonds, publicly offered bond funds, asset securitisation products, cash, bond repurchases, bond reverse repurchases, bank deposits, interbank certificates of deposit, ultra-short-term financing bonds, short-term financing bonds, medium-term notes, non-public debt-financing instruments and money market funds, in each case, issued domestically in accordance with laws, as well as other fixed-income products that the assembled plan is allowed to invest by the CSRC. In particular, the issuer (or debt) of the corporate bonds, debentures, detachable bonds, medium-term notes and other credit bonds shall have a credit rating not lower than AA and the debt of short-term financing bonds shall have a credit rating not lower than A-1.

CITIC Securities Co., Ltd. (中信証券股份有限公司)

CITIC Securities Co., Ltd. Strategy DianJin Series Phase 2509 Income Certificate* (中信証券股份有限公司策略點金系列2509期收益憑證) is non-principal protected floating income certificate. The product's contracted knock-out and knock-in prices will be compared with the performance of targets in the CSI Small Cap 500 Index on the observation date, so as to determine whether a knock-out or knock-in event is triggered, as well as the final gains or losses of the product. The closing prices of the linked targets are based on the closing price of the CSI Small Cap 500 Index quoted on the Shanghai Stock Exchange. The knock-out price and knock-in price are prices agreed between the investor and the securities brokerage, and the setting of which would affect directly the probability of the investor to receive the contracted return. If a knock-in is triggered, the return is determined by the actual increase or decrease of the index on the maturity date, if a knock-out is triggered, a fixed interest up to the knock-out date will be received at an annualised rate of 16%, and if neither a knock-in nor knock-out is triggered, an interest for the entire year will be received at an annualised rate of 16%.

Harvest Fund Management Company Limited (嘉實基金管理有限公司)

Harvest Fund Jinxi No. 1 Single Asset Management Plan (QDII)* (嘉實基金津西1號單一資產管理計劃(QDII)) is a management plan for a single asset with fixed income. Its objective is to seek considerable investment return for investors with effective investment risk control. The foreign assets invested in this plan must comply with the relevant laws and regulations such as the QDII Trial Measures* (QDII試行辦法) and the Notice on QDII Trial Measures* (QDII試行辦法通知) and the requirements of the CSRC regarding QDII investments. The particular varieties it invests in, and the investment scope includes: (1) fixed income assets: its overseas fixed income assets include: bank deposits, transferrable certificates of deposit, bank acceptance bills, bank notes, commercial notes, repurchase agreements, short-term government bonds and other money market instruments; overseas government bonds, debentures, housing-mortgage-backed securities, asset-backed securities, bank capital debts, structured investment products linked to fixed income assets, public bond funds registered with the securities regulator of a country and region that have signed a bilateral memorandum of understanding on regulatory cooperation with the CSRC, and other fixed income financial instruments approved by the CSRC for asset management plans to invest. Its domestic fixed income assets include: money market instruments, treasury bonds, local government bonds, corporate bonds, debentures, various types of financial bonds, central bank notes, bond funds, various types of debt financing instruments, and other financial instruments approved by the CSRC for asset management plans to invest; and (2) interest rate swaps for financial derivative assets, treasury bond futures listed on overseas exchanges approved by the CSRC and other interest rate derivatives, including but not limited to forward contracts, swap contracts, futures, options and other foreign exchange derivatives listed on overseas exchanges approved by the CSRC. The asset management plan's investment in fixed income assets shall not account for less than 80% of its total assets, and the asset management plan's investment in financial derivatives shall not account for more than 20% of its total assets.

Guotong Trust Co., Ltd. (國通信託有限責任公司)

Guotong Trust • Zhongsheng No. 1 Single Fund Trust* (國通信託 • 中勝1號單一資金信託) and Guotong Trust • Changyuan No. 1 Single Fund Trust* (國通信託 • 昌源1號單一資金信託) manage, utilise and distribute the trust properties for the benefits of the beneficiary in accordance with the wishes of the trustee, so as to preserve and enhance the value of the trust properties. Both trust funds will principally invest in: 1. publicly offered funds (e.g. equity funds, bond funds, hybrid funds, money market funds, LOF funds, ETF funds, etc.); 2. securities investment private equity funds registered with Asset Management Association of China (“AMAC”); 3. trust protection funds; and 4. others (bank deposits, money market funds, wealth management products offered by the banks under cash management category).

Bridge Trust Co., Ltd. (百瑞信託有限責任公司)

Bridge Zhicheng-Xintou Ruixiang No. 5 Assembled Funds Trust Plan* (百瑞至誠一信投睿享5號集合資金信託計劃) and Bridge Zhicheng-Xintou Ruixiang No. 7 Assembled Funds Trust Plan* (百瑞至誠一信投睿享7號集合資金信託計劃) are fixed income products, which can be invested in: (1) cash assets: cash, bank deposits, money market funds; (2) standardised bonds traded on the national interbank bond market and stock exchange markets: including treasury bonds, central bank notes, local government bonds, interbank certificates of deposit, various financial bonds, corporate bonds, debentures, private placement debt financing instruments, short-term financing bonds, ultra short-term financing bonds, medium-term notes, etc.; (3) asset-backed securities, asset-backed notes, support plans, beneficial/income rights in listed on the national interbank bond market, stock exchange market, inter-institutional private placement products quotation and service system, the China Credit Assets Registry & Exchange Co., Ltd. and PICC Insurance Asset Registration and Trading System Co., Ltd.* (中保保險資產登記交易系統有限公司); (4) bond reverse repurchase; (5) protection funds for the trust business; and (6) fixed income products issued by banks and their wealth management subsidiaries, securities companies and subsidiaries, fund companies and subsidiaries, and trust companies. The proportion of debt assets invested by these trust plans shall not be less than 80% of the total value of the trust assets. The investment restrictions of these trust plans are as follows: (1) prohibition of using securities in the trust property for repurchase financing transactions; (2) prohibition of using trust property for purposes such as loans, mortgage financing, or external guarantees; (3) prohibition of using trust property for investments that may entail unlimited liability; (4) other investment restrictions stipulated by laws, regulations, and regulatory authorities, as well as restrictions prohibited by applicable laws and regulations; (5) prohibition of simultaneous investment in the same underlying assets by the two existing trust units; and (6) if these trust plans to invest in an asset management product, such asset management product shall not be re-invested in any asset management product other than a public securities investment funds.

China Universal Asset Management Company Limited (匯添富基金管理股份有限公司)

China Universal-Tianfuniu No. 116 Assembled Assets Management Plan* (匯添富-添富牛116號集合資產管理計劃) pursues the steady appreciation of the entrusted asset under the premises of strictly controlling risk. The plan mainly invests in the following types of assets permitted by laws and regulations and regulatory institutions: (1) fixed income assets: treasury bonds, local government bonds, central bank notes, policy financial bonds, financial bonds, corporate bonds, debentures, perpetual bonds, medium-term notes, collective notes, short-term financing bonds, convertible bonds, exchangeable bonds, asset-backed securities and asset-backed notes, government supported institution bonds, private placement financing debt instruments (PPN), interbank certificates of deposit, bonds repurchase, bonds reverse repurchase, deposit; (2) equity assets: stocks and depositary receipts issued and listed in accordance with laws, stocks within the scope of Stock Connect for South bound Trading, preferred shares; (3) commodities and financial derivative assets: stock index futures, treasury bond futures, stock options, stock index options, derivative assets limited to those traded on exchanges; and (4) equity investment fund: stock funds, bond funds, hybrid funds, money market funds, publicly offered infrastructure equity investment funds, QDII funds and other types of funds. This asset management plan is a hybrid plan, its investment in equity assets accounts for 0% to 95% of the total assets of the plan, while proportion of the contractual value in fixed income assets and futures do not exceed 80% of the total assets of the plan.

Shanghai JunXi Investment Management Co., Ltd. (上海君犀投資管理有限公司)

JunXi XiZhou No. 8 Private Equity Investment Fund* (君犀犀舟8號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The fund will carry out top-down approach asset allocation according to macroeconomic analysis and changes in the overall market valuation level, lowering market risk and pursuing higher return at the same time. The investment scope includes stocks issued and listed on the Shanghai or Shenzhen stock exchanges (limited to shares issued from the conversion of convertible bonds or exchangeable bonds only), bonds and asset-backed securities issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in interbank market, fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreement in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, publicly offered funds, bank financial investment products, asset management plans of securities companies, insurance companies and futures companies, asset management plans for specific clients of fund managers, privately offered funds issued by privately offered securities investment fund manager who are registered and published on the official website of the AMAC. The investment restrictions of the fund include: 1. it must not invest in funds without custodian or safekeeping financial institutions (commercial banks, securities companies); 2. it must not invest in partnership shares without filings in the AMAC; 3. it must not invest in inferior share of structured financial product, and the priority rating of invested asset-backed securities and asset-backed notes shall be AAA; 4. the fund's total fund asset value shall not exceed 160% of fund net asset value; 5. it must not participate in the subscription of non-public issued shares in stock exchange; and 6. the debt rating of invested debentures must be AA or above. If the invested debentures do not have a debt rating or their debt ratings do not reach AA or above, their issuer ratings shall be AA or above. Rate securities such as treasury bonds, policy financial bonds, local debts, etc., are not restricted by ratings.

Listed Bond Investments

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2024
Shanghai Longlife Investment Co., Ltd.					
上海久期投資有限公司					
Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund*					
久期津西純債1號私募證券投資基金	1,682	136,337	119,228	13,572	0.23%
Shanghai JunXi Investment Management Co., Ltd.					
上海君犀投資管理有限公司					
JunXi XiZhou No. 8 Private Equity Investment Fund*					
君犀犀舟8號私募證券投資基金	1,346	142,200	133,479	6,518	0.26%
China Futures Co., Ltd.					
中信建投期貨有限公司					
China Futures JinYing No. 1 Sole Asset Management Plan*					
中信建投期貨津盈1號 單一資產管理計劃	2,696	200,000	201,780	1,920	0.39%
PingAn Trust Co., Ltd.					
平安信託有限責任公司					
PingAn Trust JinYing No. 2 Sole Fund Trust*					
平安信託津盈2號單一資金信託	4,909	233,992	235,529	-	0.45%
Shanghai Hesheng Asset Management Co., Ltd.					
上海合晟資產管理股份有限公司					
MingSheng No. 1 Private Investment Fund*					
明晟1號私募投資基金	1,815	181,183	184,428	4,127	0.35%
Harvest Fund Management Company Limited					
嘉實基金管理有限公司					
Harvest Fund Jinxi No. 1 Single Asset Management Plan (QDII)*					
嘉實基金津西1號單一資產管理計劃(QDII)	-	-	-	3,815	-

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	to the total assets of the Group as at 30 June 2024
Ningbo GuanShi Investment Management Company Limited*					
寧波觀石投資管理有限公司					
Ningbo GuanShi ShunShi No. 19 Private Securities Investment Fund*					
寧波觀石順時19號私募證券投資基金	1,057	100,000	100,000	3,451	0.19%
Dawn Opus Asset Management Co., Ltd.					
北京晨樂資產管理有限公司					
Dawn Opus Yufeng No. 1 Private Equity Investment Fund*					
晨樂裕豐1號私募證券投資基金	96,072	135,922	136,775	3,493	0.26%
Total		<u>1,129,634</u>	<u>1,111,219</u>	<u>36,896</u>	<u>2.13%</u>

Investment strategies of listed bond investments

Shanghai Longlife Investment Co., Ltd. (上海久期投資有限公司)

Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund* (久期津西純債1號私募證券投資基金) uses bonds as major investment subject. During different economic cycles, from the three dimensions of interest rate (duration), credit, and fixed income to carry out asset allocation, it strives to obtain steady return independent of economic cycle. In the aspect of risk control and strengthening return, it calculates the basic return from bond interest income. It sets a strict risk limit according to basic return level, so as to control drawdown risk. Within the risk limit, it adopts the approach of adjusting the duration of bonds, searching for wrongly priced debentures and fixed income assets' equity attributes, etc. to obtain excess return over basic return. The restrictions of the fund include: 1. it must not invest the fund assets in small to medium enterprises' private placement debts; and 2. debt or issuer ratings of corporate debts, debentures, convertible bonds, detachable convertible bond must be AA or above; debt rating of short-term financing bonds of A-1 and issuer rating must be A+ or above; private exchangeable bonds can be without rating.

Shanghai JunXi Investment Management Co., Ltd. (上海君犀投資管理有限公司)

JunXi XiZhou No. 8 Private Equity Investment Fund* (君犀犀舟8號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The fund will carry out top-down approach asset allocation according to macroeconomic analysis and changes in the overall market valuation level, lowering market risk and pursuing higher return at the same time. The investment scope includes stocks issued and listed on the Shanghai or Shenzhen stock exchanges (limited to shares issued from the conversion of convertible bonds or exchangeable bonds only), bonds and asset-backed securities issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in interbank market, fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreement in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, publicly offered funds, bank financial investment products, asset management plans of securities companies, insurance companies and futures companies, asset management plans for specific clients of fund managers, privately offered funds issued by privately offered securities investment fund manager who are registered and published on the official website of the AMAC. The investment restrictions of the fund include: 1. it must not invest in funds without custodian or safekeeping financial institutions (commercial banks, securities companies); 2. it must not invest in partnership shares without filings in the AMAC; 3. it must not invest in inferior share of structured financial product, and the priority rating of invested asset-backed securities and asset-backed notes shall be AAA; 4. the fund's total fund asset value shall not exceed 160% of fund net asset value; 5. it must not participate in the subscription of non-public issued shares in stock exchange; and 6. the debt rating of invested debentures must be AA or above. If the invested debentures do not have a debt rating or their debt ratings do not reach AA or above, their issuer ratings shall be AA or above. Rate securities such as treasury bonds, policy financial bonds, local debts, etc., are not restricted by ratings.

China Futures Co., Ltd. (中信建投期貨有限公司)

China Futures JinYing No. 1 Sole Asset Management Plan* (中信建投期貨津盈1號單一資產管理計劃) seeks to achieve long-term and stable returns under the premise of effective risk control. The plan invests in: fixed-income products including treasury bonds, central bank notes, financial bonds, local government bonds, corporate bonds, debentures, short-term financing bonds, ultra-short-term financing bonds, medium-term notes, project income notes, private placement note, subordinated bonds of securities companies, subordinated bonds of commercial banks, hybrid capital bonds, other financial institution bonds, insurance debentures, convertible bonds (including private placement), exchangeable bonds (including private placement), interbank certificates of deposit, publicly listed securitisation products of corporate/credit asset (excluding subordinated products), asset-backed notes (excluding subordinated products), each of which includes sustainable instruments; money market instruments and depositary instruments including negotiated deposits, interbank deposits, bond repurchases, bond reverse repurchases, money market funds and public bond funds; and derivatives including treasury bond futures and margin offsetting business of government bonds on various Futures Exchanges. The issuer and debt (if any) of the bonds invested by the plan shall have a credit rating not lower than AA.

PingAn Trust Co., Ltd. (平安信託有限責任公司)

PingAn Trust JinYing No. 2 Sole Fund Trust* (平安信託津盈2號單一資金信託) is an assembled funds trust with fixed income, which selects appropriate fixed income assets in accordance with the approach to use the entrusted properties as stipulated in the trust agreement, so as to build an investment portfolio that realises a long-term and stable appreciation for the assets. The trust invests in those varieties including: 1. fixed income varieties: treasury bonds, central bank notes, financing bonds, local government bonds, corporate bonds, debentures, short-term financing bonds, ultra short-term financing bonds, medium-term notes, project revenue notes, private placement financing debt instruments, subordinated bonds of securities companies, subordinated bonds of commercial banks, hybrid capital bonds, bonds of other financial institutions, bonds of insurance companies, convertible bonds (including private placement), exchangeable bonds, interbank certificates of deposits, publicly listed securitisation products of corporate/trusted assets (excluding subordinated), asset-backed notes (excluding subordinated), each of which includes permanent varieties; 2. money market instruments, publicly offered funds and deposits instruments: negotiated deposits, interbank deposits, bond repurchases, money market funds and publicly offered debt funds; 3. derivatives: treasury bonds, futures and margin offsetting business of treasury bonds on various futures exchanges; and 4. guaranteed funds in the trust business.

Shanghai Hesheng Asset Management Co., Ltd. (上海合晟資產管理股份有限公司)

MingSheng No. 1 Private Investment Fund* (明晟1號私募投資基金) realises long-term, continuous and stable appreciation for the assets of its clients under the premise of controlled risk. The fund deploys its assets with a top-down approach based on macro-economy analysis and changes in overall market valuation, aiming for higher returns with minimised market risks. The fund's investment scope covers: 1. bonds and asset-backed securities (including subordinated tranche) issued and traded in domestic stock exchanges or interbank market, asset-backed notes (including subordinated tranche) issued and traded in interbank market, standardised notes traded in interbank bond market, securities repurchases, pledge-style quoted repurchase in domestic stock exchanges; 2. publicly-offered funds; and 3. cash, bank deposits (including time deposits, demand deposits, negotiated deposit, structured deposits and other bank deposits), financial investment products from bank and interbank certificates of deposits.

Harvest Fund Management Company Limited (嘉實基金管理有限公司)

Harvest Fund Jinxi No. 1 Single Asset Management Plan (QDII)* (嘉實基金津西1號單一資產管理計劃(QDII)) is a management plan for a single asset with fixed income. Its objective is to seek considerable investment return for investors with effective investment risk control. The foreign assets invested in this plan must comply with the relevant laws and regulations such as the QDII Trial Measures* (QDII試行辦法) and the Notice on QDII Trial Measures* (QDII試行辦法通知) and the requirements of the CSRC regarding QDII investments. The particular varieties it invests in, and the investment scope includes: (1) fixed income assets: its overseas fixed income assets include: bank deposits, transferrable certificates of deposit, bank acceptance bills, bank notes, commercial notes, repurchase agreements, short-term government bonds and other money market instruments; overseas government bonds, debentures, housing-mortgage-backed securities, asset-backed securities, bank capital debts, structured investment products linked to fixed income assets, public bond funds registered with the securities regulator of a country and region that have signed a bilateral memorandum of understanding on regulatory cooperation with the CSRC, and other fixed income financial instruments approved by the CSRC for asset management plans to invest. Its domestic fixed income assets include: money market instruments, treasury bonds, local government bonds, corporate bonds, debentures, various types of financial bonds, central bank notes, bond funds, various types of debt financing instruments, and other financial instruments approved by the CSRC for asset management plans to invest; and (2) interest rate swaps for financial derivative assets, treasury bond futures listed on overseas exchanges approved by the CSRC and other interest rate derivatives, including but not limited to forward contracts, swap contracts, futures, options and other foreign exchange derivatives listed on overseas exchanges approved by the CSRC. The asset management plan's investment in fixed income assets shall not account for less than 80% of its total assets, and the asset management plan's investment in financial derivatives shall not account for more than 20% of its total assets.

*Ningbo GuanShi Investment Management Company Limited** (寧波觀石投資管理有限公司)

Ningbo GuanShi ShunShi No. 19 Private Securities Investment Fund* (寧波觀石順時19號私募證券投資基金) builds its investment portfolio on the basis of in-depth research and aims to achieve sustainable and stable investment returns on its assets. The investment scope includes: exchange-traded bonds, interbank bonds, publicly-offered securities investment funds, bonds repurchases, bonds reverse repurchases, purchase and redemption of listed open-ended Fund (LOF), depositary receipts listed on the Shanghai or Shenzhen stock exchanges, monetary market fund, cash, bank deposits, interbank certificates of deposits, wealth management products for cash management, exchange-traded and asset-backed securities, asset-backed notes, fixed income securities of securities companies. The investment restrictions include: 1. the depositary receipts held in the fund shall not exceed 100% of the fund's net asset value by market value in aggregate; and 2. the fund's total assets shall not exceed 200% of its net assets.

Dawn Opus Asset Management Co., Ltd. (北京晨樂資產管理有限公司)

Dawn Opus Yufeng No. 1 Private Equity Investment Fund* (晨樂裕豐1號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope of this fund includes: stocks issued and listed on stock exchanges, securities allowed for investment under the Connect Arrangement of the Domestic and Overseas Securities Markets (境內與境外證券市場互聯互通機制), depositary receipts traded in stock exchanges, bonds and asset-backed securities traded in stock exchanges or interbank market, asset-backed notes and standardised notes traded in interbank market, fixed income securities of securities companies, bond reverse repurchases, pledge-style quoted repurchase in stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, derivatives traded in stock exchanges and futures exchanges, contract varieties traded in the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties only, publicly offered funds, wealth management products from banks, asset management plans of securities companies and their subsidiaries, private investment funds issued by private securities investment fund managers who are shown as registered on the website of the AMAC, trust plan. The investment portfolio of the property of the fund is subject to the following restrictions: 1. the fund shall not invest in private funds entrusted to an institution without the qualification to custody securities investment funds; 2. the fund shall not invest in subordinated/inferior shares from structured financial products (except publicly offered funds); 3. the total assets of the fund shall not exceed 200% of the fund's net assets; 4. the depositary receipts held in the fund shall not exceed 100% of the fund's net asset value by market value in aggregate; and 5. the non-public traded shares of companies listed on stock exchanges invested by the fund shall not exceed 50% of the fund's net asset value by market value in aggregate.

Investment Funds

Name of the financial assets	Number of units held as at 30 June 2024 (’000)	Investment cost as at 30 June 2024 (RMB’000)	Fair value as at 30 June 2024 (RMB’000)	Realised investment income/(loss) for the six months ended 30 June 2024 (RMB’000)	Fair value to the total assets of the Group as at 30 June 2024
Shanghai QiuSheng Assets Management Co., Ltd.*					
上海秋晟資產管理有限公司					
QiuSheng Asset YanXi No. 1 Macro Hedging Private Equity Fund*					
秋晟資產言蹊1號宏觀對沖私募基金	86,872	98,123	31,491	–	0.06%
Beijing Yuhua Fund Management Co., Ltd.					
北京譽華基金管理有限公司					
Yuhua Key & Core Technology (Tangshan) Equity Investment Fund (Limited Partnership)*					
譽華硬科技(唐山)股權投資基金(有限合夥)	– ¹	20,000	20,000	–	0.04%
Beijing Huilong Capital Management Co., Ltd.					
北京惠隆資本管理有限責任公司					
Huilong Quantitative Exclusive No. 3 Private Securities Investment Fund*					
惠隆量化專享三號私募證券投資基金	11,656	11,439	12,612	–	0.02%
Value Partners Limited					
Value Partners Intelligent Funds – Chinese Mainland Focus Fund					
	107	65,128	38,247	–	0.07%
High-Flyer Quant Investment Management (Ningbo) Limited Partnership					
寧波幻方量化投資管理合夥企業(有限合夥)					
High-Flyer 500 Enhanced Index Xinxiang No. 18 Private Securities Investment Fund*					
幻方500指數增強欣享18號私募證券投資基金	49,243	57,565	44,624	–	0.09%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to the total assets of the Group as at 30 June 2024
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	
Yanfu Investments, LLC.					
上海衍複投資管理有限公司					
Yanfu 300 Enhanced Index No. 1 Private Securities Investment Fund*					
衍複300指增一號私募證券投資基金	88,627	90,000	88,592	–	0.17%
Yanfu Small Cap Enhanced Index No. 1 Private Securities Investment Fund*					
衍複小市值指數增強一號私募證券投資基金	29,354	30,000	27,881	–	0.05%
Beijing iVolution Capital Co., Ltd.					
北京天演資本管理有限公司					
Ivolution Zexiang Quantitative Selected No. 6 Private Securities Investment Fund*					
天演擇享量化精選6號私募證券投資基金	20,000	20,000	17,380	–	0.03%
Shenzhen Bishuo Private Securities Fund Management Co., Ltd. *					
深圳碧燦私募證券基金管理有限公司					
Bishuo Huiyang No. 4 Private Securities Investment Fund*					
碧燦匯陽四號私募證券投資基金	– ¹	33,037	32,982	37	0.06%
Others	–	–	–	253	–
Wellspring Capital					
北京清和泉資本管理有限公司					
Wellspring Value Stable Phase 7A Private Securities Investment Fund*					
清和泉價值穩健7期A私募證券投資基金	506	9,071	9,192	–	0.02%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	to the total assets of the Group as at 30 June 2024
Shanghai Ruitian Investment LLC.					
上海銳天投資管理有限公司					
Ruitian Standard 300 Enhanced Index No. 1					
Private Securities Investment Fund*					
銳天標準300指數增強1號私募證券投資基金	48,326	50,000	50,501	-	0.10%
Others	-	-	-	840	-
Derivatives China					
衍盛私募證券投資基金管理（海南）有限公司					
Derivatives Enhanced Index No. 1					
Private Investment Fund*					
衍盛指數增強1號私募投資基金	18,484	30,000	25,009	-	0.05%
Derivatives Enhanced Index No. 5					
Private Securities Investment Fund*					
衍盛指數增強5號私募證券投資基金	16,559	20,000	15,993	-	0.03%
Nanjing Shengquan Hengyuan Investment Co., Ltd.					
南京盛泉恒元投資有限公司					
Shengquan Hengyuan Multi-strategy Quantitative					
Hedging No. 2 Fund*					
盛泉恒元多策略量化對沖2號基金	12,391	30,000	34,751	-	0.07%
Beijing Ren Bridge Asset Management Co., Ltd.					
仁橋（北京）資產管理有限公司					
Ren Bridge JinXuanZeYuan Phase 11					
Private Securities Investment Fund*					
仁橋金選澤源11期私募證券投資基金	59,617	60,000	61,060	-	0.12%

Name of the financial assets	Number of units held as at 30 June 2024 ('000)	Investment cost as at 30 June 2024 (RMB'000)	Fair value as at 30 June 2024 (RMB'000)	Realised investment income/(loss) for the six months ended 30 June 2024 (RMB'000)	Fair value to the total assets of the Group as at 30 June 2024
Wisdomshire Asset Management Co., Ltd.					
上海睿郡資產管理有限公司					
Wisdomshire JinSheng Private Securities Investment Fund*					
睿郡津晟私募證券投資基金	50,000	50,000	47,100	–	0.09%
Shanghai Liangpai Investment Management Co., Ltd.					
上海量派投資管理有限公司					
Liangpai 300 Enhanced No. 2 Private Securities Investment Fund*					
量派300增強2號私募證券投資基金	30,300	30,000	30,448	–	0.06%
Y2 Capital Partners Limited					
Y2 ESG Opportunity Fund – Offshore	3	19,381	21,142	–	0.04%
Shanghai Leaderway Investment Management Co., Ltd.					
上海利位投資管理有限公司					
Leaderway XingYi No. 1 Private Fund*					
利位星熠1號私募基金	21,794	50,000	43,240	–	0.08%
Uranus Research					
成都朋錦仲陽投資管理中心（有限合夥）					
Zhong Yang Tengxiang Caihe Private Securities Investment Fund*					
仲陽騰驥財和私募證券投資基金	28,047	29,239	26,075	–	0.05%
Yian (Shanghai) Investment Co., Ltd.					
翊安（上海）投資有限公司					
Yian Investment Convertible Bond No. 8 Private Securities Investment Fund*					
翊安投資可轉債8號私募證券投資基金	21,914	30,000	24,543	–	0.05%
Yian Investment Convertible Bond No. 9 Private Securities Investment Fund*					
翊安投資可轉債9號私募證券投資基金	29,788	30,000	28,180	–	0.05%
Two Sigma China Co., Ltd.					
騰勝投資管理（上海）有限公司					
Two Sigma China Accumulative Macro Strategy No. 1 Private Securities Investment Fund*					
騰勝中國聚量宏觀策略1號私募證券投資基金	36,819	60,000	65,361	–	0.13%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value to the total assets of the Group as at 30 June 2024
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	
Shanghai Hesheng Asset Management Co., Ltd.					
上海合晟資產管理股份有限公司					
Hesheng Tonghui No. 72 Private Securities Investment Fund*					
合晟同暉72號私募證券投資基金	16,843	20,000	24,597	–	0.05%
Beijing Yizhuang International Technology Innovation Private Equity Fund Management Co., Ltd.*					
北京亦莊國際科技創新私募基金管理有限公司					
Beijing Xinchuang Technology Phase 1 Venture Capital Centre (Limited Partnership)*					
北京芯創科技一期創業投資中心 (有限合夥)	– ¹	30,000	30,000	–	0.06%
Shanghai Ruiliang Private Equity Fund Management Co., Ltd.*					
上海睿量私募基金管理有限公司					
Ruiliang Yuanzi No. 1 Private Securities Investment Fund*					
睿量原子1號私募證券投資基金	26,112	50,000	47,452	–	0.09%
Others	700	4,187	1,080	853	<0.01%
Zhicheng Zhuoyuan (Zhuhai) Investment Management Partnership (Limited Partnership)*					
致誠卓遠(珠海)投資管理合夥企業(有限合夥)					
Zhiyuan Quantitative Multi Operation No. 9 Private Securities Investment Fund*					
致遠量化多頭運作9號私募證券投資基金	18,292	20,000	17,571	–	0.03%
Ningbo JinGe Asset Management Co., Ltd.					
寧波金戈量銳資產管理有限公司					
Liangrui Jiatai Aggressive No. 1 Private Securities Investment Fund*					
量銳嘉泰進取1號私募證券投資基金	25,270	30,000	23,468	–	0.04%

Name of the financial assets	Number of units held as at 30 June 2024 ('000)	Investment cost as at 30 June 2024 (RMB'000)	Fair value as at 30 June 2024 (RMB'000)	Realised investment income/(loss) for the six months ended 30 June 2024 (RMB'000)	Fair value to the total assets of the Group as at 30 June 2024
Shanghai Wenbo Investment Management Co., Ltd.					
上海穩博投資管理有限公司					
Wenbo Quantitative Selection Ingenuity No. 1 Private Securities Investment Fund*					
穩博量化選股匠心系列1號私募證券投資基金	30,412	30,000	22,547	–	0.04%
Shanghai Mingxi Asset Management Company Limited					
上海鳴熙資產管理有限公司					
Mingxi 1000 Enhanced Index No. 1 Private Securities Investment Fund*					
鳴熙1000指數增強1號私募證券投資基金	20,044	20,000	18,354	–	0.04%
BN Investment					
上海犇牛投資管理有限公司					
BN Steady Progress No. 3 Private Securities Investment Fund*					
犇牛穩進3號私募證券投資基金	19,146	20,000	20,532	–	0.04%
China Asset Management Co., Ltd.					
華夏基金管理有限公司					
ChinaAMC SSE STAR Market 100 Trading Open-End Index Securities Investment Fund*					
華夏上證科創板100交易型開放式指數證券投資基金	20,538	20,000	14,111	–	0.03%
SDIC Essence Futures Co., Ltd.					
國投安信期貨有限公司					
SDIC Anxin No. 9 Single Asset Management Plan*					
國投安信安鑫9號單一資產管理計劃	20,018	20,018	20,408	18	0.04%
Beijing Fengquan Investment Management Co., Ltd.*					
北京楓泉投資管理有限公司					
Fengquan Jinghui Phase 1 Private Securities Investment Fund*					
楓泉景輝1期私募證券投資基金	15,026	20,000	26,302	–	0.05%
Beijing Snowball Capital Management Co., Ltd.					
北京雪球私募基金管理有限公司					
Beijing Snowball Private ChangXue All-Weather GaoBo No. 1 Securities Investment Fund*					
北京雪球私募長雪全天候高波1號證券投資基金	24,044	33,498	33,297	–	0.06%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2024
Shanghai ChinaL Asset Management Company 上海禪龍資產管理有限公司					
ChinaL Star No. 1 Private Securities Investment Fund*					
禪龍星辰1號私募證券投資基金	92,910	103,693	103,502	–	0.20%
IFQuant					
亦賦私募基金管理（海南）有限公司					
IF Galaxy No. 3 CSI 500 Index Enhanced Private Securities Investment Fund*					
亦賦銀河3號中證500指數增強私募證券投資基金	35,059	30,000	28,847	–	0.06%
Shanghai Pansong Private Fund Management Co., Ltd.* 上海磐松私募基金管理有限公司					
Pansong Long-Short Hedge No. 1 Private Securities Investment Fund*					
磐松多空對沖1號私募證券投資基金	29,846	40,000	40,842	–	0.08%
CCB Life Asset Management Co., Ltd. 建信保險資產管理有限公司					
CCB Life Asset Management - Pujiang Huiying No. 2 Asset-Backed Plan Phase 1*					
建信保險資管－浦江惠盈2號資產支持計劃第1期	40,000	40,000	40,000	13	0.08%
Lombarda China Fund Management Co., Ltd. 中歐基金管理有限公司					
The Lombarda China Industry Preferred Hybrid Securities Investment Fund*					
中歐產業優選混合型發起式證券投資基金	18,012	20,000	19,525	–	0.04%
Others	95,277	102,056	97,920	880	0.19%
Total		<u>1,576,435</u>	<u>1,426,759</u>	<u>2,894</u>	<u>2.73%</u>

Note:

1. These investments are presented by way of fair value instead of units.

Investment strategies of investment funds

Shanghai QiuSheng Assets Management Co., Ltd. (上海秋晟資產管理有限公司)*

QiuSheng Asset YanXi No. 1 Macro Hedging Private Equity Fund* (秋晟資產言蹊1號宏觀對沖私募基金) constructs its investment portfolio based on in-depth research, striving to realise continuous steady appreciation of the fund assets. Regarding the investment strategies, (i) for futures: through three dimensions of time, room and volatility, it addresses the issues of strategic term, strategic room for profit and volatility during the term respectively. First, according to macroeconomic analysis model, considering information in currency, investment, financing, interest rate, inflation, treasury, consumption, industry operation, import and export trade, etc., it carries out long cycle time series analysis, builds up co-integration model of each of the macroeconomic indicators under different economic cycles, studies and judges the macroeconomic operation situation. Second, according to own industry fixed asset investment, production output level as well as middle and downstream industries' output, sales, inventory situation of different commodities, it carries out evaluation to each of the commodities' supply and demand status and analyses strengths and weaknesses. At the same time, it makes an evaluation on the trade indicators such as future basis, monthly price difference, contract volume, margin deposit changes, etc., at transaction level, and finally it establishes arbitrage and hedging transaction model; and (ii) for equities: through analysing factors such as company's industry policy direction, industry concentration, industry competition threshold, company technology level in the industry, company financial status, company product market share, company research and development expense, etc., it seeks equity targets having product price bargaining power, production cost competitive advantages or having relatively higher development potential.

Beijing Yuhua Fund Management Co., Ltd. (北京譽華基金管理有限公司)

Yuhua Key & Core Technology (Tangshan) Equity Investment Fund (Limited Partnership)* (譽華硬科技(唐山)股權投資基金(有限合夥)) realises capital appreciation of the fund and creates satisfactory investment return for investors by carrying out equity or equity related investments. The fund gives priority to investing in enterprises in Tangshan and enterprises importing related technology industry to Tangshan, and mainly invests in emerging industry with large development potential such as new generation information technology, high-end equipment manufacturing, new materials, etc.

Beijing Huilong Capital Management Co., Ltd. (北京惠隆資本管理有限責任公司)

Huilong Quantitative Exclusive No. 3 Private Securities Investment Fund* (惠隆量化專享三號私募證券投資基金) strives to achieve steady growth in its assets under the equity fund under the premise of risk control. The fund's investment scope includes: 1. stocks issued and listed in the PRC under the laws, companies' shares listed and traded in the National Equities Exchange and Quotations ("NEEQ"), depositary receipts, securities issued by the Stock Exchange and various overseas exchanges that are approved by regulatory authorities for investment by domestic investors, public securities investment funds, bonds and different types of fixed income instruments, asset-backed securities, asset-backed notes, money market instrument, repurchase and reverse repurchase agreements, margin trading and short selling, refinancing, futures, exchange-traded options, warrants, returns swap (including cross-border returns swap), other standardised trading varieties traded on trading venues agreed by the State Council and other standardised trading varieties recognised by other regulatory bodies, contracts and products listed on the Shanghai Gold Exchange; and 2. private financial products: trust schemes, asset management schemes of securities companies and their subsidiaries on fund management, asset management schemes of fund managers and their subsidiaries, asset management schemes of insurance companies and their subsidiaries, private equity investment funds issued by private fund management institutions and managed by custodians (including private securities investment funds issued by fund managers). The fund focuses on quantitative investment strategies such as quantitative equity hedging and high-frequency statistical arbitrage on derivatives as its primary strategy. The risk-return profile would be evaluated based on various products' liquidities and the changes in the volatility rate in different markets. Under certain risk conditions, it seeks for allocation to maximise its expected return.

Value Partners Limited

Value Partners Intelligent Funds – Chinese Mainland Focus Fund is a sub-fund of Value Partners Intelligent Funds. The sub-fund aims to achieve medium to long-term capital appreciation by investing primarily in investments which are related to Mainland China. The sub-fund will focus primarily on Mainland China and at least 70% of the sub-fund's latest available net asset value will be on investments related to Mainland China at all times. The sub-fund may also invest, on an ancillary basis (up to 30% of the sub-fund's latest available net asset value), in other markets where opportunities can be identified. It is the current intention of the manager that the sub-fund invests at least 70% of its latest net asset value in equity securities. Also, the sub-fund may invest less than 30% of its latest net asset value in debt securities. The investment targets of the sub-fund may include RMB-denominated corporate and government bonds, listed or unlisted shares issued by companies whose assets and/or revenues are principally denominated in RMB and/or whose costs or liabilities are principally denominated in USD. Investment targets may also include A Shares whether directly through the QFII Holder's QFII Quota and the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the "**Stock Connects**"), or indirectly through China A Shares Access Products ("**CAAPs**"), B Shares and H Shares. The

investment targets of the sub-fund may also include shares of companies listed in Hong Kong or on stock exchanges elsewhere whose shares may not be denominated in RMB but whose business is closely linked with Mainland China (in that they are considered by the manager to be companies which have the majority of their assets situated in, or the majority of their income derived from operations in, Mainland China).

High-Flyer Quant Investment Management (Ningbo) Limited Partnership (寧波幻方量化投資管理合夥企業(有限合夥))

High-Flyer 500 Enhanced Index Xinxiang No. 18 Private Securities Investment Fund* (幻方500指數增強欣享18號私募證券投資基金) aims to pursue long-term, sustainable and stable appreciation of clients' assets under the premise of risk control. Based on a large amount of market data, the fund uses artificial intelligence algorithms to construct and repeatedly compute strategy models to build a basket of stock portfolios, benchmark with the underlying indices to adjust style and balance, and implement organic combination of multiple strategies under a unified strategy framework to optimise the return-to-risk ratio of the strategy portfolios and pursue investment returns that outperform the indices. The fund's investment scopes include the varieties listed and traded on the Shanghai or Shenzhen stock exchanges (i.e. stocks, preferred stocks, warrants, depositary receipts), bonds (including exchange-traded bonds, convertible bonds, exchangeable bonds, but excluding small and medium enterprise private placement bonds and non-public corporate bonds), treasury bonds reverse repurchases, deposits, publicly-offered securities investment funds, futures, and exchange-traded options. The fund may participate in financing and securities financing transactions, Stock Connect for Southbound Trading transactions, and new shares subscriptions, and may also utilise their holding securities as underlying of short sale lending to securities finance companies. The market value of the fund's investment in depositary receipts listed and traded on the Shanghai or Shenzhen stock exchanges shall account for 0% to 80% of the fund's total assets.

Yanfu Investments, LLC. (上海衍複投資管理有限公司)

Yanfu 300 Enhanced Index No. 1 Private Securities Investment Fund* (衍複300指增一號私募證券投資基金) strives to achieve long-term stable investment returns under the premise of stringent control of investment risks. The fund seeks to reduce market risk while pursuing higher returns by conducting top-down approach asset allocation based on macroeconomic analysis and changes in overall market valuation levels. The fund invests mainly in stocks issued and listed on the Shanghai or Shenzhen stock exchanges (including new shares subscriptions), stocks within the scope of Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preferred stocks issued and listed on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or in the interbank market (including convertible bonds and exchangeable bonds, but excluding small and medium enterprise private placement bonds and non-public debentures) and asset-backed securities (excluding subordinated securities), asset-backed notes issued and traded in the interbank market (excluding subordinated notes), fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreements in the Shanghai or Shenzhen stock exchanges,

bank deposits (including time deposits, negotiated deposits, structured deposits and other bank deposits), bank financial investment products, interbank certificates of deposit, margin trading and short selling, refinancing securities lending, stock index futures, commodity futures, treasury bond futures, stock options listed on the Shanghai or Shenzhen stock exchanges and futures exchange, warrants listed on the stock exchanges, contracts listed on the Shanghai Gold Exchange, returns swaps and over-the-counter options (subject to the permission of the regulatory authorities, and the trading counterparties are limited to securities companies and their subsidiaries, and futures companies and their subsidiaries) and publicly offered securities investment funds.

Yanfu Small Cap Enhanced Index No. 1 Private Securities Investment Fund* (衍複小市值指數增強一號私募證券投資基金) builds an investment portfolio based on in-depth research and strives for realisation of continuous stable growth of the fund's assets. The fund's investment scope covers the legally issued and listed stocks in the PRC, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, participating margin trading and short selling, lending its security holdings to securities finance companies as the underlying securities for financing, bonds, bond repurchases, pledge-style quoted repurchase, cash, bank deposits, interbank certificates of deposit, transferable certificates of large amount deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, derivatives varieties listed and traded on the exchanges, returns swaps and over-the-counter options with institutional counterparties possessing corresponding business qualifications, interest rate swaps, publicly offered securities investment funds, private investment funds issued by that fund manager, asset-backed securities, bank financial investment products, income securities issued by securities companies, other investment varieties permitted by laws and regulations or the CSRC. The fund's investment portfolio will be subject to the following restrictions: 1. the private investment funds invested by the fund must be entrusted by custodian institutions; 2. the fund's total fund asset value shall not exceed 200% of fund's net asset value; 3. the fund shall not invest in private investment funds issued by non-securities private fund managers; and 4. the total amount of the over-the-counter derivatives invested by the fund shall not exceed 25% of fund's net asset value.

Beijing iVolution Capital Co., Ltd. (北京天演資本管理有限公司)

Ivolution Zexiang Quantitative Selected No. 6 Private Securities Investment Fund* (天演擇享量化精選6號私募證券投資基金) builds its investment portfolio on the basis of in-depth research. Under the premises of strict control of the investment risks, it strives to obtain long-term stable investment return. The investment scopes include shares traded on stock exchanges, securities authorised for investment under the Connect Arrangement of the Domestic and Overseas Securities Markets* (境內與境外證券市場互聯互通機制), depositary receipts traded on stock exchanges, bonds traded on stock exchanges or interbank market, bond reverse repurchases, pledge-style quoted repurchase in stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, derivatives traded on stock exchanges and futures exchanges, over-the-counter derivatives on the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties (limited to return swap and over-

the-counter options only), and publicly offered funds. The fund's investment portfolio shall be subject to the following restrictions: 1. the total assets value of the fund should not exceed 200% of its net asset value; 2. the fund shall not participate in the subscription of the non-publicly issued shares of companies listed on the stock exchanges; 3. the margin deposit in the futures account of the fund shall not exceed 100% of the interests of the same account; 4. the individual share of a listed company held by the fund shall not exceed 4.99% of the total share capital of that listed company; 5. the individual share of a listed company held by the fund shall not exceed 10% of the floating share capital of that listed company; 6. the individual bond held by the fund, when calculated in aggregation by cost, shall not exceed 10% of the total assets of the fund; 7. the margin deposit in the fund's commodity futures account shall not exceed 20% of the net asset value of the fund; 8. the fund shall not invest in ST, *ST, S, SST, S*ST shares and shares subject to the delisting process; and 9. the depositary receipts held by the fund, when calculated in aggregate market value, shall not exceed 100% of the net asset value of the fund.

Shenzhen Bishuo Private Securities Fund Management Co., Ltd. (深圳碧燦私募證券基金管理有限公司)*

Bishuo Huiyang No. 4 Private Securities Investment Fund* (碧燦匯陽四號私募證券投資基金) is a contractual private placement investment fund. The goal is to construct an investment portfolio based on in-depth research, striving to achieve continuous steady appreciation of the fund assets. The investment scope of the fund includes: 1. equity: domestically legally issued and listed stocks, participation in margin trading and securities lending, lending held securities as margin securities to securities finance companies; 2. fixed income: bond repurchases; 3. cash management: cash, bank deposits, interbank certificates of deposit, large negotiable certificates of deposit, money market funds; 4. exchange-traded derivatives: derivatives listed and traded on exchanges; 5. spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange; and 6. others: publicly offered securities investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment products approved by laws and regulations or the CSRC for fund investment. The portfolio of the fund shall be subject to the following restrictions: 1. the private equity funds invested by the fund must have a custodian institution; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds issued by non-securities private fund managers.

Wellspring Capital (北京清和泉資本管理有限公司)

Wellspring Value Stable Phase 7A Private Securities Investment Fund* (清和泉價值穩健7期A私募證券投資基金) constructs an investment portfolio based on in-depth research, and seeks to achieve long-term and stable investment returns under the premise of strict control of investment risks. The fund's investment scope includes cash, bank deposits, bank wealth management products and money market funds. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products (inclusive of asset securitisation products); 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds that are not entrusted by an institution qualified to custody securities investment fund.

Shanghai Ruitian Investment LLC. (上海銳天投資管理有限公司)

Ruitian Standard 300 Enhanced Index No. 1 Private Securities Investment Fund* (銳天標準300指數增強1號私募證券投資基金) aims to build an investment portfolio based on in-depth research, so as to achieve long-term and stable investment returns under the premise of rigid control of investment risks. The investment scope covers stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stocks within the scope of Stock Connect for Southbound Trading, preference shares issued and listed on stock exchanges, bonds issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, income certificates of securities companies, bonds reverse repurchases, bonds repurchases, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, options and futures, listed on stock exchanges and futures exchanges, publicly offered funds and wealth management products of banks. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in the subordinated/inferior shares of structured financial products; 2. the fund's total assets value shall not exceed 200% of its net asset value. The calculation of total assets of a single private equity fund is based on the total assets of the invested asset management in accordance with the pass-through principle on aggregation basis; 3. the fund shall not participate in the subscription of non-publicly issued shares by stock exchanges; and 4. the balance of funds from the repurchase of bonds held by the fund shall not exceed 100% of the net asset value of the fund.

Derivatives China (衍盛私募證券投資基金管理(海南)有限公司)

Derivatives Enhanced Index No. 1 Private Investment Fund* (衍盛指數增強1號私募投資基金) aims to structure its investment portfolio based on in-depth researches. It seeks for long-term and stable investment returns under the premise of rigid risk control. The fund invests by an enhanced index strategy, which employs quantified model to choose from an index a basket of stocks with high probability to outperform the index in profits within a period of time in the future, so as to realise returns higher than that of the index. The investment scope covers: (1) stocks, options, bonds, traded in the Shanghai Stock Exchange and Shenzhen Stock Exchange, bond repurchases, bond reverse repurchases and other financial products; (2) stocks traded through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect; (3) futures, option products and other financial products listed on and traded in the China Financial Futures Exchange, Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai International Energy Exchange and other institutions; (4) financial products listed in and traded in interbank market; (5) central bank notes; (6) financial products listed on and traded in the Shanghai Gold Exchange; (7) margin trading and short selling; (8) refinancing securities lending; (9) wealth management products from banks, bank deposits, cash, money market funds; (10) fixed income securities issued by securities companies; and (11) investment funds for publicly offered securities.

Derivatives Enhanced Index No. 5 Private Securities Investment Fund* (衍盛指數增強5號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives for long-term and stable investment returns under strict risk control. Its investment scope includes: 1. stocks issued and listed domestically in accordance with laws, participation in margin trading and short selling, Stock Connect for Southbound Trading transactions, depositary receipts, exchange-traded bonds, interbank bonds, bond reverse repurchases, asset-backed securities, asset-backed notes, commodity futures, stock index futures, treasury bond futures, and exchange-traded options; 2. publicly-offered securities investment funds, commercial banks' financial investment products, trust schemes, asset management plans of securities companies and their subsidiaries, asset management plans of futures companies, asset management plans of fund companies and their subsidiaries, asset management plans of insurance companies, and private funds issued by private fund managers registered with the AMAC, which are under the custody of custodians or under the collective custody of securities companies with the pilot qualification for collective private fund custody business; and 3. cash, bank deposits, monetary funds and other varieties approved by laws and regulations or regulatory authorities for fund investment. The fund's investment in bonds (excluding treasury bonds, central bank notes, convertible bonds and exchangeable bonds) and asset-backed securities, when calculated in aggregation at cost, shall not exceed 20% of its net asset.

Nanjing Shengquan Hengyuan Investment Co., Ltd. (南京盛泉恒元投資有限公司)

Under the premise rigid risk control, Shengquan Hengyuan Multi-strategy Quantitative Hedging No. 2 Fund* (盛泉恒元多策略量化對沖2號基金) employs a market neutral strategy to realise long-term and stable absolute profits with low risks and high liquidity. The investment scope covers: (1) cash management varieties: cash, bank deposits, monetary-based and short-term wealth management plans of banks, treasury bonds reverse repurchases, money market funds, cash management products from securities dealer and others; (2) equity varieties: stocks listed on exchanges (including subscription of new shares, subscription of additional shares in public offering and others), securities investment funds and stocks in the Stock Exchange allowed for investment through Shanghai Connect and Shenzhen Connect; (3) fixed income varieties: treasury bonds, financial bonds, corporate bonds, debentures, subordinated bonds, central bank notes, medium-term notes, convertible bonds (including those with detachable warrants), exchangeable bonds (including those privately offered), asset-backed securities, private bonds of small to medium enterprises, bond repurchases, bond reverse repurchases, bond-based securities investment funds and others; (4) derivatives: stock index futures and treasury bond futures listed on the China Financial Futures Exchange, shares options, stock index options and over-the-counter options listed on the Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange and other institutions, margin trading and short selling, warrants, returns swaps issued by licensed financial institutions, QDII securities investment funds and others; and (5) others: various precious metals on the Shanghai Gold Exchange, refinancing (including securities lending), asset management plans of securities companies, asset management plans of futures companies, wealth management plans from commercial banks, asset management plans of fund companies and subsidiaries of fund companies, trust plans, private fund products issued by entities with the qualification of private fund manager, and other financial products approved by the CSRC.

Beijing Ren Bridge Asset Management Co., Ltd. (仁橋(北京)資產管理有限公司)

Ren Bridge JinXuanZeYuan Phase 11 Private Securities Investment Fund* (仁橋金選澤源11期私募證券投資基金) constructs investment portfolios based on in-depth research and seeks to achieve long-term stable investment returns under the premise of strict control of investment risks. The investment scope includes: (1) stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stock/hybrid publicly offered funds, and stocks within the scope of Stock Connect for Southbound Trading; (2) bonds traded on the stock exchange and in the interbank market (including only treasury bonds, financial bonds, debentures, corporate bonds, convertible bonds, and exchangeable bonds), repurchases and reverse repurchases of bonds traded on the stock exchange and in the interbank market, and publicly offered bond funds; (3) cash, bank deposits, money market funds; (4) options and futures listed on stock exchanges and futures exchanges, margin trading and short selling; and (5) income swaps traded only with China International Capital Corporation Limited or China CICC Wealth Management Securities Company Limited as counterparty, over-the-counter options traded only with China International Capital Corporation Limited or China CICC Wealth Management Securities Company Limited as counterparty. The fund shall not invest in subordinated/inferior shares of structured financial products.

Wisdomshire Asset Management Co., Ltd. (上海睿郡資產管理有限公司)

Wisdomshire JinSheng Private Securities Investment Fund* (睿郡津晟私募證券投資基金) aims to build an investment portfolio based on in-depth research striving for solid investment returns. The fund invests mainly in Class B shares of “Wisdomshire No. 5 Private Securities Investment Fund* (睿郡5號私募證券投資基金)” issued by Wisdomshire Asset Management Co., Ltd. The investment scope covers: 1. domestic legally issued and listed stocks, new shares subscriptions, publicly-offered securities investment funds; 2. bonds, bond reverse repurchases and other fixed income financial products; 3. bond repurchases; 4. stock index futures, treasury bond futures, over-the-counter options; 5. cash financial products, including cash, monetary funds directly offered by Aegon-Industrial Fund and monetary funds distributed by Industrial Securities, assembled cash wealth management products of securities firms distributed by Industrial Securities and exchange-traded monetary funds; 6. margin trading and short selling, investments in Stock Exchange-listed securities through Stock Connect for Southbound Trading; 7. securities investment financial products issued by Industrial Securities and its asset management subsidiaries, Aegon-Industrial Fund, GTS Fund and its subsidiaries, Industrial Securities Futures and its subsidiaries, China Industrial International Trust and its subsidiaries, and the manager of this private equity fund; and 8. brokerage income certificates and fixed income insurance asset management products managed by Ping An Asset Management Co., Ltd. The ratio of total assets to net assets of the fund shall not exceed 200%.

Shanghai Liangpai Investment Management Co., Ltd. (上海量派投資管理有限公司)

Liangpai 300 Enhanced No. 2 Private Securities Investment Fund* (量派300增強2號私募證券投資基金) aims to identify a stock pool as the best choice to achieve long-term, sustainable and stable appreciation of clients' assets. The fund's investment scope includes instruments listed and traded on the Shanghai or Shenzhen stock exchanges (i.e. stocks, depositary receipts, preferred shares and warrants), bonds, securities repurchases, deposits, publicly-offered securities investment funds (excluding structured fund B), futures, exchange-traded options, standardised notes traded in the interbank bond market, asset-backed securities and asset-backed notes listed on the exchanges or the interbank market (but excluding subordinated ones), income certificates of securities companies, return swaps and over-the-counter options. The fund may participate in margin trading and short selling, Stock Connect for Southbound Trading transactions and new shares subscriptions, and securities held in the fund may also be lent to securities finance companies as underlying of short sale. The fund may invest in asset management schemes of securities companies, asset management schemes of futures companies, bank wealth management products, contractual private investment funds issued by private securities investment fund managers who are registered with the AMAC and entrusted by institutions with qualification in custodian business for securities investment funds, or those provided with comprehensive private equity fund services by institutions with relevant qualifications. The fund, however, may not invest in inferior share of the abovementioned products. The fund is subject to the following investment proportions and investment restrictions: 1. the market value of the fund's investment in depositary receipts listed and traded on the Shanghai or Shenzhen stock exchanges shall account for 0% to 90% of the fund's total assets; and 2. the market value of cash securities assets shall not exceed 40% of the fund's net assets.

Y2 Capital Partners Limited (“Y2 Capital”)

Y2 ESG Opportunity Fund – Offshore strives to generate consistent risk adjusted returns for investors through exploiting fundamental mispricing with a resilient portfolio of stocks in China/Asia, riding on their ESG transformation and scaling up the subsequent impacts. Y2 Capital employs a deep-dive fundamental equity long/short strategy integrating ESG risks/opportunities and potential regulations in the investment process. The fund's investment scope includes: 1. focus on diversified sector verticals that are impacted by climate transition and demographic change; 2. long-term structural winners and misunderstood/overlooked stocks with fundamental mispricing but ESG/regulation resilience; 3. short companies that are on the wrong side of sustainability transition or regulation. Tactical shorts to hedge macro/sector risks; 4. moderate/low net exposure to protect downside and preserve capital; and 5. responsible ownership/engagement to lower risks and catalyse ESG improvement to maximise return.

Shanghai Leaderway Investment Management Co., Ltd. (上海利位投資管理有限公司)

Leaderway XingYi No. 1 Private Fund* (利位星熠1號私募基金) constructs its investment portfolio based on in-depth research and seeks to achieve long-term and stable investment returns under strict risk control. The fund invests mainly in stocks issued and listed domestically in accordance with laws and other listed stocks approved by the CSRC, new share subscriptions, bonds, income certificates issued by the CITIC Securities Investment Co., Ltd., securities investment funds, bond repurchases, warrants, money market instruments, participation in margin trading and short selling, lending securities held in the fund as underlying of short sale to securities finance companies, Shanghai-Hong Kong Connect, Shenzhen-Hong Kong Stock Connect, financial derivatives, cross-border investment financial instruments approved by the financial regulatory authorities, and other varieties approved by laws and regulations or the CSRC for fund investment. The fund's investment portfolio shall be subject to the following restrictions: 1. the private investment funds in which the fund invests must have a custodian; and 2. the fund shall not invest in non-securities financial products, including but not limited to non-securities private investment funds, and non-securities asset management plans, trust plans and other varieties managed/issued by subsidiaries of fund companies, futures companies, securities companies and trust companies.

Uranus Research (成都朋錦仲陽投資管理中心(有限合夥))

Zhong Yang Tengxiang Caihe Private Securities Investment Fund* (仲陽騰驤財和私募證券投資基金) seeks stable asset appreciation by pooling the funds invested by fund investors for professional management and application of the assets. Its investment scope includes: 1. stocks and depositary receipts issued and listed domestically in accordance with laws, preferred shares convertible into ordinary shares, and stocks subject to the Stock Connect for Southbound Trading and Shanghai-London Stock Connect; 2. bonds and asset-backed securities issued and traded on the Shanghai, Shenzhen and Beijing stock exchanges or interbank market, asset-backed notes issued and traded on the interbank market, income certificates of securities companies, and bond reverse repurchases; 3. cash, bank deposits, interbank certificates of deposit, and transferable certificates of large amount deposit; 4. margin trading and short selling, futures and options issued and listed domestically in accordance with laws, warrants on the Shanghai and Shenzhen stock exchanges, credit protection instruments on the Shanghai and Shenzhen stock exchanges, financial derivatives in the interbank market, contract varieties listed on the Shanghai Gold Exchange, and over-the-counter derivatives with securities companies/futures companies/banks and their subsidiaries as counterparties only; 5. refinancing securities lending; and 6. publicly offered securities investment funds. The fund's investment portfolio shall be subject to the following restrictions: (1) the fund shall not invest in funds that are not under the custody of or entrusted to financial institutions such as commercial banks and securities companies; (2) the fund shall not invest in the subordinated/inferior shares (except for public offered funds) of structured financial products (including asset securitisation products); (3) the fund shall not invest, either directly or indirectly, in unlisted equity, unlisted debentures or entrusted loans; (4) in case of the fund's investment in asset management products, such asset management products shall not be invested in the following items: non-standardised debt assets, equity interests in unlisted enterprises, other asset management products (except for public securities investment funds), private equity funds and various types of earning assets; and (5) the fund shall not participate in bond repurchase.

Yian (Shanghai) Investment Co., Ltd. (翊安(上海)投資有限公司)

Yian Investment Convertible Bond No. 8 Private Securities Investment Fund* (翊安投資可轉債8號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives to achieve sustainable and stable appreciation of the fund's assets. Its investment scope includes: stocks issued and listed domestically in accordance with laws, new shares subscriptions, non-public traded shares of companies listed on the Shanghai and Shenzhen stock exchanges, stocks of companies listed on the selected tier under the NEEQ, preferred shares, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, public offered equity funds, public offered balanced funds, participation in margin trading and short selling, lending securities held in the fund as underlying of short sale to securities finance companies, bonds, bond repurchases, publicly offered bond funds, cash, bank deposits, interbank certificates of deposit, transferable certificates of large amount time deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, exchange-listed derivatives, income swaps, cross-border income swaps and over-the-counter options with institutional counterparties possessing corresponding business qualifications, interest rate swaps, asset-backed securities, asset-backed notes, income certificates issued by securities companies, and other varieties approved by laws and regulations or the CSRC for fund investment. The fund shall not invest in private investment funds issued by private equity fund managers of non-security types.

Yian Investment Convertible Bond No. 9 Private Securities Investment Fund* (翊安投資可轉債9號私募證券投資基金) builds its investment portfolio on the basis of in-depth research and aims to achieve stable investment returns. The investment scope includes: convertible bonds issued and listed domestically in accordance with laws, exchangeable bonds, bonds reverse repurchases, bonds repurchases, cash, treasury bonds, bank deposits, publicly offered securities investment funds. The investment restrictions include: 1. the fund shall not proactively buy stocks issued and listed domestically in accordance with laws, except for shares issued from the conversion of convertible bonds and exchangeable bonds; and 2. the fund's total assets shall not exceed 200% of its net assets.

Two Sigma China Co., Ltd. (騰勝投資管理(上海)有限公司)

Two Sigma China Accumulative Macro Strategy No. 1 Private Securities Investment Fund* (騰勝中國聚量宏觀策略1號私募證券投資基金) seeks to achieve absolute returns denominated in RMB with the investment risks managed to the greatest extent. Its investment scope includes: (1) cash and fixed income assets: cash, reverse repurchases, bank deposits, negotiated deposits, transferable certificates of large amount deposit, interbank certificates of deposit, money market funds, treasury bonds and policy financial bonds and their pledged repurchases, etc.; and (2) derivative assets: various derivatives listed on domestic exchanges, including China Financial Futures Exchange, Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai International Energy Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, Guangzhou Futures Exchange, Shanghai Gold Exchange, and other exchanges established under the permission of the State Council. The fund's investment portfolio shall be subject to the following restrictions: (A) the fund shall not invest in private equity funds under the custody of institutions that are not qualified to be entrusted with securities investment funds; (B) the fund shall not invest in equity interests of partnerships that are not registered with the AMAC; and (C) the fund shall not invest in the subordinated/inferior shares (except for public offered funds) of structured financial products.

Shanghai Hesheng Asset Management Co., Ltd. (上海合晟資產管理股份有限公司)

Hesheng Tonghui No. 72 Private Securities Investment Fund* (合晟同暉72號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives for long-term and stable investment returns under strict investment risk control. Its investment scope includes “Hesheng Tonghui No. 7 Private Securities Investment Fund”* (合晟同暉7號私募證券投資基金) managed by Shanghai Hesheng Asset Management Co., Ltd., cash, bank deposits and money market funds. The fund’s investment portfolio shall be subject to the following restrictions: 1. the fund shall not invest in private equity funds that are not under the custody of institutions qualified to be entrusted with securities investment funds; and 2. the fund shall not invest in the subordinated/inferior shares (except for public offered funds) of structured financial products.

Beijing Yizhuang International Technology Innovation Private Equity Fund Management Co., Ltd. (北京亦莊國際科技創新私募基金管理有限公司)*

The business purpose of Beijing Xinchuang Technology Phase 1 Venture Capital Centre (Limited Partnership)* (北京芯創科技一期創業投資中心(有限合夥)) is to combine the relevant policies of Beijing Municipality on the development of small and medium-sized enterprises (SMEs) with the market-oriented operation of equity investment, to invest in SMEs in line with the urban function positioning of Beijing Municipality and relevant industrial policies, especially those technology-based and innovative SMEs in the early stage, the initial start-up period and the early and medium-term, to promote the development of SMEs, and to obtain good returns from the fund through professional management. The fund makes equity investments with its entire investment amount. The investment principles include: 1. focusing on investing in SMEs in the early stage, the initial start-up period and the early and medium-term which are in line with the urban functional positioning of Beijing Municipality and relevant industrial policies; 2. SMEs in the early stage and initial start-up period refer to enterprises that meet the classification standards of SMEs and the following conditions: (1) the establishment period shall not exceed 3 years; (2) the number of employees shall not exceed 200; (3) technical personnel directly engaged in research and development account for more than 20% of the total number of employees; (4) total assets shall not exceed RMB20 million; and (5) annual sales or turnover shall not exceed RMB30 million.

Shanghai Ruiliang Private Equity Fund Management Co., Ltd. (上海睿量私募基金管理有限公司)

Ruiliang Yuanzi No. 1 Private Securities Investment Fund* (睿量原子1號私募證券投資基金) strives to generate stable income and returns for fund investors under the premise of strict control of investment risks. The investment scope of the fund includes: 1. stocks issued and listed in the PRC under the laws, companies’ shares listed and traded in the NEEQ, depositary receipts, various investment products and instruments issued by the exchanges and various overseas exchanges that are approved by regulatory authorities for investment by domestic investors, public securities investment funds, bonds and different types of fixed

income instruments (including but not limited to government bonds, central bank notes, financial bonds, local government bonds, corporate bonds, enterprise bonds, convertible bonds, exchangeable bonds, segregated convertible bonds, SME private placement bonds, subordinated bonds, medium-term notes, short-term financing bills, super short-term financing bills, interbank certificates of deposit, non-public targeted debt financing instruments, etc.), asset-backed securities, asset-backed notes, money market instruments, repurchase and reverse repurchase agreements, bond pledged repurchase agreements, margin trading and short selling, refinancing, futures, exchange-traded options, warrants, returns swap, income certificates, all products of the Shanghai Gold Exchange, other standardised trading products traded on trading venues agreed by the State Council and other standardised trading products recognised by other regulatory bodies; 2. private financial products: trust schemes, asset management schemes of securities companies and their subsidiaries on fund management, asset management schemes of fund managers and their subsidiaries, asset management schemes of insurance companies and their subsidiaries, asset management schemes of futures companies and their subsidiaries, private securities investment funds issued by private fund management institutions and managed by custodians. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund's investment in a single money market fund shall not, by market value, exceed 100% of its total assets; 2. the fund's total assets shall not exceed 200% of its net assets; and 3. the fund shall not hold basic layer and innovative layer stocks with the aggregate amount exceeding 20% of the fund's net assets, when calculated at cost.

Zhicheng Zhuoyuan (Zhuhai) Investment Management Partnership (Limited Partnership) (致誠卓遠 (珠海) 投資管理合夥企業 (有限合夥))*

Zhiyuan Quantitative Multi Operation No. 9 Private Securities Investment Fund* (致遠量化多頭運作9號私募證券投資基金) realises long-term, continuous, and stable appreciation for the assets of its clients under the premise of controlled risk. The fund's investment scopes include varieties listed and traded on domestic stock exchanges, bonds, securities repurchases, deposits, publicly offered securities investment funds, futures, exchange-traded options, standardised notes traded on the interbank bond market, asset-backed securities and asset-backed notes listed on the exchanges or the interbank market (but excluding subordinated tranche), bank wealth management products, fixed income securities of securities companies, return swaps and over-the-counter options (limited to those with securities companies and their subsidiaries and futures companies and their subsidiaries as counterparties). The fund may participate in transactions of margin trading and short selling, transactions under Southbound Trading and IPO subscriptions, and may also lend its security holdings to securities finance companies as underlying securities for financing. The market value of the fund's investment in depositary receipts listed and traded on domestic stock exchanges shall account for 0% to 50% of the fund's total assets.

Ningbo JinGe Asset Management Co., Ltd. (寧波金戈量銳資產管理有限公司)

Liangrui Jiatai Aggressive No. 1 Private Securities Investment Fund* (量銳嘉泰進取1號私募證券投資基金) pursues for reasonable investment returns and strives for a long-term appreciation for the property of the fund. The investment scopes include: 1. the legally issued and listed stocks, depositary receipts, margin trading and short selling in the PRC; 2. treasury bonds; 3. publicly offered funds (money market funds); 4. repurchases (bond reverse repurchases); 5. futures (financial futures); 6. exchange traded options; and 7. others (bank deposits). The investment proportions and limitations include: 1. the fund shall not invest in funds that are not entrusted to financial institutions; 2. as calculated by market value, the individual share held by the fund shall not exceed 10% of the net asset value of the fund; 3. the individual share of a listed company held by the fund shall not exceed 4.9% of its total share capital, and shall not exceed 10% of shares in circulation of that listed company; 4. the individual share from ChiNext and STAR Market held by the fund shall not exceed 4.9% of its total share capital of that share, and shall not exceed 5% of shares in circulation of that listed company; 5. as calculated by market value, the sum of market value of all shares of the listed companies from ChiNext and STAR Market invested by the fund shall not exceed 49% of the net value of the fund; 6. the fund shall not invest in ST, *ST, S, SST, S*ST shares in a proactive manner; 7. if the fund participates in the subscription of new shares, the subscribed number of shares shall not exceed the total number of shares which are proposed to be issued by the company; 8. the fund shall not invest in non-publicly issued shares; 9. the fund shall not subscribe or place shares whose lock-up period is later than 10 working days prior to the maturity of the fund; and 10. the net exposure of equity shall range from 0% to 130%.

Shanghai Wenbo Investment Management Co., Ltd. (上海穩博投資管理有限公司)

Wenbo Quantitative Selection Ingenuity Series No. 1 Private Securities Investment Fund* (穩博量化選股匠心系列1號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope of this fund includes: 1. bonds traded in domestic stock exchanges and interbank market, bonds repurchase, interbank certificates of deposit, income securities issued by securities companies, bank deposit; 2. stocks issued and listed on domestic stock exchanges, stocks under the Stock Connect for Southbound Trading, companies' shares listed and traded in the NEEQ (those listed on NEEQ Select only); 3. financing options, exchange-traded options, over-the-counter options with securities companies or futures companies and their subsidiaries as counterparties; 4. publicly offered funds; and 5. the fund may participate in margin trading and short selling and refinancing securities lending. The total assets of the fund shall not exceed 200% of the fund's net assets.

Shanghai Mingxi Asset Management Company Limited (上海鳴熙資產管理有限公司)

Mingxi 1000 Enhanced Index No. 1 Private Securities Investment Fund* (鳴熙1000指數增強1號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope of this fund includes: 1. stocks issued and listed domestically in accordance with laws, depositary receipts, preferred shares convertible into ordinary shares, and stocks subject to the Stock Connect for Southbound Trading and Shanghai-London Stock Connect; 2. bonds and asset-backed securities issued and traded on the Shanghai, Shenzhen and Beijing stock exchanges or interbank market, asset-backed notes issued and traded on the interbank market, income certificates of securities companies, and bond repurchases; 3. cash, bank deposits, interbank certificates of deposit, and transferable certificates of large amount deposit; 4. margin trading and short selling, futures and options issued and listed domestically in accordance with laws, warrants on the Shanghai and Shenzhen stock exchanges, credit protection instruments on the Shanghai and Shenzhen stock exchanges, financial derivatives in the interbank market, contract varieties listed on the Shanghai Gold Exchange, and over-the-counter derivatives with securities companies/futures companies/banks and their subsidiaries as counterparties only; 5. refinancing securities lending; and 6. publicly offered securities investment funds, asset management plans of securities companies and their subsidiaries, asset management plans of fund managers and their subsidiaries, asset management plans of future companies and their subsidiaries, trust plans, insurance asset management products, commercial banks' financial investment products, contractual private securities investment funds issued by private securities investment fund managers who are registered with the AMAC and entrusted by institutions with qualification in custodian business for securities investment funds, or those provided with comprehensive private equity fund services by institutions with relevant qualifications. The fund, however, may not invest in inferior share of the abovementioned products. The fund's investment portfolio shall be subject to the following restrictions: 1. the amount reported shall not exceed the total assets of the fund and the amount reported shall not exceed the total number of bonds to be issued by the company proposed to issue bonds in the application for the issuance of new bonds; 2. the amount reported shall not exceed the total assets of the fund and the amount reported shall not exceed the total number of shares to be issued by the company proposed to issue shares in the application for the issuance of new shares; 3. it must not invest in funds without custodian or safekeeping financial institutions; 4. the fund shall not invest in subordinated/inferior shares of structured financial products (except for publicly offered funds); 5. the fund shall not invest, either directly or indirectly, in unlisted equity, unlisted debentures or entrusted loans; 6. the fund's total fund asset value shall not exceed 200% of fund net asset value; 7. in case of the fund's investment in asset management products, such asset management products shall not be invested in the following items: non-standardised debt assets, equity interests in unlisted enterprises, other asset management products (except for publicly offered securities investment funds), private equity funds and various types of earning assets; 8. the investment proportion of depositary receipts listed and traded on domestic stock exchanges, when calculated by market value, shall not exceed 80% of the total asset value of the fund on the previous day; and 9. in case the fund invests in over-the-counter derivatives, the funds invested by the fund, calculated by the lower of cost and market value, shall not exceed 25% of fund's net asset value on the previous day.

BN Investment (上海犇牛投資管理有限公司)

BN Steady Progress No. 3 Private Securities Investment Fund* (犇牛穩進3號私募證券投資基金) pursues reasonable investment returns and strives to achieve long-term and steady appreciation of the fund's assets through the flexible application of investment strategies under the premises of stringent risk control and the guaranteed liquidity of fund asset. The investment scope of the fund includes: (1) stocks; (2) bonds; (3) publicly offered funds; (4) bonds repurchase; (5) futures; (6) future options; (7) wealth management products; and (8) others. During the duration of the fund, the total assets of the fund shall not exceed 200% of the fund's net assets.

China Asset Management Co., Ltd. (華夏基金管理有限公司)

ChinaAMC SSE STAR Market 100 Trading Open-End Index Securities Investment Fund* (華夏上證科創板100交易型開放式指數證券投資基金) closely follows the target index and seeks to minimise tracking deviation and tracking error. The fund strives to achieve an average absolute daily tracking deviation of no more than 0.2% and an annual tracking error of no more than 2%. The fund invests primarily in the constituent securities and alternate constituent securities of the underlying index. Basically, it may also invest in non-constituent stocks, bonds, stock index futures, stock options, treasury bond options, asset-backed securities, money market instruments, bank deposits and other financial instruments permitted for fund investment by laws and regulations or the CSRC. The fund may participate in financing and refinancing securities borrowing in accordance with laws and regulations. The fund's investment in the constituent stocks and alternative constituent stocks of the underlying index shall be no less than 90% of the net asset value of the fund and no less than 80% of the non-cash fund assets.

SDIC Essence Futures Co., Ltd. (國投安信期貨有限公司)

SDIC Anxin No. 9 Single Asset Management Plan* (國投安信安鑫9號單一資產管理計劃) aims to pursue asset appreciation under the premise of risk control. The investment scope of the plan includes: 1. futures and derivatives: futures contracts listed on domestic stock exchanges, including commodity futures and financial futures; 2. fixed income: cash, bank deposits, money market funds, treasury bonds and treasury bonds reverse repurchase; and 3. others: private securities investment funds. The plan's investment in fixed income assets shall not account for less than 80% of total assets under the asset management plan in terms of market value, and the plan's investment in equity assets shall not account for less than 80% of the total assets under the asset management plan in terms of market value. The contract value of the position held for investment in futures and derivatives assets may be higher than 80% but shall not be lower than 20% of the total assets under the plan, and the interests in the derivatives account may exceed 20% of the total assets under the plan.

Beijing Fengquan Investment Management Co., Ltd. (北京楓泉投資管理有限公司)*

Fengquan Jinghui Phase 1 Private Securities Investment Fund* (楓泉景輝1期私募證券投資基金) seeks long-term appreciation of fund assets through the adoption of multi-dimensional investment strategies under the premise of strict risk control. The investment scope of the fund covers stocks listed and traded on the Shanghai and Shenzhen stock exchanges, bonds (including interbank bonds, exchange-traded bonds, convertible bonds, and exchangeable bonds), preferred stocks, securities repurchases, deposits, publicly-offered securities investment funds (including structured fund B, but excluding primary market subscription and redemption of non-monetary ETF funds), futures, exchange-traded options, warrants, asset-backed securities issued on exchanges or in the interbank market, income certificates of securities companies, return swaps, and over-the-counter options (limited to those with securities companies and their subsidiaries and subsidiaries of futures companies as counterparties as permitted by regulatory authorities). The fund may participate in margin trading and short selling, Stock Connect for Southbound Trading transactions, and new shares subscriptions, and may also utilise their holding securities as underlying of short sale lending to securities finance companies.

Beijing Snowball Capital Management Co., Ltd. (北京雪球私募基金管理有限公司)

Beijing Snowball Private ChangXue All-Weather GaoBo No. 1 Securities Investment Fund* (北京雪球私募長雪全天候高波1號證券投資基金) aims to construct investment portfolios based on in-depth research, striving to achieve sustainable and stable growth of the fund's assets. The investment scope of the fund includes: domestically legally issued and listed stocks, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, participation in margin trading and short selling, lending held securities as underlying securities for short selling to securities finance companies, bonds, bond repurchases, pledge-style quoted repurchase agreements, cash, bank deposits, interbank certificates of deposit, large negotiable fixed-term certificates of deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, derivatives listed and traded on exchanges, income swaps with institutions having corresponding business qualifications as counterparties, interest rate swaps, publicly offered securities investment funds, asset management plans of fund companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, trust plans, private investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment varieties permitted by laws, regulations or the CSRC for fund investment. The portfolio of the fund shall be subject to the following restrictions: 1. the private equity funds invested by the fund must have a custodian institution; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private investment funds issued by non-securities private fund managers.

Shanghai ChinaL Asset Management Company (上海禪龍資產管理有限公司)

ChinaL Star No. 1 Private Securities Investment Fund* (禪龍星辰1號私募證券投資基金) constructs investment portfolios based on in-depth research, so as to achieve long-term and stable investment returns under the premise of rigid control of investment risks. The investment scope includes: stocks issued and listed on the Shanghai or Shenzhen stock exchanges, companies' shares listed and traded in the selected tier of the NEEQ, stocks within the scope of the Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference shares issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond repurchases, pledge-style quoted repurchase agreements on the Shanghai or Shenzhen stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, futures listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, options listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, warrants traded on stock exchanges, contracts listed on the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties (including only return swaps and over-the-counter options), publicly offered funds, bank wealth management products, trust plans, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of fund companies and their subsidiaries, private funds issued by private securities investment fund managers registered on the official website of the AMAC. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in private funds entrusted to an institution without the qualification to custody securities investment funds; 2. the fund shall not invest in subordinated/inferior shares of structured financial products; 3. the total assets of the fund shall not exceed 200% of the fund's net assets; 4. the depositary receipts held in the fund shall not exceed 100% of the fund's net asset value by market value in aggregate; 5. the fund shall not participate in the subscription of non-public issued shares of listed companies on the Shanghai and Shenzhen stock exchanges; and 6. the fund's investment in stocks of companies listed on the selected tier of the NEEQ, measured by market value in aggregate, shall not exceed 100% of the fund's total assets.

IFQuant (亦賦私募基金管理(海南)有限公司)

IF Galaxy No. 3 CSI 500 Index Enhanced Private Securities Investment Fund* (亦賦銀河3號中證500指數增強私募證券投資基金) aims to construct investment portfolios based on in-depth research, striving to achieve sustainable and stable growth of the fund's assets. The investment scope of the fund includes: domestically legally issued and listed stocks, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, participation in margin trading and short selling, lending held securities as underlying securities for short selling to securities finance companies, bonds, bond repurchases, pledge-style quoted repurchase agreements, cash, bank deposits, interbank certificates of deposit, large negotiable fixed-term certificates of deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, derivatives listed and traded on exchanges, income swaps with institutions having corresponding business qualifications as counterparties, interest rate swaps, publicly offered securities investment funds, asset management plans of fund companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, trust plans, private investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment varieties permitted by laws, regulations or the CSRC for fund investment. The portfolio of the fund shall be subject to the following restrictions: 1. the private equity funds invested by the fund must have a custodian institution; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds issued by non-securities private fund managers.

Shanghai Pansong Private Fund Management Co., Ltd. (上海磐松私募基金管理有限公司)*

Pansong Long-Short Hedge No. 1 Private Securities Investment Fund* (磐松多空對沖1號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strict control of the investment risks, it strives to obtain long-term stable investment return. The investment scope includes cash, bank deposits, money market funds, the Pansong Long-Short Hedge 1N-Series Private Securities Investment Fund* (磐松多空對沖1N系列私募證券投資基金) issued by the fund manager, government bonds with a maturity of within 1 year (including 1 year) (only including national debts, local government bonds, policy financial bonds, central bank notes), bond reverse repurchases with a repurchase period of within 7 days (including 7 days), stocks traded on the stock exchange, and derivatives traded on the stock exchange and futures exchange. The fund's investment portfolio is subject to the following restrictions: 1. the fund shall not invest in private funds entrusted to an institution without qualification to custody securities investment funds; 2. the fund shall not invest in subordinated/inferior shares from structured financial products (including assets securitisation products); and 3. the fund's total fund asset value shall not exceed 200% of fund net asset value.

CCB Life Asset Management Co., Ltd. (建信保險資產管理有限公司)

CCB Life Asset Management - Pujiang Huiying No. 2 Asset-Backed Plan Phase 1* (建信保險資管 - 浦江惠盈2號資產支持計劃第1期) utilises the subscription funds paid by the subscribers to purchase initial underlying assets and uses the support plan funds to continuously purchase new underlying assets or make eligible investments in a recurring purchase manner. All assets and income belonging to the plan formed from these underlying assets and their management, application, and distribution will be distributed to the holders of the beneficiary certificates according to the terms of the plan. This plan is divided into four types of beneficiary certificates: Preferential A, Preferential B, Preferential C, and Subordinate. Holders of beneficiary certificates of the same level enjoy equal rights and bear equal risks. The credit rating of the Preferential A beneficiary certificates under this plan is AAAsf, while the credit rating of the Preferential B beneficiary certificates is AA+sf, and the credit rating of the Preferential C class beneficiary certificates is Asf.

Lombarda China Fund Management Co., Ltd. (中歐基金管理有限公司)

The Lombarda China Industry Preferred Hybrid Securities Investment Fund*(中歐產業優選混合型發起式證券投資基金) seeks long-term stable appreciation of net assets by carefully selecting stocks under the premise of striving to control portfolio risk. The investment scope of the fund is to invest in financial instruments with good liquidity, including domestic legally issued and listed stocks, depositary receipts, eligible securities of the Stock Connect for Southbound Trading, bonds, asset-backed securities, bond repurchases, bank deposits, interbank certificates of deposit, cash, derivatives, credit derivatives, and other financial instruments approved by laws and regulations or the CSRC for fund investment. The proportion of investment in equities and depositary receipts in the fund's investment portfolio shall be 60% to 95% of the fund's assets; the proportion of investment in the eligible securities of the Stock Connect for Southbound Trading shall not exceed 50% of all equity assets and depositary receipts; and at the end of each trading day, the investment proportion of cash or government bonds with a maturity of less than one year in aggregate shall not be less than 5% of the fund's net assets after deducting the trading deposits required to be paid for stock index futures, national debt futures and stock options contracts.

Listed Equity Interests

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB '000</i>)	Fair value as at 30 June 2024 (<i>RMB '000</i>)	Realised investment income/(loss) for the six months ended 30 June 2024 (<i>RMB '000</i>)	Fair value to the total assets of the Group as at 30 June 2024
China Risun Group Limited	approximately 97.09 million shares	170,560	264,051	1,166	0.51%
China Asset Management Co., Ltd. 華夏基金管理有限公司 ChinaAMC Future XinShi SiXiang No. 2 Private Securities Investment Fund* 華夏未來鑫時私享2號私募證券投資基金	1,159	31,292	37,150	821	0.07%
CSC Financial Co., Ltd. 中信建投證券股份有限公司 China Vanke Co., Ltd. 萬科企業股份有限公司	150	2,360	1,022	(834)	<0.01%
Poly Developments and Holdings Group Co., Ltd. 保利發展控股集團股份有限公司	2,870	29,638	24,531	–	0.05%
Hunan Valin Steel Co., Ltd. 湖南華菱鋼鐵股份有限公司	10,000	49,647	44,792	939	0.09%
Others ¹	900	9,843	5,562	(113)	0.01%
Tuote (Sanya) Private Equity Fund Management Co., Ltd.* 托特（三亞）私募基金管理有限公司 Tuote CSI 1000 Index Enhanced No. 8 Private Securities Investment Fund* 托特中證1000指數增強8號私募證券投資基金	2,956	30,000	25,275	–	0.05%
Beijing Ziwei Private Equity Fund Management Co., Ltd. 北京紫薇私募基金管理有限公司 Ziwei Jinxi No. 7 Private Securities Investment Fund* 紫薇津汐7號私募證券投資基金	1,932	30,488	28,627	488	0.05%

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	to the total assets of the Group as at 30 June 2024
Shenzhen Bishuo Asset Management Co., Ltd.*					
深圳碧燦私募證券基金管理有限公司					
Bishuo New Starting Point No. 4					
Private Securities Investment Fund*					
碧燦新起點四號私募證券投資基金	21,548	22,000	21,978	-	0.04%
Others ¹	16,295	76,011	52,880	2,284	0.10%
Total		<u>451,839</u>	<u>505,868</u>	<u>4,751</u>	<u>0.97%</u>

Note:

- The number of shares held by the Group in each of the companies represents less than 1% of their issued shares.

Investment strategies of listed equity interests

China Risun Group Limited (“Risun Group”)

During the year ended 31 December 2018, the Company subscribed for approximately 24.80 million shares of Risun Group, representing approximately 2.58% of its enlarged registered capital, at a cash consideration of approximately RMB128 million. During the year ended 31 December 2021 and 31 December 2022, the Company further acquired 7.50 million shares and 2.01 million shares of Risun Group from the open market on the exchange respectively, representing approximately 0.17% and 0.05% of its registered share capital. As at 30 June 2024, the Company’s shareholding of Risun Group represented approximately 2.20% of its registered capital. Risun Group was incorporated in 1995. It is a large scale enterprise group with principal business of producing, and domestic and foreign trading of coal chemical products. It is a leading enterprise in China’s coke and coal chemicals, also being one of the major suppliers of coke of the Group. Risun Group was listed on main board of the Stock Exchange on 15 March 2019 with stock code 1907. During the six months ended 30 June 2024, dividend income received from Risun Group was approximately RMB1.2 million which was classified as realised investment income.

China Asset Management Co., Ltd. (華夏基金管理有限公司)

ChinaAMC Future XinShi SiXiang No. 2 Private Securities Investment Fund* (華夏未來鑫時私享2號私募證券投資基金) constructs an investment portfolio based on in-depth research. It seeks to achieve stable and long-term investment returns under the premise of strict control of investment risks. The fund invests in stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stocks of companies listed on the selected tier under the NEEQ, stocks within the underlying scope of Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference stocks issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or in the interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or in the interbank market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond reverse repurchases, cash, bank deposits, interbank certificates of deposit, financing bill transactions, securities lending through transfer facilities (i.e. the fund lends its holding of securities to securities finance companies as the underlying securities for financing), futures listed on the Shanghai or Shenzhen stock exchanges and Futures Exchange, options listed on the Shanghai or Shenzhen stock exchanges and Futures Exchange, contractual products listed on the Shanghai Gold Exchange, over-the-counter derivatives (including but not limited to income swaps and over-the-counter options) in the securities and futures market with only securities companies/futures companies/banks and their subsidiaries as counterparties, public-offered fund and bank wealth management products. The fund's investment portfolio shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products (inclusive of asset securitisation products); 2. the fund shall not participate in the subscription of non-publicly issued shares; and 3. the fund shall not invest in shares of ST, *ST, S, SST, S*ST.

CSC Financial Co., Ltd. (中信建投證券股份有限公司)

During the six months ended 30 June 2024, the Group made direct short-term equity investments on the stock exchange to acquire shares of individual listed companies with competitive advantages in the real estate, steel, etc. industry with relatively attractive stock prices. The major investment targets included companies listed on the A-share market in the PRC, such as China Vanke Co., Ltd. (“**Vanke**”, 萬科企業股份有限公司), Poly Developments and Holdings Group Co., Ltd. (“**Poly Developments**”, 保利發展控股集團股份有限公司), Hunan Valin Steel Co., Ltd. (“**Valin Steel**”, 湖南華菱鋼鐵股份有限公司) and a number of other companies listed on the A-share market in the PRC.

Since the year of 2022, the Group acquired shares of Vanke, a company listed on the Shenzhen Stock Exchange (stock code: 000002), directly from the open market on the exchange as an equity investment. As at 30 June 2024, the number of shares held by the Group in Vanke accounted for less than 1% of its issued shares. Vanke is one of the largest property developers in the PRC, principally engaging in the business of residential development and property services, logistics and warehousing services, rental housing, commercial development and operation, standard office and industrial parks, hotels and resorts, etc.

During the six months ended 30 June 2024, the Group acquired shares of Poly Developments, a company listed on the Shanghai Stock Exchange (stock code: 600048), directly from the open market on the exchange as an equity investment. As at 30 June 2024, the number of shares held by the Group in Poly Developments accounted for less than 1% of its issued shares. Poly Developments is a leading enterprise in the real estate industry, principally engaging in real estate development and sales, property services, territorial management, sales agency, commercial management, real estate finance, etc. Poly Developments has been first among the central enterprises of the real estate industry for 15 years. Poly Developments ranked 1st in the 2023 China Top 100 Real Estate Enterprises.

Since the year of 2022, the Group acquired shares of Valin Steel, a company listed on the Shenzhen Stock Exchange (stock code: 000932), directly from the open market on the exchange as equity investment. As at 30 June 2024, the shares of Valin Steel held by the Group accounted for less than 1% of its issued shares. Valin Steel is principally engaged in the production and sale of steel products with production bases established in Xiangtan, Loudi and Hengyang in Hunan Province and Yangjiang City in Guangdong Province. It possesses technical equipment for the entire process of coking, sintering, ironmaking, steelmaking, rolling mill and steel products deep processing, etc. It is one of the top ten steel enterprises in the PRC with industry-leading primary equipment and production technology. Valin Steel's total profit ranked 2nd among 26 A-shares listed steel companies for five consecutive years from 2019 to 2023. Valin Steel ranked 82nd among the "2023 Fortune China Top 500 Enterprises".

During the six months ended 30 June 2024, dividend income received from Vanke, Poly Developments, Valin Steel and others were nil, approximately RMB0.4 million, approximately RMB2.0 million and approximately RMB0.2 million respectively, which were classified as realised investment income.

Tuote (Sanya) Private Equity Fund Management Co., Ltd. (托特(三亞)私募基金管理有限公司)*

Tuote CSI 1000 Enhanced Index No. 8 Private Securities Investment Fund* (托特中證1000指數增強8號私募證券投資基金) strives to generate stable revenue and returns for the investors under the premise of rigid control of investment risks. The investment scope includes: 1. stocks issued and listed in the PRC under the laws, companies' shares listed and traded in the NEEQ, depositary receipts, different types of the investment varieties and investment instruments issued by the Stock Exchange and other overseas exchanges, quoted repurchases, public securities investment funds, asset-backed securities, asset-backed notes, money market instrument, repurchases and reverse repurchases agreements, bond pledged agreement repurchases, margin trading and short selling, refinancing, futures, exchange-traded options, warrants, all varieties on the Shanghai Gold Exchange, other standardised trading varieties traded on trading venues approved by the State Council and other standardised

trading varieties recognised by other regulatory bodies; and 2. private financial products: trust plans, asset management schemes of securities companies and their subsidiaries on fund management, asset management schemes of fund managers and their subsidiaries, asset management schemes of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, various wealth management products issued by banks and their wealth management subsidiaries, private equity investment funds issued by private fund management institutions and managed by custodians. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund's investment in single money market fund shall not, by market value, exceed 100% of its total assets; 2. the fund's total assets shall not exceed 200% of its net asset; and 3. the total number of shares held by the fund which are traded on the basic layer and innovative layer of the NEEQ, when calculated by cost, shall not exceed 20% of the fund's net assets.

Beijing Ziwei Private Equity Fund Management Co., Ltd. (北京紫薇私募基金管理有限公司)

Ziwei Jinxi No. 7 Private Securities Investment Fund* (紫薇津汐7號私募證券投資基金) aims to build an investment portfolio based on in-depth research and strives to achieve long-term stable investment returns under the premise of strictly controlling investment risks. The investment scope of the fund includes stocks listed on stock exchanges, securities allowed for investment under the Stock Connect Arrangement of the Domestic and Overseas Securities Markets (境內與境外證券市場互聯互通機制), depositary receipts traded on stock exchanges, bonds traded on stock exchanges or interbank markets, asset-backed securities traded on stock exchanges or interbank markets, asset-backed notes and standardised notes traded on interbank markets, securities company income certificates, bond repurchase, bond reverse repurchase, pledge-style quoted repurchase on the stock exchanges, cash, bank deposits, interbank certificates of deposit, margin trading and short selling, refinancing securities lending, derivatives traded on stock exchanges and futures exchanges, contracts traded on Shanghai Gold Exchange, over-the-counter derivatives on the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties, public funds, bank wealth management products, trust plans, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of fund companies and their subsidiaries, and private equity funds issued by registered private securities investment fund managers published on the official website of the AMAC. The investment portfolio of the fund's properties shall be

subject to the following restrictions: 1. the fund shall not invest in private funds that are not under the custody of institutions qualified to be entrusted with securities investment funds; 2. the fund shall not invest in the subordinated/inferior shares of structured financial products; 3. the fund's total fund asset value shall not exceed 200% of the fund's net asset value; 4. the depositary receipts held in the fund, when calculated in aggregation by market value, shall not exceed 100% of the fund's net asset value; 5. the balance of funds from the repurchase of bonds held by the fund shall not exceed 100% of the net asset value of the fund; and 6. the individual bond held by the fund, when calculated in aggregation by cost, shall not exceed 25% of the net asset value of the fund.

Shenzhen Bishuo Asset Management Co., Ltd. (深圳碧燦私募證券基金管理有限公司)*

Bishuo New Starting Point No. 4 Private Securities Investment Fund* (碧燦新起點四號私募證券投資基金) constructs investment portfolios based on in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope includes: stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stocks within the scope of the Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference shares issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond reverse repurchases, pledge-style quoted repurchase agreements in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending transactions, futures listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, options listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, warrants of stock exchanges, contracts listed on the Shanghai Gold Exchange, publicly offered funds, bank wealth management products, and asset management plans of securities companies and their subsidiaries. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3 the depositary receipts held in the fund, measured by market value in aggregate, shall not exceed 100% of the fund's net asset value.

Bond Market Funds

Name of the financial assets	Number of units held as at 30 June 2024 (<i>'000</i>)	Investment cost as at 30 June 2024 (<i>RMB'000</i>)	Fair value as at 30 June 2024 (<i>RMB'000</i>)	Realised	Fair value
				investment income/(loss) for the six months ended 30 June 2024 (<i>RMB'000</i>)	to the total assets of the Group as at 30 June 2024
Prudence Investment Management (Hong Kong) Limited					
Prudence Enhanced Income Fund	25	137,934	172,555	–	0.33%
Shanghai Huaxia Fortune CCI Capital Co., Ltd. 上海華夏財富投資管理有限公司					
ChinaAMC Bond Investment Fund* 華夏債券投資基金	36,027	50,000	48,659	–	0.09%
Da Cheng Fund Management Co., Ltd. 大成基金管理有限公司					
Da Cheng JingYou Medium-Short Term Bond Securities Investment Fund* 大成景優中短債債券型證券投資基金	38,719	50,001	42,803	387	0.08%
E Fund Management (HK) Co., Ltd.					
E Fund (HK) Asia High Yield Bond Fund	438	31,962	20,977	–	0.04%
Total		<u>269,897</u>	<u>284,994</u>	<u>387</u>	<u>0.55%</u>

Investment strategies of bond market funds

Prudence Investment Management (Hong Kong) Limited

Prudence Enhanced Income Fund pursues stable income as well as capital appreciation, by mainly investing in corporate bonds, convertible bonds and listed equities issued by companies in Asia, with a focus on companies with significant business exposure to Greater China. The fund manager will focus on opportunities when the security is mis-priced and when the fund manager has a well-defined edge. The fund manager will make investment decisions aiming to achieve attractive absolute return within acceptable risk limits, through a flexible combination of sub-strategies. The fund manager will implement an effective investment process including research, trading, risk management and operations. The fund manager will enforce strict risk management to protect investors in the fund. Net borrowing is limited to less than or equal to 50% of assets under management of the fund.

Shanghai Huaxia Fortune CCI Capital Co., Ltd. (上海華夏財富投資管理有限公司)

ChinaAMC Bond Investment Fund* (華夏債券投資基金) is a high credit rating bond fund with an investment objective of pursuing higher current income and total return with the premise of emphasising the security of the principal amount. The fund invests mainly in fixed income financial instruments, including domestic legally issued and listed bonds such as treasury bonds, central bank notes, financial bonds, corporate bonds (debentures) (including convertible bonds), asset-backed securities and other financial instruments approved by the CSRC for fund investment. The fund may also participate in the subscription of new shares in the primary market and hold assets such as shares and share distributions from the conversion of convertible bonds or warrants from bonds with detachable warrants, but the total investment proportion of non-fixed income financial instruments shall not exceed 20% of the fund's assets. Assets such as stocks and warrants held for the above reasons in the fund will be sold within 60 trading days from the date they become tradable. The fund does not purchase shares or warrants through the secondary market.

Da Cheng Fund Management Co., Ltd. (大成基金管理有限公司)

Da Cheng JingYou Medium-Short Term Bond Securities Investment Fund* (大成景優中短債債券型證券投資基金) strives to achieve steady appreciation of fund assets in long-term through proactive investment management on the basis of strictly controlling investment risks. Under the premises of strictly controlling risk and maintaining relatively high liquidity, the fund pursues long-term steady investment return by focusing on investing in medium-short term bonds. It mainly invests in domestic treasury bonds, policy financial bonds, central bank notes, financial bonds, bond repurchases, bank deposits (including agreement deposits and time deposits etc.), interbank certificates of deposit legally issued, listed and traded, and other financial instruments approved by laws and regulations or the CSRC for fund investment (subject to compliance with the CSRC's relevant regulations). The fund shall not invest in stocks, exchangeable bonds, convertible bonds, debentures (except financial bonds) and treasury bond futures. The fund's investment portfolio ratio is as follows: the fund invests not less than 80% of the fund assets in bond assets, in which the investment in short to medium term bonds shall not be less than 80% of non-cash fund assets. Cash of not less than 5% of the net asset value of the fund or government bonds with maturities of less than one year shall be maintained for the fund.

E Fund Management (HK) Co., Ltd.

E Fund (HK) Asia High Yield Bond Fund is the sub-fund of E Fund Unit Trust Fund. The investment objective of the sub-fund is to achieve long-term capital growth through investing globally in a portfolio consisting primarily of high yield debt securities issued by or fully guaranteed by corporations with an Asia focus, which aim to generate a steady flow of income in addition to capital appreciation for the fund, including debt securities issued in emerging markets. The sub-fund will invest 70% to 100% of its net asset value in a portfolio of high

yield debt securities, which may be USD, EUR or HKD denominated or CNH denominated (“Dim Sum” bonds, i.e. bonds issued outside China but denominated in RMB), issued by or fully guaranteed by listed or unlisted corporations which have their main operations (or majority of assets) in or have their majority of their income derived from Asia. Up to 100% of the sub-fund’s net asset value may be invested in convertible bonds (issued and/or guaranteed by issuers such as corporations, financial institutions and banks). Up to 100% of the net asset value may be invested in debt securities which are unrated or rated below investment grade by Fitch or Moody’s or Standard and Poor’s, including (but not limited to) listed and unlisted bonds, government bonds, convertible and non-convertible bonds, fixed and floating rate bonds or other similar securities. The sub-fund will not invest more than 10% of its net asset value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade and/or unrated. The sub-fund may also invest up to 30% of the net asset value in investment grade debt securities. Onshore China exposure will be up to 20% of the net asset value, which may include investments in debt securities issued by or fully guaranteed by the PRC government and/or government related entities and urban investment bonds.

Investment Strategy and Future Prospects

The Group’s investments in financial assets at fair value through profit or loss have been conducted on the premises that such investments would not affect the working capital of the Group or the daily operation of the Group’s principal business. Such investments are conducive to improving the capital usage efficiency and generating investment returns from the Group’s temporarily idle funds. Giving top priority to prevention of excessive risk, the Company implemented control and made prudent decisions in respect of such investments on the principle of protecting the interests of its Shareholders as a whole and the Company. On one hand, the Company is able to generate a relatively higher return from such investments than fixed-term bank deposits, while at the same time the Company is still able to retain flexibility in redeeming the investments whenever it foresees there is a cash need.

Subject to any unforeseeable changes in China’s and global economic, political and social conditions, the Company currently expects that the Group will continue to make such investments as and where appropriate pursuant to the investment strategy mentioned above. It is currently expected that barring any unforeseeable circumstances, such investments would continue to generate additional returns for the Group.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2024, the Group had a workforce of approximately 11,700 permanent staff and approximately 100 temporary staff. The staff cost included basic salaries and benefits. Staff benefits included discretionary bonus, medical insurance plans, pension scheme, unemployment insurance plan, maternity insurance plan and the fair value of the share options, etc. Effective from April 2021, the Group implemented a workers’ injury insurance scheme and contributed approximately 2.09% of the workers’ wages to the relevant

government authorities. According to the Group's remuneration policy, employees' package is based on productivity and/or sales performance, and is consistent with the Group's quality control and cost control targets.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had not executed any agreement in respect of material investment or capital asset and did not have any other future plans relating to material investment or capital asset as at 30 June 2024.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2024.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including any treasury Shares) during the six months ended 30 June 2024. Currently, there are no treasury Shares held by the Company (whether held or deposited in the central clearing and settlement system, or otherwise).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company acknowledges the importance of good corporate governance practices and believes that it is essential to the development of the Group and to safeguard the interests of the equity holders. The Directors are of the opinion that the Company has complied with the code provisions as set out in the CG Code in Appendix C1 to the Listing Rules on the Stock Exchange throughout the six months ended 30 June 2024, save for the following deviations:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Currently, Mr. Han Jingyuan serves as the Chairman of the Board and the Chief Executive Officer of the Company. The Board believes that there is no immediate need to segregate the roles of the Chairman of the Board and the Chief Executive Officer of the Company because the role of chief executive officer/general manager of the Company's major operating subsidiaries are performed by other persons. The Board will consider the segregation of the roles of the Chairman of the Board and the Chief Executive Officer of the Company in light of the future development of the operating activities or businesses of the Group.

Under code provision D.2.5 of the CG Code and the related notes, the Company should have an internal audit function which generally carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group’s risk management and internal control systems. While the PRC internal audit function of the Company was established since January 2018, other internal audit function is merged with the finance function during the six months ended 30 June 2024. During the period, the Group conducted a review on the need for setting up an independent internal audit department. Taking into account the size and complexity of the operations of the Group, the Company considers that the existing organisation structure and the close supervision of the management could provide sufficient internal control and risk management for the Group. The Audit Committee of the Board and the Board regularly review the effectiveness of the internal control systems and the risk management of the Group. The Board will review the need to set up an independent internal audit function on an annual basis.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code for dealing in securities of the Company by the Directors. The Company has made specific enquiry of all Directors and all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2024.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprises three Independent Non-executive Directors, namely Mr. Wong Man Chung Francis as the chairman of the Audit Committee and Mr. Wang Bing and Ms. Yu Fang Jing as the members of the Audit Committee.

The Audit Committee has reviewed the Group’s condensed consolidated financial statements for the six months ended 30 June 2024 and has also discussed the internal control, the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that the condensed consolidated financial statements of the Group have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory requirements and that adequate disclosures will be made in the 2024 interim report of the Company.

In addition, the interim unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2024 have been reviewed by the auditor of the Company, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2024

The interim results announcement of the Company for the six months ended 30 June 2024 is published on both the websites of the Company (www.chinaorientalgroup.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2024 will be despatched to the Shareholders and published on the aforesaid websites in due course.

APPRECIATION

The Board would like to take this opportunity to extend its deepest gratitude to its staff for their hard work and dedication to the Group, and to its Shareholders for their continuous trust and support in the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions used in this announcement have the following meanings:

“AGM”	the annual general meeting of the Company
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“CG Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company”	China Oriental Group Company Limited, a company incorporated in Bermuda with limited liability and its issued shares are listed on the main board of the Stock Exchange
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company

“EIT”	enterprise income tax of PRC
“GFA”	gross floor area
“Group”	collectively, the Company and its subsidiaries from time to time
“HJT”	Qingdao Huijintong Power Equipment Company Limited* (青島匯金通電力設備股份有限公司), a company incorporated in the PRC with limited liability and its issued shares are listed on the Shanghai Stock Exchange
“HKAS”	Hong Kong Accounting Standards issued by HKICPA
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKFRS”	Hong Kong Financial Reporting Standards issued by HKICPA
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinxi Limited”	Hebei Jinxi Iron and Steel Group Company Limited* (河北津西鋼鐵集團股份有限公司), a company incorporated in the PRC with limited liability and a 97.6% indirectly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MIIT”	Ministry of Industry and Information Technology of the PRC
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“NDRC”	National Development and Reform Commission of the PRC

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$” or “USD”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent

By Order of the Board
China Oriental Group Company Limited
HAN Jingyuan
Chairman and Chief Executive Officer

Hong Kong, 29 August 2024

As at the date of this announcement, the Board comprises Mr. HAN Jingyuan, Mr. ZHU Jun, Mr. SHEN Xiaoling, Mr. HAN Li, Mr. Sanjay SHARMA and Mr. LI Mingdong being the Executive Directors, Mr. Ondra OTRADOVEC being the Non-executive Director and Mr. WONG Man Chung Francis, Mr. WANG Bing, Dr. TSE Cho Che Edward and Ms. YU Fang Jing being the Independent Non-executive Directors.