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海通证券股份有限公司  
HAITONG SECURITIES CO., LTD.\*

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 6837)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2024**

The board of directors (the “**Board**”) of Haitong Securities Co., Ltd. (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2024. This announcement, containing the full text of the 2024 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of interim results.

### **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This results announcement will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.htsec.com](http://www.htsec.com)).

The Company’s 2024 interim report will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited, and will be despatched to the shareholders of the Company who have already provided instructions indicating their preference to receive hard copies in due course.

By order of the board of directors  
**Haitong Securities Co., Ltd.**  
**ZHOU Jie**  
*Chairman*

Shanghai, the PRC  
29 August 2024

*As at the date of this announcement, the executive directors of the Company are Mr. ZHOU Jie, Mr. LI Jun and Mr. HAN Jianxin; the non-executive directors of the Company are Mr. TU Xuanxuan, Mr. SHI Lei, Ms. XIAO Hehua and Mr. XU Jianguo; and the independent non-executive directors of the Company are Mr. ZHOU Yu, Mr. FAN Ren Da Anthony, Mr. MAO Fugen and Mr. MAO Huigang.*

\* *For identification purpose only*

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## IMPORTANT NOTICE

The Board, the Supervisory Committee, the Directors, the Supervisors and the senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this interim report (the “**Report**”) and that there is no false representation, misleading statement contained herein or material omission from the Report, for which they will assume joint and several liabilities.

The Report was considered and approved at the twelfth meeting of the eighth session of the Board and the seventh meeting of the eighth session of the Supervisory Committee. All the Directors attended the Board meeting and all the Supervisors attended the meeting of the Supervisory Committee. None of the Directors or Supervisors has any objection to the Report.

Mr. Zhou Jie, the chairman of the Board of the Company, Mr. Zhang Xinjun, the chief financial officer, and Mr. Ma Zhong, the head of the accounting department warrant the truthfulness, accuracy and completeness of the unaudited interim financial information contained in the Report. All data in the Report are denominated in Renminbi unless otherwise indicated.

The Company will declare cash dividend for the interim profit distribution for 2024, and a cash dividend of RMB0.3 (inclusive of tax) for every 10 shares will be distributed based on the total share capital of the Company as registered on the record date for the 2024 interim dividend distribution excluding the shares in the special stock account for share repurchase of the Company. On the basis of 12,987,125,533 shares, which is calculated based on the total share capital of 13,064,200,000 shares of the Company as at the date of the Board meeting considering the 2024 interim profit distribution plan deducting 77,074,467 shares in the special stock account for share repurchase of the Company, the total cash dividends amount to RMB389,613,765.99, representing 40.88% of the net profit attributable to the shareholders of the parent company on a consolidated basis from January to June 2024. The Company has implemented repurchases of A Shares amounting to RMB303,053,231.80 (excluding transaction costs) through centralized price bidding based on cash consideration from January to June 2024, and the total amount of cash dividends and repurchases was RMB692,666,997.79, representing 72.68% of the net profit attributable to the shareholders of the parent company on a consolidated basis from January to June 2024.

Forward-looking statements, including future plans and development strategies, may be included in the Report. All statements contained herein other than statements of historical facts are, or may be deemed to be, forward-looking statements. Neither the Company nor any of its subsidiaries undertakes any obligation to publicly update or revise any forward-looking statement as a result of new data. Forward-looking statements, including future plans and development strategies contained in the Report do not constitute any commitment of the Company to investors. Investors should be reminded of the risks of investments and not place undue reliance on forward-looking statements.

No appropriation of funds on a non-operating basis by the Company’s controlling shareholders and their respective related parties has occurred during the Reporting Period.

The Company did not provide external guarantees in violation of the stipulated decision-making procedures during the Reporting Period.

## Section I DEFINITIONS AND MATERIAL RISK WARNINGS

### I. DEFINITIONS

In the Report, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

“A Share(s)”	domestic shares of the Company, with a nominal value of RMB1.00 each, which are listed and traded on the Shanghai Stock Exchange
“Articles of Association”	the articles of association of Haitong Securities
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of Haitong Securities
“BSE”	the Beijing Stock Exchange
“CG Code”	the Corporate Governance Code and Corporate Governance Report set out in Appendix C1 to the Hong Kong Listing Rules
“Company” or “Haitong Securities”	Haitong Securities Co., Ltd.
“Company Law”	the Company Law of the People’s Republic of China
“Compliance and Risk Management Committee”	the Compliance and risk management committee of the Company
“CSRC”	the China Securities Regulatory Commission
“CSRC Shanghai Bureau”	Shanghai Regulatory Bureau of the China Securities Regulatory Commission
“Development Strategy and ESG Management Committee”	the development strategy and ESG management committee of the Company
“Director(s)”	the director(s) of Haitong Securities
“ETF”	exchange traded fund
“EUR”	the official currency of the Eurozone
“FICC”	fixed income instruments, currencies, and commodities
“Fullgoal Fund”	Fullgoal Fund Management Co., Ltd. (富國基金管理有限公司)

## Section I DEFINITIONS AND MATERIAL RISK WARNINGS

“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary shares of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange
“Haitong Bank”	Haitong Bank, S.A.
“Haitong Capital”	Haitong Capital Investment Co., Ltd. (海通開元投資有限公司)
“Haitong Futures”	Haitong Futures Co., Ltd. (海通期貨股份有限公司)
“Haitong Innovation Securities”	Haitong Innovation Securities Investment Co., Ltd. (海通創新證券投資有限公司)
“Haitong International Holdings”	Haitong International Holdings Limited (海通國際控股有限公司)
“Haitong International”	Haitong International Securities Group Limited (海通國際證券集團有限公司)
“Haitong UT”	Haitong Unitrust International Financial Leasing Co., Ltd. (海通恒信國際融資租賃股份有限公司), listed on the Hong Kong Stock Exchange, stock code: 1905
“Haitong UT Capital”	Haitong UT Capital Group Co., Limited (海通恒信金融集團有限公司)
“HFT Investment”	HFT Investment Management Co., Ltd. (海富通基金管理有限公司)
“HK\$”, “HKD” or “HK dollars”	the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HT Asset Management”	Shanghai Haitong Securities Asset Management Company Limited (上海海通證券資產管理有限公司)
“IPO”	initial public offering
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules

## Section I DEFINITIONS AND MATERIAL RISK WARNINGS

“NEEQ”	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
“Nomination, Remuneration and Assessment Committee”	the nomination, remuneration and assessment committee of the Company
“NSSF”	the National Council for Social Security Fund of the PRC
“Reporting Period”	from 1 January 2024 to 30 June 2024
“RMB” or “Renminbi”	the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Shanghai Guosheng Group”	Shanghai Guosheng Group Co., Ltd. (上海國盛(集團)有限公司)
“Shanghai Stock Exchange Listing Rules”	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange
“Shanghai Weitai Properties”	Shanghai Weitai Properties Management Co., Ltd. (上海惟泰置業管理有限公司)
“SSE”	the Shanghai Stock Exchange
“STAR Market”	The Science and Technology Innovation Board of the SSE
“Supervisor(s)”	the supervisor(s) of Haitong Securities
“Supervisory Committee”	the supervisory committee of Haitong Securities
“SZSE”	the Shenzhen Stock Exchange
“US\$”, “USD” or “U. S. dollars”	the lawful currency of the United States of America
“WIND”	Wind Information Co., Ltd.

# Section I DEFINITIONS AND MATERIAL RISK WARNINGS

## II. MATERIAL RISK WARNINGS

The business of the Group is highly dependent on the overall economic and market conditions in China and other countries or regions where it operates. The Group's results of operations may be materially affected by various factors, such as macro-economic environment, cyclical fluctuations of the industry, development stages of the market, behaviors of the investors and the international economic conditions.

The Group is exposed to major risks in its business operations, including legal and compliance risks, whereby the securities company may be subject to legal liabilities or regulatory measures, disciplinary actions due to failure to comply with relevant laws, regulations and rules; credit risks, which may result in losses to the operations due to the inability of a borrower, counterparty or debt issuer to meet its agreed financial obligations; market risks, where proprietary investments record losses due to adverse fluctuations of market prices; operational risks triggered by deficiencies in internal processes, operational mistakes and misconduct of employees, IT system failures, or impact from external sources; liquidity risks, where the Group is unable to obtain sufficient funds in a timely manner at a reasonable cost to repay the due debts, fulfil other payment obligations and meet the capital requirements for carrying out normal business; and reputational risks, where the corporate image among stakeholders is damaged due to the Group's operations, management, other acts or the external incidents. All these risks may directly affect the results of operations and financial position of the Group. In addition, these effects may overlap with each other due to the certain inherent correlation among these risk factors.

For the specific analysis of the abovementioned risks and measures that the Group has taken or will take, please refer to the "Potential risks and management measures" under the "Report of the Board of Directors" of the Report and pay special attention to the above risk factors.

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### I. CORPORATE INFORMATION

Chinese name of the Company	海通證券股份有限公司
Chinese abbreviation of the Company	海通證券
English name of the Company	Haitong Securities Co., Ltd.
English abbreviation of the Company	Haitong Securities
Legal representative of the Company	Zhou Jie
General manager of the Company	Li Jun
Authorized representatives of the Company	Zhou Jie, Pei Changjiang
Joint company secretaries	Pei Changjiang, Wong Wai Ling
Chief compliance officer	Zhao Huiwen



## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### Registered Capital and Net Capital of the Company

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of last year
Registered capital	13,064,200,000.00	13,064,200,000.00
Net capital	85,471,167,982.01	80,835,517,814.17

### Business scope of the Company

Securities brokerage; securities proprietary trading; securities underwriting and sponsorship; securities investment consulting; financial advisory services relating to securities trading and investment activities; direct investment; securities investment fund consignment; provision of intermediary introduction business for the futures companies; margin financing and securities lending; agency sale of financial products; the stock options market making; other businesses approved by the CSRC. In addition, the Company is permitted to set up subsidiaries that are engaged in outbound investments including investments in financial products (activities subject to approval as required by laws shall be conducted upon approval by relevant authorities).

### Qualification for each individual business of the Company

1. Online securities entrustment business qualification (Zheng Jian Xin Xi Zi [2001] No. 3)
2. Qualification for lending and purchase of bonds, bond transactions and bond repurchase business in the national inter-bank lending market and the bond market (Yin Ban Han [2001] No. 819)
3. Qualification for open-end securities investment fund consignment business (Zheng Jian Ji Jin [2002] No. 076)
4. Securities company engaged in relevant innovative activity trials (Zhong Zheng Xie Han [2005] No. 079)
5. Qualification for short-term financial bond underwriting business (Yin Fa [2005] No. 173)
6. SSE Fund Connect business (July 2005)
7. Qualification for quotation transfer business (Zhong Zheng Xie Han [2006] No. 3)
8. Qualification for trading on integrated electronic platform of fixed-income securities at Shanghai Stock Exchange (Shang Zheng Hui Han [2007] No. 86)
9. Qualification for overseas securities investment management business as a qualified domestic institutional investor (Zheng Jian Xu Ke [2008] No. 146)
10. A-grade clearing participant qualification of China Securities Depository and Clearing Corporation Limited (Zhong Guo Jie Suan Han Zi [2008] No. 22)
11. Qualification for provision of intermediary introduction business for the futures companies (Zheng Jian Xu Ke [2008] No. 479)
12. Qualification for direct investment business trials (Ji Gou Bu Bu Han [2008] No. 421)
13. Qualification for providing trading units for insurance agency investors (Bao Jian Zi Jin Shen Zheng [2009] No. 1)

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

14. Qualification for margin financing and securities lending business (Zheng Jian Xu Ke [2010] No. 315)
15. Qualification for fund evaluation business (Zhong Zheng Xie Fa [2010] No. 070)
16. Qualification for engaging in stock index futures hedging business through proprietary trading of the company (Hu Zheng Jian Ji Gou Zi [2010] No. 372)
17. Qualification for securities house assigned by NSSF (August 2011)
18. Qualification for engaging of stock index futures through asset management (Hu Zheng Jian Ji Gou Zi [2011] No. 237)
19. Stock repurchase transaction business trials (Ji Gou Bu Bu Han [2011] No. 512)
20. Trial business of bond collateralized repurchase with quotes (Ji Gou Bu Bu Han [2011] No. 585)
21. Pilot qualification of underwriting of private debts for SMEs (Zhong Zheng Xie Han [2012] No. 561)
22. Pilot qualification of engaging in margin and securities refinancing business (Zhong Zheng Jin Han [2012] No. 113)
23. Partnership independent custody business trials (Ji Gou Bu Bu Han [2012] No. 686)
24. Over-the-counter (the "OTC") transaction business (Zhong Zheng Xie Han [2012] No. 825)
25. License for operating foreign exchange in securities business (Shanghai Hui Fu [2013] No. 014)
26. Operation of recommendation and brokerage business on the National Equities Exchange and Quotations as the lead securities firm (Gu Zhuan Xi Tong Han [2013] No. 61)
27. Qualification for agency sale of financial products (Hu Zheng Jian Ji Gou Zi [2013] No.180)
28. Equity income swaps business and OTC option trading business (Zhong Zheng Xie Han [2013] No. 996)
29. Pilot qualification of conducting capital consumption payment services for client securities (Ji Gou Bu Bu Han [2013] No. 741)
30. Military confidential business consultancy services (October 2013)
31. Qualification for agency distributing precious metal spot contract such as gold and proprietary trading for gold spot contract (Ji Gou Bu Bu Han [2013] No. 959)
32. Custody qualification of security investment funds (Zheng Jian Xu Ke [2013] No. 1643)
33. Insurance agency (Hu Bao Jian Xu Ke [2013] No. 204)
34. Qualification for agency business of securities pledge registration (February 2014)
35. Internet securities business trials (Zhong Zheng Xie Han [2014] No. 358)
36. Business pilot of financing-oriented option exercise with respect to share incentive schemes of listed companies (Shen Zheng Han [2014] No. 321)
37. Business qualification for options settlement (Zhong Guo Jie Suan Han Zi [2015] No. 20)
38. Qualification for the stock options market making business (Zheng Jian Xu Ke [2015] No. 153)
39. Principal market maker in SSE 50 ETF options contracts (Shang Zheng Han [2015] No. 214)
40. Qualification for offshore proprietary business (Ji Gou Bu Han [2015] No. 1204)
41. No comment letter on innovative program of one-way video account opening (Zhong Guo Jie Suan Ban Zi [2015] No. 461)
42. Qualification for inter-bank gold price asking transactions (Shang Jin Jiao Fa [2015] No. 120)
43. Qualification for carrying on main underwriting business of debt financial instruments for non-financial enterprises (August 2016)

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

44. Qualification for secondary dealers for OTC options business (Zhong Zheng Xie Fa [2018] No. 386)
45. Qualification for credit derivatives business (Ji Gou Bu Han [2019] No. 469)
46. Stock index and options market making business (Ji Gou Bu Han [2019] No. 3073)
47. Principal market maker in CSI 300 ETF options (December 2019)
48. Qualification for interest rate swap real-time undertaking business (March 2020)
49. Qualified establishment of a credit-protected bond pledge-type repurchase business (Zhong Guo Jie Suan Han Zi [2021] No. 201)
50. Commodity Swap Business Primary Trader (July 2022)
51. General market maker of CSI 500ETF options of Shanghai Stock Exchange (September 2022)
52. General market maker of GEM ETF options of Shenzhen Stock Exchange (September 2022)
53. General market maker of CSI 500ETF options of Shenzhen Stock Exchange (September 2022)
54. Qualification for SSE Fund Connect market making business (December 2022)
55. Personal Pension Fund Sales Qualification (December 2022)
56. Qualification for margin financing and securities lending business of BSE (February 2023)
57. Qualification for SZSE Fund Connect market making business (March 2023)
58. Principal Market Maker of STAR 50ETF options of Shanghai Stock Exchange (June 2023)
59. Central bond lending business (December 2023)

The Company is a member of each of the SSE, the SZSE and the BSE and a member of Securities Association of China, Shanghai Clearing House, Shanghai Gold Exchange and other institutions. All subsidiaries of the Company conduct their businesses legally or upon obtaining the relevant business qualifications as approved by the relevant regulatory authorities.

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Representative of Securities Affairs
Name	Pei Changjiang	Sun Tao
Correspondence address	Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai, the PRC (Postal Code:200011)	Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai, the PRC (Postal Code:200011)
Telephone	8621-23180000	8621-23180000
Facsimile	8621-63410627	8621-63410627
Email	dshbgs@haitong.com	dshbgs@haitong.com

### III. CHANGES OF BASIC CORPORATE INFORMATION

Registered address	No. 689 Guangdong Road, Shanghai, the PRC
Historical change of the registered address	200 Middle Jiangxi Road, Shanghai, the PRC (1988) 480 Middle Sichuan Road, Shanghai, the PRC (1990) 30 Beihaining Road, Shanghai, the PRC (1994) 218 Tangshan Road, Shanghai, the PRC (1998) 98 Huaihai Middle Road, Shanghai, the PRC (2001) Haitong Securities Building, No. 689 Guangdong Road, Shanghai, the PRC (2012)
Business address	Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai, the PRC
Postal code of business address	200011
Internet website	<a href="http://www.htsec.com">http://www.htsec.com</a>
Email	haitong@haitong.com
Principal place of business in Hong Kong	15/F, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong
Unified social credit code in the business license	9131000013220921X6

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### IV. INFORMATION DISCLOSURE AND CHANGES IN PLACE FOR INSPECTION

Newspapers designated by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily
SSE Website designated for publication of interim reports	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a>
Website designated by Hong Kong Stock Exchange for publication of interim reports	<a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a>
Place where the interim reports of the Company are available	Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai, the PRC
Search index for changes in registration during the Reporting Period	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a> <a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a>

### V. BRIEF INFORMATION ON THE SHARES OF THE COMPANY

Type of shares	Stock exchange of listing	Stock name	Stock code	Stock name before changes	Share registrar
A Share	Shanghai Stock Exchange	Haitong Securities	600837	/	Shanghai Branch of China Securities Depository and Clearing Corporation Limited
H Share	Hong Kong Stock Exchange	Haitong Securities	6837	/	Computershare Hong Kong Investor Services Limited

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### VI. OTHER RELEVANT INFORMATION

✓ Not applicable

### VII. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE GROUP

Unless otherwise stated, the accounting data and financial indicators set out in the Report have been prepared in accordance with IFRSs.

#### (I) Major accounting data and financial indicators

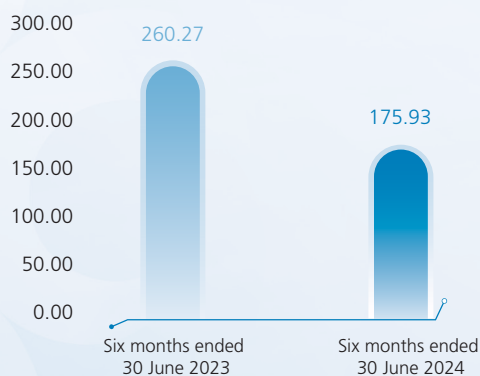
Items	Six months ended 30 June 2024	Six months ended 30 June 2023	As compared to the corresponding period of last year
<b>Results of operations (RMB'000)</b>			Change
Total revenue, gains and other income	17,592,860	26,027,428	-32.41%
Profit before income tax	1,905,876	5,251,724	-63.71%
Profit for the period – attributable to owners of the Company	953,097	3,829,635	-75.11%
Net cash inflow/(outflow) from operating activities	25,691,802	-13,306,411	N/A
Other comprehensive income	291,108	795,560	-63.41%
<b>Earnings per share (RMB/share)</b>			
Basic earnings per share	0.07	0.29	-75.86%
Diluted earnings per share	0.07	0.29	-75.86%
<b>Profitability indicators</b>			
Weighted average returns on net assets (%)	0.58	2.29	Decreased by 1.71 percentage points

## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

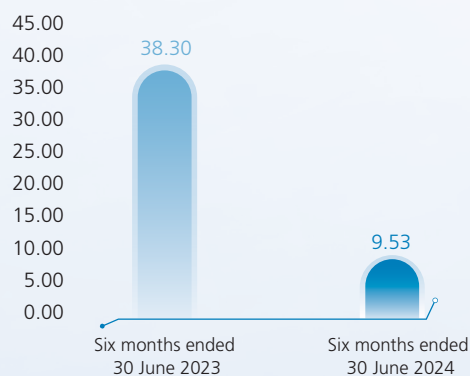
Items	30 June 2024	31 December 2023	As compared to the end of last year
<b>Indicators of size (RMB'000)</b>			
Total assets	721,414,535	754,586,792	-4.40%
Total liabilities	550,222,980	579,787,233	-5.10%
Accounts payable to brokerage clients	106,526,337	106,538,717	-0.01%
Equity attributable to owners of the Company	163,027,730	163,243,990	-0.13%
<b>Total share capital ('000 shares)</b>	<b>13,064,200</b>	13,064,200	0.00%
<b>Net assets per share attributable to owners of the Company (RMB/share)</b>	<b>12.48</b>	12.50	-0.16%
<b>Gearing ratio (%)<sup>(1)</sup></b>	<b>72.16</b>	73.03	Decreased by 0.87 percentage point

Note 1: Gearing ratio = (total liabilities – accounts payable to brokerage clients)/(total assets – accounts payable to brokerage clients)

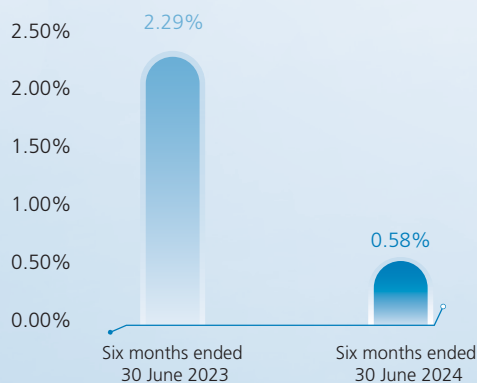
**Total revenue, gains and other income**  
(RMB in 100 million)



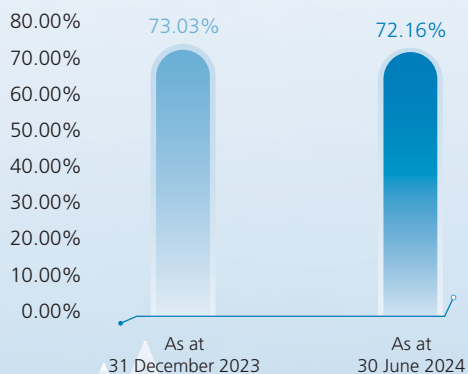
**Profit for the period – attributable to owners of the Company**  
(RMB in 100 million)



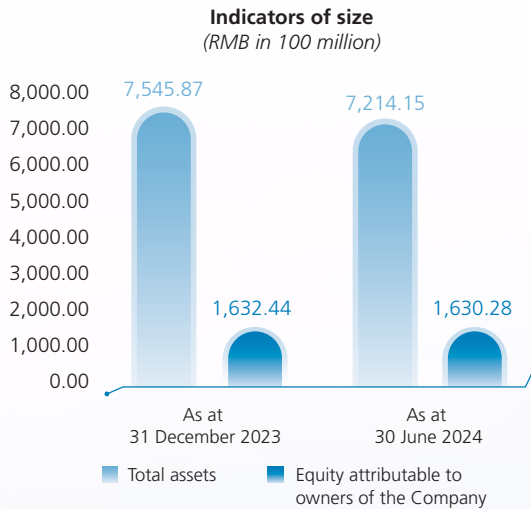
**Weighted average returns on net assets**



**Gearing ratio**



## Section II COMPANY PROFILE AND KEY FINANCIAL INDICATORS



### (II) Differences of accounting data between IFRS and PRC GAAP

The net profit of the Group for the periods from January to June 2024 and from January to June 2023 and the net assets of the Group as at 30 June 2024 and 31 December 2023 as stated in the consolidated financial statements of the Group prepared in accordance with PRC GAAP are consistent with those prepared in accordance with IFRS.

### (III) Net capital and risk control indicators of the parent company

As at 30 June 2024, the net capital of the Company as calculated in accordance with PRC GAAP was RMB85,471 million, representing an increase of RMB4,635 million as compared to the end of last year (RMB80,836 million). During the Reporting Period, all risk control indicators including net capital of the Company met the regulatory requirements.

Items	As at 30 June 2024	As at 31 December 2023
Net capital (RMB)	<b>85,471,167,982.01</b>	80,835,517,814.17
Net assets (RMB)	<b>155,446,130,921.35</b>	153,271,166,148.86
Risk coverage rate (%)	<b>204.13</b>	197.71
Capital leverage ratio (%)	<b>21.18</b>	17.68
Liquidity coverage ratio (%)	<b>408.22</b>	223.69
Net stable funding rate (%)	<b>157.66</b>	141.88
Net capital/net assets (%)	<b>54.98</b>	52.74
Net capital/liabilities (%)	<b>33.19</b>	28.96
Net assets/liabilities (%)	<b>60.36</b>	54.91
Proprietary equity securities and its derivatives/ net capital (%)	<b>14.99</b>	16.92
Proprietary non-equity securities and its derivatives/net capital (%)	<b>234.39</b>	229.18



## Section III REPORT OF THE BOARD OF DIRECTORS

### I. DESCRIPTIONS OF THE INDUSTRY IN WHICH THE COMPANY OPERATES AND ITS PRINCIPAL BUSINESSES DURING THE REPORTING PERIOD

For details of the industry in which the Group operates for the Reporting Period, please see “III. Management Discussion and Analysis” in this section.

The Group’s principal business lines comprise wealth management, investment banking, asset management, trading and institutional client services, financial leasing, etc. For details of the business activities of the Group, please see “III. Management Discussion and Analysis” in this section.

During the Reporting Period, the Group recorded a revenue of RMB17,593 million, a net profit attributable to shareholders of the parent company of RMB953 million, the total assets of RMB721,415 million, and the net assets attributable to shareholders of the parent company of RMB163,028 million.

### II. ANALYSIS OF THE COMPANY’S CORE COMPETITIVENESS DURING THE REPORTING PERIOD

During the course of its operations over the years, the Company has gradually built up its specific core competitiveness in the following seven aspects.

#### 1. Service value chains and customer ecosystems with the focus on new quality productivity

The Group insisted on implementing national development strategies, followed the policy requirements of deepening the reform of the financial system and the regulatory approaches of “strengthened foundation and base and strict supervision and management (兩強兩嚴)”, deeply recognized the political and public nature of financial work, focused on the “five major aspects” of finance, firmly adhered to the essence of financial institutions of serving the real economy, and promoted the cultivation of new quality productivity, becoming a key practitioner of national strategies and a crucial explorer of financial reform. It vigorously integrated into the cycle of “technology-industry-finance”, focused on supporting technological innovation based on the STAR Market, enhanced the Haitong brand in semiconductor, high-end equipment, biopharmaceuticals and other innovative sectors with “hard technology” and developed market influence. It embraced the new trend of “green finance” and continuously explored financial service means in investment banking, financial leasing, asset management and other business sectors to facilitate “carbon peaking and carbon neutrality” and supported the development of green industries and green projects. The Group developed the ecosystems and value chains of master funds, participated in the establishment of national funds and industrial funds in the Yangtze River Delta and focused on advancing services in key areas and sectors such as Lingang New Area and leading industries in Shanghai. The Group leveraged on its professional strength, actively fulfilled the missions and undertakings as a state-owned financial enterprise, established open customer ecosystems with closed-loop service and value chains, delivering various innovation results and continuously providing key support for improving the competitive advantages and brand influence of the Company.

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### 2. Comprehensive financial service platform with full-featured layout

On the basis of its parent company's business, the Group has continuously expanded the scope of its financial products and services and extended the boundaries of financial services through establishing and acquiring professional subsidiaries. The Group has developed into a financial service conglomerate with businesses covering securities and futures brokerage, investment banking, proprietary trading, asset management, private equity investment, alternative investment, financial leasing and overseas banking. The Group's wealth management business continued to deepen its service capabilities and enhance the efficiency of resource integration. The investment banking business of the Group centered on the entire life cycle of science and innovation enterprises, leveraged the advantages of the integration of production and finance and the functions of the capital market, and focused on the key industry chain, actively laid out and focused on the development of integrated circuits and biomedicine industry, and ranked among the top in the industry. The assets under management (the "AUM") in terms of the types of products and the assets business of the Group increases steadily. The size and brand influence of the Group's private equity investment business has ranked top in the industry and its overseas business actively served national strategies including the "Belt and Road" initiative and the "Guangdong-Hong Kong-Macao Greater Bay Area" strategy. The financial leasing business of the Group consolidates and maintains the industry-leading position. The research services segment of the Group has strong market recognition. The Group adhered to the philosophy of "One Haitong" and deepened the synergy and linkage of "investment, financing, sponsorship and research" and wealth management business line, strengthened overall coordination, and effectively promoted business implementation. The Group's integrated financial platform has strong economies of scale and cross-selling potential, providing strong support for the business development and enabling the provision of comprehensive financing services to customers.

### 3. Extensive branch network and strong customer base

The Group's branch network covered all six international financial centers namely New York, London, Singapore, Hong Kong, Shanghai and Tokyo. As of the end of the Reporting Period, the Group had 345 securities and futures branches (including 311 securities branches and 34 futures branches) spanning across 30 provinces, municipalities and autonomous regions in China. The Group also established branches, subsidiaries or offices in 15 countries and regions in five continents (Asia, Europe, North America, South America and Oceania). With a nationwide branch network and a strategic international presence, the Group has built a large and stable customer base. As of the end of the Reporting Period, the Group had over 25 million domestic and overseas customers.

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### 4. An international cross-border service platform with accelerated and deepened reform

The Group has established a cross-border comprehensive financial service platform through the acquisition and integration of Haitong International and Haitong Bank and the establishment of a branch in Shanghai Free Trade Zone (FTZ), and acquired first-mover advantages in the Asia-Pacific and strategic reserves in Europe and the United States. The Group continuously deepened in-depth synergy of cross-border business to assist Chinese customers in going global and served bringing in overseas customers. With the completion of privatization in January 2024, Haitong International has entered a new stage of development and continued to consolidate its core competitiveness under the Group's development platform. It constantly boosted its project execution capabilities and brand influence in the Hong Kong IPO market, striving to provide cross-border investment banking services on a global scale. By practicing the concept of ESG, it actively engaged in the issuance of green and sustainable development bonds. It built a comprehensive trading, research and sales platform for global institutional clients, continuously optimized the private wealth management model for entrepreneur customers and focused on enhancing its presence in global family office business. It pioneered in exploring product innovation, resulting in continuous enhancement in its performance of the asset management field. Haitong Bank is a key reserve for deepening the Group's globalization strategy and an important platform for the Group to implement the national strategy on the "Belt and Road" initiatives. Haitong Bank owns over 30 years of business expansion experience in the European Union and South America and all the banking licenses required for local operation. Haitong Bank is committed to developing the cross-border business cooperation between China and Europe as well as China and Latin America while supporting its extensive coverage of local business, with a focus on three key business areas namely corporate banking, investment banking and asset management. In respect of cross-border business in the free trade zone, the Company, as one of the first securities institutions participating in the FTU (自貿區分賬核算單元) system of Shanghai FTZ, continuously facilitated the high-level financial opening-up in Shanghai FTZ. In the first half of 2024, Shanghai FTZ branch focused on optimizing the function of the free trade account and continuously promoted the development of FTU and the coordination of the cross-border business activities of the Group. These all-around and multi-jurisdiction international business platforms will help the Group seize the opportunities for ever-growing cross-border business, meet customers' demands for cross-border business and improve the Group's international influence.

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### 5. Leading capital strength

The Company has rapidly enhanced and maintained its solid capital strength through several rounds of strategic equity and bond financing, including A-share and H-share listing and secondary offering, and its net assets have steadily ranked among the top in the industry for many consecutive years. We have maintained long-term good cooperative relationships with institutional investors, continuously strengthened the construction of financing capacity, and promoted various financing plans in an orderly manner, which enhanced the Company's liquidity management capability and risk prevention and control capability, and ensured the healthy and orderly development of the domestic and overseas operation. Sufficient capital is the foundation for the Company's business development, meeting the diverse financial services needs of its customers, and continuous improvement of its capability to serve the real economy.

### 6. Prudent operational philosophy

Upholding the operational philosophy of "pragmatic, pioneering, steady and excellent" and the risk management philosophy of "prudence and even conservativeness," the Company has successfully gone through multiple market and business cycles, regulatory reforms and industry transformations in over 30 years of operations. The Company has basically established a group-wide risk management system to implement the requirements for overall risk management and to effectively manage, among others, market risk, credit risk, liquidity risk and operational risk. The Company established and improved the compliance management system and organizational system in accordance with the regulatory requirements, and continuously strengthened the performance of compliance review, compliance monitoring and compliance inspection functions to ensure and facilitate the Company's continued compliance and steady development. Meanwhile, the Company has always adhered to the working principle of taking risk prevention as its first priority, and strictly adopted relevant measures to control the risks of money laundering and terrorist financing in accordance with anti-money laundering laws and regulations.

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### 7. Industry-leading fintech innovation capabilities

The Company has adhered to the strategy of “development driven by technology”. Aiming at building the “Digital Haitong 2.0” featured with “agile, platform-based, smart, and ecological”, the Company insisted on self-reliance and controllability of key technologies, deeply promoted the innovation of financial technologies, and has developed into a trailblazer and pioneer in the digital transformation of the industry. It continuously deepened the efforts in empowering businesses. The “e-Haitong Cai (e海通財)” platform developed a comprehensive service wealth access of the Group integrating group ecosystem, industry ecosystem and user ecosystem, maintaining among the top in the industry in terms of the number of monthly active users. The “ShareEBook (e海方舟)” platform designed to develop an institutional service platform with Haitong’s characteristics through the combination of self-developed algorithms and prevailing algorithms in the market. The “e-Haitong Yan (e海通行)” platform facilitated northbound-southbound cross-border trading businesses and provided domestic and overseas institutional investors with diversified and professional cross-border investment trading and hedge instruments. The “e-Haiyandao (e海言道)” large model continued to further expand business scenarios, and promoted the quality enhancement and upgrading of financial services. The Company constantly consolidated its digital base and established a self-developed technological park with the largest scale and most advanced equipment among securities companies. It actively practiced the ESG concept and focused on developing green and low-carbon parks, and became the first securities company in the industry to be included in the list of National Green Data Centers. With the continuous improvement in data governance, the Company strove to establish the management system on value-driven data assets with high reliability. It has passed the certification on the data management capability under national standards and became one of the first securities companies with DCMM Level-4 certification. Its fintech innovation capabilities have been continuously enhanced. As of the end of the Reporting Period, the Company has been granted a total of 38 national patents and 113 software copyrights, ranking among the top in the industry.

## III. MANAGEMENT DISCUSSION AND ANALYSIS

### (I) Overall operation

Since 2024, guided by Xi Jinping Thoughts on Socialism with Chinese Characteristics for a New Era, the Company fully implemented the spirits of the 20th National Congress of the CPC, the Central Economic Work Conference, the Central Financial Work Conference and other important meetings, as well as the policy guidance such as the State Council’s new “Nine-Point Guideline for the Capital Market” (“國九條”) and the four policy documents on “strengthening fundamentals and enforcing strict regulation” (“兩強兩嚴”) of the CSRC. Guided by the mission of contributing to the building of a nation with a robust financial sector and serving the real economy, the Company focused on the “five key areas” of finance (“五篇大文章”), optimized and strengthened its core functions and business and gave full play to the advantages of comprehensive financial services and the service functions of the capital market, effectively performing its role as a “service provider” of direct financing, a “gatekeeper” for the capital market, and a “manager” of social wealth, and achieved positive results in deepening business reform and innovation, strengthening intra-group business synergy, and contributing to the development of new quality productive forces.

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### (II) Analysis of principal operations

#### 1. Wealth management business

##### *Market conditions:*

During the Reporting Period, the “1+N” policy regime of the capital market gradually took shape, high-quality development of the capital market was accelerated. The new policy regime directed the wealth management business to adopt the “investor-oriented” business philosophy and focus on enhancing its professional expertise and service capabilities, and by adhering to the principles of “strengthening fundamentals” and adapting to “strict regulation”, the wealth management business of the Company has accelerated its transformation towards a customer-centric buyer-side services model and better served the wealth management needs of the public.

During the Reporting Period, the stock market experienced ongoing volatility, trading of stocks and mutual funds declined, while bond trading maintained a consistent increase. Data from WIND showed that the combined trading volume for equities and funds on the SSE and SZSE reached RMB230 trillion during the Reporting Period, representing a year-on-year decrease of 7.62%; bond settlements in the interbank and stock exchange markets totaled RMB1,280 trillion, representing a year-on-year increase of 4.05%. Stock market volatility led to a slight decrease in equity fund sizes and put pressure on the sales of financial products. According to WIND, the total net assets value of equity mutual funds and hybrid mutual funds were RMB6.16 trillion as at the end of the Reporting Period, representing a decrease of 2.05% as compared to the end of last year. The introduction of counter-cyclical adjustments measures and tighter regulatory policies considerably reduced the balance of margin financing and securities lending. According to WIND, the balance of margin financing and securities lending in the market amounted to RMB1.48 trillion as at the end of the Reporting Period, representing a decrease of 10.30% as compared to the end of last year. The stock pledge style repurchase business continued to return to the origin of serving the real economy, and the overall market risks remain manageable.

##### *Operating measures and performance:*

The Company thoroughly studied customer demands and developed a customer-centric, wealth management transformation-oriented, multi-level customer service system focusing on information, products, investment research, investment advisory services and intelligent applications, and offered comprehensive financial solutions for retail customers, corporate clients and peer financial institution customers. During the Reporting Period, the trading volume of stocks and funds amounted to RMB7.40 trillion; the trading volume of futures brokerage amounted to RMB13.09 trillion (without double counting); new customer count of the Company increased by 0.696 million, and the AUM for the new customers amounted to RMB76.726 billion. As at the end of the Reporting Period, the Company’s wealth management business had 18.75 million customers, and the AUM for the customers amounted to RMB2.61 trillion.

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### *Changes in the agency trading volume of the Company in the first half of 2024*

	The Reporting Period	The corresponding period of last year
Trading volume of stocks (RMB100 million)	<b>58,360</b>	66,514
Trading volume of funds (RMB100 million)	<b>15,623</b>	15,971
Total (RMB100 million)	<b>73,983</b>	82,485

#### (1) *Retail business*

The Company has been continuously advancing the institutional transformation of its wealth management business and was dedicated to significantly improving its capabilities to provide comprehensive life-cycle financial services to customers. During the Reporting Period, the Company expanded its business outlets in regions of key national development strategies significance, inaugurating innovation outlets in six cities including Beijing and Xiamen, opened 17 comprehensive innovation outlets with two more outlets in development. The Company upgraded its premier financial service system, launched the financial service programs for parks, optimized the cooperation ecosystem and platforms for strategic customers and regions, and entered into strategic cooperation agreements with 29 local governments, parks and universities. The Company has also developed an entrepreneur service ecosystem and established five regional entrepreneur service hubs in the Yangtze River Delta, Beijing-Tianjin-Hebei and the Greater Bay Area, aiming to improve customer experience for existing customers and develop incremental business through the “investment banking + corporate finance + private finance” model. In line with the buyer-side investment advisory philosophy, the Company actively promoted development and transformation of its investment advisory business, continuously improved the brand influence and service capability of “Ying Investment Advisory” (盈投顧), developed a three-dimensional service structure comprising “trading + wealth management + comprehensive finance”, and strengthened multi-layered, multifaceted and diversified customer service tool kits consisting of in-depth information exchange, client briefings, live streaming and strategy workshops, and continuously promoted the customized services for high-net-worth customers under the “Ingenuity 100” (匠心100) brand.

The Company adheres to the guiding principle of “unified management, self-reliance and control, embedded business intelligence and development empowerment”, and meets the financial service needs of the public with cutting-edge digital financial capabilities. During the Reporting Period, “e-Haitong Cai” (e海通財) APP 9.0 empowered the customers’ trading with digital technology, drove digitalized operation with intelligent strategy, promoted the construction of full-cycle “digital intelligence” scenarios, explored online featured services such as tool matrix, content community and graded courses centered on ETF

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scenarios, and built the brand of “Haitong for Index Funds Investment” (指數投資到海通) to provide customers with one-stop online wealth management services. During the Reporting Period, with the aim to provide comprehensive supports for institutional trading scenarios, “ShareEBoook” (e海方舟) developed an integrated institutional trading service platform covering the whole trading process with a products matrix of five major product lines, including hardware and software high-speed counters and algorithm malls, and met the general and professional needs of institutional investors through financial technology empowerment and provided institutional investors with premium trading service experience. The business segment also facilitated the growth of the Company’s institutional business ecosystem by building two institutional business brands of “ShareEBook” (e海方舟) and “Chengzhou Tinghai” (乘舟聽海). During the Reporting Period, “e-Haitong Cai” (e海通財) APP had 5.83 million monthly active users, ranking fourth in the industry; the combined total volume of stocks and fund trading through “ShareEBoook” (e海方舟) exceeded RMB1 trillion.

### (2) *Financial products distribution*

The Company strived to improve the volume of its distributed financial products by focusing on improving customer experience and through various measures including strengthening distribution organization, streamlining communication, optimizing system platform, and improving the distribution system, and continuously reinforcing strategic cooperation with leading fund companies, and the Company has established a product-differentiation based evaluation and tracking mechanism covering the whole products matrix including publicly offered products, privately offered products, asset management products and other products and the whole lifecycle of products distribution process including pre-sale, sale and post-sale stages. During the Reporting Period, the Company built a customer-centric full-spectrum product matrix, and proactively focused on fixed-income products amid the equity market fluctuation and achieved a steady growth of its financial products sales. Meanwhile, the Company launched the “e-Haitong He” (e海通合) comprehensive financial products distribution services targeted institution customers, significantly increasing the proportion of institutional customer products. During the Reporting Period, the average daily balance of the financial products distributed by the Company amounted to RMB130.4 billion, representing a year-on-year increase of 3.6%. The balance of publicly offered bond investment products distributed by the Company amounted to RMB14.9 billion, representing a year-on-year increase of 108.9%, and the balance of privately offered fixed income products amounted to RMB11.3 billion, representing a year-on-year increase of 81.2%.



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### (3) *Financing business*

The financing business of the Company strictly adhered to the regulatory requirements, emphasized anti-cyclical adjustment in its operations, and maintained stable and organized growth. During the Reporting Period, the margin financing and securities lending business maintained a commitment to lawful operations, continued to reinforce the fundamentals of business operation, strengthened business expansion and services to high-net-worth customers and corporate clients, and focused on providing comprehensive solutions that cater to client demands, and achieved steady growth in market share. The Company's stock pledge-style repo business focuses on serving the real economy with financial services, preventing and mitigating financial risks, actively bringing in high-quality projects, and improved the quality of assets under management. As at the end of the Reporting Period, the total value of the Company's financing business was RMB83.584 billion, of which the value of margin financing and securities lending business was RMB60.853 billion and the value of stock-pledged repo business was RMB22.700 billion.

#### *Changes in the scale of financing business of the Company as at the end of the first half of 2024*

	As at the end of the Reporting Period	As at the end of the corresponding period of last year
Balance of margin financing and securities lending business (RMB100 million)	<b>608.53</b>	655.62
Balance of stock pledge business (RMB100 million) <sup>1</sup>	<b>227.00</b>	262.06
Balance of stock repo transaction (RMB100 million)	<b>0.31</b>	0.31
<b>Total (RMB100 million)</b>	<b>835.84</b>	917.99

### (4) *Futures business*

Haitong Futures steadily developed its business and further continuously solidified its standing in the market. During the Reporting Period, the trading volume of future contracts under its brokerage amounted to RMB13.09 trillion (without double counting) and its market share was 4.65%, ranking No.4 in the industry. As at the end of the Reporting Period, the balance of clients' equity reached RMB42.208 billion; the futures asset management business amounted to RMB27.572 billion, representing an increase of 27% over the beginning of the

<sup>1</sup> It does not include stock pledged repo business operated through off-balance sheet asset management activities, and the scale of such business as at the end of the Reporting Period was RMB4,803 million

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year, ranking No.3 in the industry. Haitong Futures has developed the distribution product portfolio with derivative financial products as the core and its volume of new fund products sales during the Reporting Period exceeded RMB1.535 billion, representing an increase by 47.7% over the corresponding period of last year. The trading volume of SCFIS (Europe service) futures (EC) contracts amounted to 0.77 million board lots with an amount of RMB134.2 billion, ranking No.2 in the market. The Company received over 40 awards in 2023, including “2023 Outstanding Member Award” from the Zhengzhou Commodity Exchange, “Platinum Prize of 2023 Outstanding Member Comprehensive Award” from the China Financial Futures Exchange and “Outstanding Member” from the Shanghai Futures Exchange.

(5) *Overseas wealth management*

The wealth management team at Haitong International continuously refined its products and solutions, leveraging a diversified portfolio including stocks, bonds, funds, derivatives and alternative investment products, and relying on professional investment advisory services as the driver, to enhance its comprehensive product service capabilities. During the Reporting Period, Haitong International achieved a gradual increase in the number of customers for the wealth management, a reduction in the margin scale, and maintained effective credit risk control and management.

### 2. *Investment banking business*

*Market conditions:*

During the Reporting Period, the A share market saw a continuous decline in IPOs and other offerings and an increased level of market scrutiny evidenced by the introduction of more robust market regulation. According to WIND, a total of 159 equity financing were completed in the whole market, representing a year-on-year decrease of 60.93%, and the fund raised amounted to RMB173.0 billion, representing a year-on-year decrease of 73.90%; among them, the total number of IPOs was 44, representing a year-on-year decrease of 74.57%, and the aggregate funds raised was RMB32.5 billion, representing a year-on-year decrease of 84.50%. The BSE continued to deepen reform and 10 companies were newly listed on the BSE, 112 new companies were listed on the NEEQ, more than half of which were updated to the NEEQ Innovation board.

During the Reporting Period, China’s bond issuance continued to grow, and asset allocation demand drove the bond market to go strong. According to WIND, the amount of issued bonds reached RMB38.33 trillion during the Reporting Period, representing a year-on-year increase of 10.82%; the treasury and quasi-Government bonds issuance reached RMB12.24 trillion, representing a year-on-year decrease of 1.46% and the corporate debenture bonds issuance amounted to RMB9.73 trillion, representing a year-on-year increase of 3.93%; and the aggregate negotiable certificate of deposit issuance amounted to RMB16.32 trillion, representing a year-on-year increase of 27.85%.

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### *Operating measures and performance:*

#### (1) *Equity financing*

In terms of domestic equity financing, the Company actively followed the national strategies and regulatory policies, continuously developed the full-function investment banking, focused on serving technological innovation and the development of new quality productive forces, thoroughly implemented the “industry focus” and “region focus” strategies, continued to strengthen the brand advantages and consolidate its market leading position. The Company also implemented the internal control concept of “solid control on the front office, professional control on the middle office and strict control on the back office”, further consolidated compliance risk control, and effectively improved the quality of operation. During the Reporting Period, the Company completed 5 equity financing projects with the funds raised amounting to RMB2.9 billion. The Company maintained its commitment to professionalism, and actively expanded in strategic emerging industries and selected “future industries”. The Company completed 4 IPOs for enterprise of new quality productivity, ranking first in the market, with the funds raised amounting to RMB2.6 billion ranking fifth in the market. The Company completed 1 IPO on the STAR Market, ranking second in the market, with the funds raised amounting to RMB0.6 billion, ranking fourth in the market. The Company seized the opportunity of deepening reform of the BSE and listing on the NEEQ. During the Reporting Period, the Company completed 2 listing on the NEEQ and submitted 12 listing applications on the NEEQ. The Company vigorously advanced the work in relation to listing applications and had a rich pipeline of equity financing projects. As at the end of the Reporting Period, there were 24 IPO projects for which the Company acted as sponsor under review or pending issuance, and there were 12 refinancing projects for which the Company acted as sponsor under review or pending issuance.

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### *Domestic equity financing project issuance and project pipeline*

		The Reporting Period	The corresponding period of the previous year
<b>IPO</b>	Underwritten amount (RMB100 million)	26.39	263.37
	Number of underwritten transactions	4	11
<b>Refinancing offering</b>	Underwritten amount (RMB100 million)	3.00	66.31
	Number of underwritten transactions	1	7
<b>Number of projects under CSRC review and pending for listing</b>	IPO	24	67
	Refinancing offering	12	23

Source: WIND, CSRC, SSE, SZSE and BSE

In terms of equity financing in overseas market, Haitong International was committed to providing “one stop” investment banking services, giving full play of “One Haitong” synergy advantages while maintaining its leading position in the IPO sponsorship market in Hong Kong. During the Reporting Period, Haitong International completed four IPOs on the HKEX as sponsor, ranking third in the Hong Kong market in terms of the number of IPOs and fourth in terms of the fund raised among all foreign and Chinese investment banks in Hong Kong. Haitong International completed three IPOs in Hong Kong as underwriter and one secondary market equity financing project as underwriter in Hong Kong.

#### (2) *Bond financing*

Regarding domestic bond financing, the Company focused on the “five key areas” (namely technology finance, green finance, inclusive finance, pension finance, and digital finance) of financial services and continued to contribute to the construction of a strong financial country. During the Reporting Period, the Company underwrote 560 bonds as the lead underwriter with the amount of bonds underwritten reaching RMB194.5 billion. The Company focused on supporting technological innovation and underwrote 42 technology innovation bonds and technology innovation instruments, with an underwritten amount of RMB10.6 billion. The Company continued to support the development of green economy, and underwrote 19 green bonds of various types as lead underwriter, with an underwritten amount of RMB5.7 billion. The Company actively assisted small and microenterprises to get access to the capital market, and underwrote 7 financial bonds specialized for small and microenterprises as lead underwriter,

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with an underwritten amount of RMB4.9 billion; the Company expanded financial innovation channels, and assisted in issuing the first non-capital bond with Total Loss-Absorbing Capacity (TLAC) in China; it supported the process of RMB internationalization, and assisted in issuing the world's first offshore RMB social bond for non-financial enterprises.

In the bond financing in overseas market, Haitong International acted as lead underwriter on 157 bond issuances during the Reporting Period including several high-profile transactions. It actively promoted sustainable finance and ESG, completed 22 ESG bond issuances, and maintained a leading position in ESG investment and financing among Chinese financial institutions. It implemented the "One Haitong" strategy and the coordination between the domestic and overseas operation, and completed 20 overseas bond issuances and 1 domestic ABS issuance. Haitong International helped JD.com, Inc. issue US\$2 billion convertible senior notes, and helped the Company issue RMB denominated Yulan bonds in an aggregate amount of RMB3.5 billion, which is the first of its kind and the largest bond issuance transaction in China.

### 3. *Asset management business*

#### *Market conditions:*

During the Reporting Period, the market volatility in the equity capital market led to a reduced risk appetite among households with more households turning to safe assets such as gold, broad-based indices, and dividend strategies, while the declining interest rates and deceleration in the supply-side increments, as well as the transition of the household investment from bank deposits to investment products due to the prohibition of the banks' practice of manually raising the deposit interest rate, bumped up bond market demand and boosted the continuous growth in fixed-income wealth management products and mutual funds products. According to the Asset Management Association of China, as at the end of the Reporting Period, the total AUM of the publicly offered funds grew by 12.62% to RMB31.08 trillion. As the asset management subsidiaries of the securities firms strictly follow the regulatory requirements of reducing channel business and enhancing net worth management, the scale of AUM continued to decline. The asset management subsidiaries of the securities firms also improved their active management ability and implemented the business structure transformation, resulting in the stabilization and increase of the total AUM of the private asset management business driven by the growth of fixed-income products. According to the Asset Management Association of China, the total AUM of the private asset management business of securities and futures companies was RMB12.72 trillion, increasing by 2.54% as compared with the end of last year. The AUM of the existing private asset management products of securities companies and their asset management subsidiaries was RMB5.80 trillion, increasing by 9.30% over the end of last year.

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### *Operating measures and performance:*

The Company adhered to regulatory guidelines and requirements, continuously enhanced its active management capability, strived to develop the product matrix covering all customer types, investment markets and investment strategies, and actively pursued the business transition of its asset management business and developed the market of publicly offered products to advance the high-quality development of the asset management business. As at the end of Reporting Period, the total AUM of the asset management business of the whole Group was over RMB2.0 trillion.

#### *(1) Fund management company*

During the Reporting Period, Fullgoal Fund meticulously implemented the strategic directions outlined in the new “State Council Nine-Point Guideline” (“國九條”), and promoted high-quality business development focusing on inclusive finance and pension finance. As at the end of the Reporting Period, the total AUM of Fullgoal Fund reached nearly RMB1.5 trillion. The AUM of mutual funds exceeded RMB990 billion, and fixed income products increased significantly. The pension funds segment progressed orderly and maintained a steady growth with both the number of the managed portfolio counts and the AUM achieving unprecedented levels.

As at the end of the Reporting Period, the AUM of HFT Investment amounted to RMB422.1 billion, which marks an upward trend since the year’s onset. Among them, the amount of non-money funds products was RMB114.5 billion, representing an increase of 11.7% as compared to the beginning of the year. Furthermore, HFT Investment’s bond ETFs have surpassed RMB40 billion, positioning it as a market leader in the domestic market with the most extensive range of bond ETFs, highest AUM, and richest experience in investment management.

#### *(2) HT Asset Management*

Continuing with the prevailing progression in the asset management sector, HT Asset Management concentrated on developing both mutual fund and private fund offerings, and aimed to develop an asset management product matrix covering a full scale of investment strategies. In terms of mutual fund business, 17 collective investment scheme products restructured by referring to the regulatory regime applying to publicly offered products, cultivating a product matrix that spans various risk levels from conservative to aggressive, complemented by diverse investment durations, aiming secure intrinsic value of our product assets on the basis of comprehensive risk management. During the Reporting Period, despite declining yields in the market, HT Asset Management, based on the needs of investors, focused on Xianjinbao, Anyu Short-and-Medium – Term Bonds, Dividend Preference and other products on the basis of refined operation to assist customers in achieving an equilibrium between returns and risk. In the realm of the privately offered products business, the Company

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capitalized on its proven investment track record and market reputation, and focused on the comprehensive product matrix encompassing fixed income, quantitative, alternative, portfolio investment and cross-border asset management tailored to customer needs, so as to provide customized, professional and diversified comprehensive services to institutional clients and high-net-worth customers. During the Reporting Period, HT Asset Management actively offered Fund of Funds (FOF) products to high-net-worth customers, focused on promoting overseas bond asset allocation, and successfully issued the first QDII product of the Company, contributing to the construction of Shanghai as an international financial center. As at the end of the Reporting Period, HT Asset Management had assets under management (AUM) totaling RMB78.2 billion, of which the AUM of actively managed products was RMB77.1 billion, accounting for 98.60%, with the investment performance of its collective wealth management products leading the market.

### *Changes in AUM and net income of HT Asset Management*

	The Reporting Period		The corresponding period of the previous year	
	AUM (RMB100 million)	Net income (RMB10 thousand)	AUM (RMB100 million)	Net income (RMB10 thousand)
Collective asset management	358	8,875	233	7,840
Single asset management	142	2,302	187	2,084
Specialized asset management	282	423	405	473
<b>Total</b>	<b>782</b>	<b>11,600</b>	825	10,397

### (3) *Private equity investment funds*

The PE investment fund of the Company continually adheres to its commitment to powering the real economy through financial services, focusing on the layout of strategic emerging industries and “future industries”, and made new investments in integrated circuits, next-generation information technology, new energy, new materials, aerospace and other scientific and technological fields, effectively implementing the investment philosophy of “early-stage investment in small-scale and science and tech enterprises”. During the Reporting Period, the Company invested in 16 new projects with an investment amount of RMB1 billion, and completed the filing of three funds with an aggregate subscribed capital of RMB3.8 billion. As at the end of the Reporting Period, the Company managed a total 63 funds were under management, and the AUM of the funds totaled RMB35.9 billion. In addition, the Company actively explored new models of empowering industry development and upgrading, accelerated the development of master fund business, and completed the investment in 17 sub-

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funds by Pudong New Area Leading District Master Fund (浦東新區引領區母基金) and Anhui Conch Haitong Industrial Internet Master Fund (安徽海螺工業互聯網母基金), effectively giving play to the leading role and amplifying effects of Haitong Master Fund nurture long-term investment and promoting the growth of science and technology innovation companies.

During the Reporting Period, Haitong Capital was awarded the “2023 China’s Best Private Equity Investment Institution” (2023 年度中國最佳私募股權投資機構), “2023 China’s Best Securities Private Equity Subsidiary” (2023 年度中國最佳券商私募子公司), and “2022-2023 China’s Best Brokerage House Master Fund” (2022-2023 年度中國最佳券商母基金)”, signifying its wide recognition within the industry.

### *Changes in the scale of private equity business*

	As at the end of the Reporting Period	As at the end of the previous year
Number of funds managed	63	63
AUM balance (RMB100 million)	359	333
Accumulated number of investment projects	16	52
Accumulated amount of investment projects (RMB100 million)	10	31
Number of exited projects (including partial exit)	35	64

#### (4) *Overseas asset management*

Haitong International’s asset management team emphasizes customer orientation, speeds up in product transformation and optimizes asset structure. It explores and serves customers’ investment and allocation demands in both the domestic and overseas markets, and facilitates overseas institutional customers’ investment in the China market. During the Reporting Period, focusing on the Company’s strategic positioning as an “Overseas Product Center and Allocation Center” (海外產品中心與配置中心), Haitong International’s asset management team, on the one hand, continued to deepen its strategic transformation and actively created market-driven and standardized fund products to meet clients’ needs, so as to increase the scale of asset management for external clients; on the other hand, the team further implemented the concept of “One Haitong” and strengthened cross-border business synergies to forge an investment banking ecosystem and cross-border ecosystem. During the Reporting Period, the asset management scale for external clients increased by approximately HK\$2 billion, and its fund products were honored with a number of awards in the MPF Ratings, Insights & Mandate (投資洞見與委託) and Asia Asset Management (亞洲資產管理). Haitong Bank has further improved its business layout, with its asset management subsidiary obtaining approval from the Portugal Securities Regulatory Commission (葡萄牙證監會) to engage in portfolio investment in transferable securities, and its Macau Branch receiving formal approval to take in public deposits.



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### 4. Trading and institutional client services business

#### *Market conditions:*

During the Reporting Period, the A-share market underwent a trend of initial decline followed by a rise, marked by a distinct performance split between large and small-cap stocks and continued upward movement of dividend assets. The SSE Index decreased by 0.25%, the SZSE Composite Index fell by 7.10%, and the GEM Index dipped by 10.99% and CSI 300 experienced a minor increase of 0.89%. The H-share market demonstrated an upward oscillation, with the HSI Index rising by 3.94%. The monetary policy of the central bank of China was relatively loose, and bond market strengthened in general. Interest rates trended downwards, with the China Bond Corporate Bond Total Net Price Index, China Bond Treasury Bond Total Net Price Index and CSI Aggregate Bond Total Return Index closed up 1.49%, 2.96% and 3.83%, respectively.

#### *Operating measures and performance:*

##### (1) Trading business

For the fixed-income business, the Company adjusted the duration and structure of bonds in a timely manner based on changes in the bond market, and actively served the national strategy while achieving better investment returns, with investments in social responsibility amounting to RMB16.3 billion. During the Reporting Period, the Company was honored with a number of awards including “X-Lending Active Institution” (X-Lending 活躍機構) by the Interbank Market Foreign Exchange Trading Center (銀行間市場外匯交易中心), “2023 Excellent Interest Rate Debt Underwriting Institution” (2023 年度優秀利率債承銷機構) by the SZSE and “2023 Excellent Bond Investment and Trading Institution (Proprietary Trading Category)” (2023 年度優秀債券投資交易機構(自營類)) by the SSE.

For the equity investment business, with the objective of “mitigating risk and pursuit of absolute return” (防範風險、追求絕對收益) and the principle of “focusing on the long-term and seeking stability” (立足長期、追求穩健), the Company aims to strike a good balance between immediate profits and net asset growth through specialized and refined research. During the Reporting Period, the Company adhered to its prudent investment style, primarily building its portfolio around high-dividend, low-valuation stocks with a high degree of certainty, while also selectively incorporating growth stocks to dynamically capitalize on the market’s structural opportunities.

For the derivative and trading business, the Company provided a wealth of on-balance-sheet non-standardized derivative products through over-the-counter derivative instruments to meet clients’ comprehensive needs in strategy management, wealth management, global asset allocation and risk management. For the market-making business, the Company focused on the improvement of service standards and actively fulfilled social responsibilities. As at the end of the Reporting Period, the number of main market-making products of fund market-making business exceeded 450, covering all top fund companies. Types of market-making targets covered all kinds of products

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including equity ETFs, cross-border ETFs, bond ETFs, monetary funds and REITs; the stock market-making business actively played a functional role in facilitating the development of the multi-layered capital market, and has made market for 76 new and listed enterprises on the NEEQ, ranking second in the market. The option market-making business was awarded the “Gold Award of Excellent Stock Index Option Market Maker” “2023 年度股指期權優秀做市商金獎” by the CFFEX in 2023.

Adhering to the strategic requirements on insisting on “professionalism and dedication”, and the “two focuses” (focusing on key industries and top enterprises in key industries) and practicing “three servings” (serving the real economy, national strategies on scientific and technological innovation and “One Haitong”), Haitong Innovation Securities has actively promoted the reserve of high-quality projects and laid the foundation for sustainable development. Haitong Innovation Securities focuses on cutting-edge science and technology fields, improves the layout of investment ecosystem, and participates in the establishment of three pioneer industry master funds in Shanghai, with a subscription amount of RMB1 billion.

### (2) *Institutional client business*

The institutional client business of the Company improved the top-level design, introduced an institutional client service system that focuses on “information sharing, resource complementarity, and professional synergy”, established a business committee, a business department and regional centers for its institutional clients, developed open institutional client managers, agile institutional client sales team, and one-stop institutional client service, and building a high-quality institutional client business team known for expertise, collaboration and exceptional performance, thereby improving the comprehensive capabilities and market competitiveness of the Company’s institutional client service. The Company promoted the reform of the research system, by improving the research through an interconnected, global, and multifaceted approach, developing a new research system established comprising “industry research, investment research, and policy research”, actively playing the role of research in leading and synergy, and strengthening the cooperation between research and other business lines of the Company, positioning the Company as a strategic advisory resource for local governments, a guiding force for state-owned enterprises’ reforms, a helper in regional development, and an advocate for business growth. Furthermore, leveraging Haitong International’s offshore research and service outreach, the Company continuously innovated its services and products tailored to meet the immediate international development requirements of Chinese-funded institutions and the international asset allocation needs of household. Utilizing localized research from a multi-dimensional domestic and overseas perspective, the Company conducted product and service innovation, effectively improved revenue generation and tapping into potential value growth, and prominently showcasing the global reach of Haitong’s institutional client business in serving its institutional clientele.

During the Reporting Period, the institutional client business of the Company capitalized on the synergy of the head office and the branches, and established three major regional centers in Beijing, Shanghai, and Guangzhou-Shenzhen area, and creating

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a beneficial feedback loop through both localization and specialization. In terms of services provided to mutual fund institutions, the Company maintained a high coverage rate, a steady increase in market share, and a leading position in the market, and made breakthroughs in the volume of transactions with bank wealth management subsidiaries and the scale of entrusted asset management. The Company's Research Institute released 2,869 reports, conducted 721 conference calls, and hosted over 14,542 roadshows, impacting over 130,000 clients. The Company fully integrated domestic and overseas research with sales resources, and held thematic forums such as the "2nd Science and Technology Pharmaceutical Strategy Conference in Hong Kong (第二屆香港科技醫藥策略會)", "Indian Day", "Japanese Day" and "Vietnamese Day", providing think tank services for cross-border investment and mergers and acquisitions of domestic enterprises.

### 5. *Financial leasing business*

#### *Market conditions:*

During the Reporting Period, the National Financial Regulatory Administration released the Measures for the Administration of Financial Leasing Companies (Draft for Comments) 《(金融租賃公司管理辦法(徵求意見稿))》, outlining the three major regulatory directions including adhering to the origin of leasing operation, imposing strict entry standards and regulatory requirements, emphasizing the prevention and management of financial risks and providing guidance for the lawful development of the financial leasing sector. The State Council released the Action Plan for Promoting Large-scale Equipment Renewals and Consumer Goods Trade-ins 《(推動大規模設備更新和消費品以舊換新行動方案)》, which focuses on the implementation of four key initiatives and detailed actions (equipment renewals, consumer goods trade-ins, recycling, and standard improvement), aiming to stimulate domestic consumption and sustain economic recovery in China. Rigorous oversight ensures orderly progress of financial leasing industry, and demand expansion provides a stable market foundation for the development of financial leasing business. Acting as a conduit between financial services and the real economy, financial leasing enterprises are encouraged to focus on the origin of leasing operation, and will have broad market potential to aid in the manufacturing sector's advancement and support the high-quality, intelligent, and eco-friendly evolution of the industry.

#### *Operating measures and performance:*

During the Reporting Period, Haitong UT dedicatedly pursued the core mission of supporting national strategies, maintained a focus on the origin of leasing operation, upheld serving the real economy as the fundamental mission of the financial sector, focusing on "five key areas" in the financial sector, continued to reinforce its exploration in the differentiated industrial segments, and facilitate the industrialization transformation, helping the construction of the national modern industrial system.

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During the Reporting Period, Haitong UT reported a total revenue, gains and other income of RMB4,029 million and a profit of RMB812 million. Haitong UT optimized the debt structure through various measures, and continued to reduce the debt cost, achieving a slight increase in the profit compared with the same period last year. The average yield rate of interest-bearing assets was 6.69% and the weighted average return on net assets was 8.55%. As at the end of the Reporting Period, Haitong UT's total assets amounted to RMB113,082 million and the total equity reached RMB20,193 million.

### Material movements of the operations of the Company during the Reporting Period and events that materially impacted and are expected to materially impact the operations of the Company during the Reporting Period

✓ Not applicable

## IV. OPERATIONS DURING THE REPORTING PERIOD

As at 30 June 2024, the total assets of the Group amounted to RMB721,415 million, and the net assets attributable to the parent company amounted to RMB163,028 million. For the six months ended 30 June 2024, the Group realized a revenue of RMB17,593 million, and a net profit attributable to the parent company of RMB953 million; the weighted average return on net assets was 0.58%.

### (I) Analysis of the consolidated statement of profit or loss

#### 1 Composition of revenue

Unit: '000 Currency: RMB

Items	Six months ended	Six months ended	Increase/decrease	
	30 June 2024	30 June 2023	Amount	Percentage
	Amount	Amount		
Commission and fee income	4,941,756	6,462,063	-1,520,307	-23.53%
Interest income	8,188,000	9,320,529	-1,132,529	-12.15%
Finance lease income	765,501	781,925	-16,424	-2.10%
Investment income and gains (net)	1,791,039	3,286,842	-1,495,803	-45.51%
Other income and gains	1,906,564	6,176,069	-4,269,505	-69.13%
<b>Total revenue, gains and other income</b>	<b>17,592,860</b>	<b>26,027,428</b>	<b>-8,434,568</b>	<b>-32.41%</b>

In the first half of 2024, the total revenue, gains and other income realized by the Group amounted to RMB17,593 million, representing a decrease of RMB8,435 million or 32.41% as compared to the corresponding period of last year, mainly due to the decrease of sales revenue from a subsidiary.

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### a. Commission and fee income

Unit: '000 Currency: RMB

Items	Six months ended 30 June 2024	Six months ended 30 June 2023	Amount change	Percentage change
Securities and futures broking fee income	3,083,600	3,438,879	-355,279	-10.33%
Underwriting and sponsors fee income	751,004	1,827,800	-1,076,796	-58.91%
Asset management fee income (including fund management fee income)	871,475	959,640	-88,165	-9.19%
Financial advisory and consultancy fee income	197,368	188,618	8,750	4.64%
Others	38,309	47,126	-8,817	-18.71%
<b>Total commission and fee income</b>	<b>4,941,756</b>	<b>6,462,063</b>	<b>-1,520,307</b>	<b>-23.53%</b>

The commission and fee income amounted to RMB4,942 million, representing a decrease of RMB1,520 million or 23.53% as compared to the corresponding period of last year, mainly due to the decrease in underwriting and sponsors fee income and securities and futures broking fee income.

### b. Interest income

The interest income amounted to RMB8,188 million, representing a decrease of RMB1,133 million or 12.15% as compared to the corresponding period of last year, mainly due to the decrease in interest income from receivables arising from sale and leaseback arrangements.

### c. Investment income and gains (net)

The investment income and gains (net) amounted to RMB1,791 million, representing a decrease of RMB1,496 million or 45.51% as compared to the corresponding period of last year, mainly due to the decrease of financial instrument investment income.

## Section III REPORT OF THE BOARD OF DIRECTORS

### Statement of the Principal Businesses of the Group

#### Principal businesses by segment

Unit: '000 Currency: RMB

Segment	Segment revenue	Segment expense	Segment profit margin	Segment profit margin movement as compared to the corresponding period of last year		
				Segment revenue movement as compared to the corresponding period of last year	Segment expense movement as compared to the corresponding period of last year	Segment profit margin movement as compared to the corresponding period of last year
Wealth management business	6,248,569	4,931,456	21.08%	-11.76%	-7.74%	-3.44%
Investment banking business	1,249,248	1,187,263	4.96%	-50.32%	-26.08%	-31.16%
Asset management business	1,102,515	682,822	38.07%	-6.72%	-20.07%	10.34%
Trading and institutional client services	4,193,445	4,867,865	-16.08%	-30.58%	-5.07%	-31.19%
Financial leasing business	4,040,301	3,085,522	23.63%	-12.55%	-16.45%	3.56%
Others	758,782	860,821	-13.45%	-83.46%	-81.40%	-12.57%

#### Principal businesses by region

Unit: '000 Currency: RMB

By region	Segment revenue	Segment expense	Segment profit margin	Segment profit margin movement as compared to the corresponding period of last year		
				Segment revenue movement as compared to the corresponding period of last year	Segment expense movement as compared to the corresponding period of last year	Segment profit margin movement as compared to the corresponding period of last year
Domestic business	12,857,605	9,431,048	26.65%	-31.12%	-32.95%	2.00%
Overseas business	4,735,255	6,184,701	-30.61%	-35.68%	-13.98%	-32.94%
Sub-total	17,592,860	15,615,749	11.24%	-32.41%	-26.53%	-7.10%

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The Group's wealth management segment revenue amounted to RMB6,249 million, representing a decrease of RMB833 million or 11.76% compared to RMB7,082 million of the corresponding period of last year, mainly due to decrease of financing businesses income. The Group focuses on serving the real economy and the development of new quality productivity, continuously improves its product and service system, takes advantage of the comprehensive financial services from the synergy between the Group's [investment, financing, sponsorship and research] and wealth management and improves the quality and effectiveness of serving the real economy. The Group's investment banking segment revenue amounted to RMB1,249 million, representing a decrease of RMB1,265 million or 50.32% compared to RMB2,514 million of the corresponding period of last year, mainly due to the decrease in fund raised from IPO. The Group's equity sponsorship income decreased correspondingly. The Group's asset management segment revenue amounted to RMB1,103 million, representing a decrease of RMB79 million or 6.72% compared to RMB1,182 million of the corresponding period of last year, mainly due to the decrease of management fee rate. The Group promoted the transformation of businesses and function, continuously improved the level of product creativity and investment and research ability, and the AUM increases steadily. The Group's trading and institutional client services segment revenue amounted to RMB4,193 million, representing a decrease of RMB1,847 million or 30.58% compared to RMB6,040 million of the corresponding period of last year, mainly due to the fluctuation of market, and investment income and gains decreased. The Group's financial leasing segment revenue amounted to RMB4,040 million, representing an decrease of RMB580 million or 12.55% compared to RMB4,620 million of the corresponding period of last year. The Group firmly grasped the opportunity of the transformation and upgrade of the traditional industry and the accelerated construction of the modernized industry system, enhanced strategy planning and system design and served the development of new quality productivity.

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### 2 Composition of expenses

Unit: '000 Currency: RMB

Total expenses	Six months ended	Six months ended	Increase/decrease	
	30 June 2024	30 June 2023	Amount	Percentage
Depreciation and amortization	886,463	839,209	47,254	5.63%
Staff costs	3,038,109	3,651,013	-612,904	-16.79%
Commission and fee expenses	1,437,546	1,521,494	-83,948	-5.52%
Interest expenses	7,182,697	7,918,051	-735,354	-9.29%
Impairment losses under expected credit loss model	870,126	1,203,824	-333,698	-27.72%
Impairment losses of other assets	15,648	9,878	5,770	58.41%
Other expenses	2,185,160	6,112,006	-3,926,846	-64.25%
<b>Total</b>	<b>15,615,749</b>	<b>21,255,475</b>	<b>-5,639,726</b>	<b>-26.53%</b>

In the first half of 2024, the total expenses of the Group amounted to RMB15,616 million, representing a decrease of RMB5,639 million or 26.53% as compared to the same period of last year, mainly due to the decrease of the cost of sales of a subsidiary.

In the first half of 2024, the Group recorded net profits attributable to owners of the Company of RMB953 million, representing a decrease of 75.11% as compared to the corresponding period of last year. The Group recorded basic earnings per share of RMB0.07, representing a decrease of 75.86% as compared to the corresponding period of last year; the weighted average return on net assets amounted to 0.58%, representing a decrease of 1.71 percentage points as compared to the corresponding period of last year.



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### 3 Public welfare contributions

In the first half of 2024, the Group contributed a total of RMB2,488 thousand in public welfare areas including environmental protection, disaster relief donations, education subsidies and charitable donations.

#### Breakdown of public welfare contributions for the first half of 2024

Unit: '000 Currency: RMB

Items	Amount during the Reporting Period
Charitable donations, education subsidies, disaster relief donations, etc.	2,488
Total	2,488

### 4 Cash flows

At the end of the first half of 2024, the Group's net cash and cash equivalents amounted to RMB69,227 million, increased by RMB11,686 million as compared to the end of last year, in which:

Net cash from operating activities was RMB25,692 million which was mainly due to cash inflow of RMB9,515 million caused by decrease in financial assets at fair value through profit or loss and derivative financial assets, and cash inflow of RMB7,929 million caused by decrease in finance lease receivables and receivables arising from sale and leaseback arrangements.

Net cash from investing activities was RMB5,783 million which was mainly due to cash inflow of RMB31,574 million caused by proceeds from disposal of debt instruments at fair value through other comprehensive income and cash outflow of RMB26,713 million caused by purchases of debt instruments at fair value through other comprehensive income.

Net cash used in financing activities was RMB19,773 million which was mainly due to cash outflow of RMB95,602 million caused by repayment of borrowings, short-term bonds, nonconvertible bonds and others, cash inflow of RMB45,309 million caused by proceeds from issuance of non-convertible bonds, short-term financing bills payables and others, and cash inflow of RMB39,645 million caused by borrowings raised.

### 5 Others

During the Reporting Period, there were no material changes in the composition and sources of the Group's profits.

## Section III REPORT OF THE BOARD OF DIRECTORS

### (II) Major analysis on the consolidated statement of financial position

#### 1. Analysis on major items of the consolidated statement of financial position

Unit: '000 Currency: RMB

	30 June		31 December		Increase/decrease	
	2024	Composition	2023	Composition	Amount	Percentage
<b>Non-current assets</b>	<b>186,436,875</b>		192,117,950		-5,681,075	-2.96%
Including: Finance lease receivables	10,157,761	1.41%	11,248,040	1.49%	-1,090,279	-9.69%
Receivables arising from sale and leaseback arrangements	36,083,833	5.00%	40,593,188	5.38%	-4,509,355	-11.11%
Debt instruments measured at fair value through other comprehensive income	53,933,453	7.48%	52,676,210	6.98%	1,257,243	2.39%
Equity instruments at fair value through other comprehensive income	10,416,426	1.44%	8,010,844	1.06%	2,405,582	30.03%
Financial assets at fair value through profit or loss	26,207,802	3.63%	24,766,774	3.28%	1,441,028	5.82%
Other loans and receivables	122,104	0.02%	548,019	0.07%	-425,915	-77.72%
Investments accounted for using equity method	7,560,572	1.05%	8,115,626	1.08%	-555,054	-6.84%
Financial assets held under resale agreements	806,799	0.11%	2,013,400	0.27%	-1,206,601	-59.93%
Property and equipment	16,349,799	2.27%	16,643,326	2.21%	-293,527	-1.76%
Loans and advances	5,106,119	0.71%	5,155,382	0.68%	-49,263	-0.96%
Goodwill	3,476,950	0.48%	3,468,589	0.46%	8,361	0.24%
<b>Current assets</b>	<b>534,977,660</b>		562,468,842		-27,491,182	-4.89%
Including: Bank balances and cash	139,804,562	19.38%	136,387,128	18.07%	3,417,434	2.51%
Clearing settlement funds	15,900,998	2.20%	15,584,378	2.07%	316,620	2.03%
Financial assets at fair value through profit or loss	185,190,483	25.67%	196,506,316	26.04%	-11,315,833	-5.76%
Advances to customers on margin financing	63,944,096	8.86%	68,418,208	9.07%	-4,474,112	-6.54%
Accounts receivable	8,320,102	1.15%	12,167,275	1.61%	-3,847,173	-31.62%
Financial assets held under resale agreements	32,029,721	4.44%	34,769,832	4.61%	-2,740,111	-7.88%
Finance lease receivables	7,716,322	1.07%	8,644,405	1.15%	-928,083	-10.74%
Receivables arising from sale and leaseback arrangements	37,017,928	5.13%	38,923,317	5.16%	-1,905,389	-4.90%
Debt instruments measured at fair value through other comprehensive income	3,279,794	0.45%	8,634,537	1.14%	-5,354,743	-62.02%
Deposits with exchanges	20,731,501	2.87%	23,480,478	3.11%	-2,748,977	-11.71%
Derivative financial assets	2,079,842	0.29%	2,278,555	0.30%	-198,713	-8.72%
Other loans and receivables	5,176,240	0.72%	4,742,213	0.63%	434,027	9.15%
<b>Total assets</b>	<b>721,414,535</b>		754,586,792		-33,172,257	-4.40%

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	30 June		31 December		Increase/decrease	
	2024	Composition	2023	Composition	Amount	Percentage
<b>Current liabilities</b>	<b>407,786,889</b>		420,156,185		-12,369,296	-2.94%
Including: Accounts payable to brokerage clients	106,526,337	19.36%	106,538,717	18.38%	-12,380	-0.01%
Financial assets sold under repurchase agreements	98,965,552	17.99%	111,617,827	19.25%	-12,652,275	-11.34%
Borrowings	51,588,937	9.38%	48,942,398	8.44%	2,646,539	5.41%
Placements from banks and other financial institutions	17,610,021	3.20%	12,740,366	2.20%	4,869,655	38.22%
Financial liabilities at fair value through profit or loss	10,230,741	1.86%	13,130,414	2.26%	-2,899,673	-22.08%
Derivative financial liabilities	1,230,667	0.22%	1,190,945	0.21%	39,722	3.34%
Other payables and accruals	19,352,470	3.52%	22,538,352	3.89%	-3,185,882	-14.14%
Short-term financing bills payable	15,571,430	2.83%	18,853,059	3.25%	-3,281,629	-17.41%
Customer accounts	5,664,040	1.03%	4,828,712	0.83%	835,328	17.30%
Income tax liabilities	590,433	0.11%	851,562	0.15%	-261,129	-30.66%
Bonds payable	79,895,931	14.52%	78,301,231	13.51%	1,594,700	2.04%
<b>Net current assets</b>	<b>127,190,771</b>		142,312,657		-15,121,886	-10.63%
<b>Non-current liabilities</b>	<b>142,436,091</b>		159,631,048		-17,194,957	-10.77%
Including: Bonds payable	109,554,840	19.91%	115,619,049	19.94%	-6,064,209	-5.24%
Long-term borrowings	18,784,786	3.41%	24,410,822	4.21%	-5,626,036	-23.05%
Financial assets sold under repurchase agreements	760,127	0.14%	946,966	0.16%	-186,839	-19.73%
Financial liabilities at fair value through profit or loss	2,016,560	0.37%	7,322,991	1.26%	-5,306,431	-72.46%
Placements from banks and other financial institutions	1,894,976	0.34%	1,971,998	0.34%	-77,022	-3.91%
<b>Total liabilities</b>	<b>550,222,980</b>		579,787,233		-29,564,253	-5.10%
<b>Total equity</b>	<b>171,191,555</b>		174,799,559		-3,608,004	-2.06%

\* Percentages for assets and liabilities refer to the percentage of the total assets and the percentage of the total liabilities, respectively

As at 30 June 2024, the total assets of the Group amounted to RMB721,415 million, representing a decrease of RMB33,172 million or 4.40% as compared to the end of 2023, and the total liabilities of the Group amounted to RMB550,223 million, representing a decrease of RMB29,564 million or 5.10% as compared to the end of 2023.

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As at 30 June 2024, the non-current assets amounted to RMB186,437 million, representing a decrease of 2.96% as compared to the end of 2023, mainly due to decrease in receivables arising from sale and leaseback arrangements; the current assets amounted to RMB534,978 million, representing a decrease of 4.89% as compared to the end of 2023, mainly due to decrease in financial assets at fair value through profit or loss. The current liabilities were RMB407,787 million, representing a decrease of 2.94% as compared to the end of 2023, mainly due to decrease in financial assets sold under repurchase agreements; the net current assets were RMB127,191 million, representing a decrease of 10.63% as compared to the end of 2023; the non-current liabilities were RMB142,436 million, representing a decrease of 10.77% as compared to the end of 2023, mainly due to decrease in bonds payable.

As at 30 June 2024, the Group's equity attributable to owners of the Company was RMB163,028 million, representing a decrease of RMB216 million or 0.13% as compared to the end of 2023; without taking into account the accounts payable to brokerage customers, the Group's gearing ratio was 72.16%, representing a decrease of 0.87 percentage point as compared to 73.03% as at the end of 2023. The Group's asset-liability structure remained relatively stable.

### *Borrowings and bond financing*

As at 30 June 2024, the total borrowings and bond financing of the Group amounted to RMB275,396 million. The following table sets forth the breakdown of the Group's borrowings and bond financing as at the end of June 2024:

*Unit: '000 Currency: RMB*

	<b>30 June 2024</b>	31 December 2023
Bonds payable	<b>189,450,771</b>	193,920,280
Borrowings	<b>70,373,723</b>	73,353,220
Short-term financing bills payable	<b>15,571,430</b>	18,853,059
<b>Total</b>	<b>275,395,924</b>	286,126,559

For the interest rates and maturities of the borrowings and bond financing, please refer to notes 41, 42 and 43 to the consolidated financial information of the Report.

As at 30 June 2024, the Group's borrowings, short-term financing bills payable and bonds payable due within one year amounted to RMB147,056 million, and the Group's net current assets, after deducting liabilities such as bonds payable, borrowings and short-term financing bills payable due within one year, amounted to RMB127,191 million. Therefore, the liquidity risk exposure of the Group was immaterial.

As disclosed in the Report, as at 30 June 2024, the Group had no outstanding mortgage, charges, bonds, other debt capital, liabilities under acceptance or other similar indebtedness, hire purchase and financial leasing commitments, guarantees or other material contingent liabilities.

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### (III) Analysis of investments

#### 1. *General analysis on external equity investments*

As at the end of the Reporting Period, the Group's investments accounted for using equity method was RMB7,561 million, representing a decrease of RMB555 million or 6.84% as compared to RMB8,116 million as at the end of last year. For details of investments accounted for using equity method, please refer to note 20 to the consolidated financial information of the Report.

##### (1). *Material equity investment*

During the Reporting Period, the Group had no material equity investment.

##### (2). *Material non-equity investment*

During the Reporting Period, the Group had no material non-equity investment.

##### (3). *Financial assets measured at fair value*

The financial assets measured at fair value of the Group mainly included financial assets at fair value through profit or loss of RMB211,398 million, financial liabilities at fair value through profit or loss of RMB12,247 million, equity instruments at fair value through other comprehensive income of RMB10,416 million, debt instruments at fair value through other comprehensive income of RMB57,213 million, and derivative financial instruments of RMB849 million.

### (IV) Material assets and equity disposal

During the Reporting Period, the Group had no material asset or equity disposal.

### (V) Analysis of principal subsidiaries and investees

1. Haitong Innovation Securities, with a registered capital of RMB11,500 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of Haitong Innovation Securities reached RMB19,506 million, and the net assets were RMB19,278 million. For the first half of 2024, Haitong Innovation Securities realized a revenue of RMB-667 million and a net loss of RMB448 million.
2. Haitong International Holdings, with a registered capital of HK\$11,180 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of Haitong International Holdings reached HK\$112,696 million, and the net assets were HK\$1,382 million. For the first half of 2024, Haitong International Holdings realized a revenue of HK\$-1,697 million and a net loss of HK\$2,873 million.
3. Haitong Capital, with a registered capital of RMB5,500 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of Haitong Capital reached RMB8,141 million, and the net assets were RMB7,453 million. For the first half of 2024, Haitong Capital realized a revenue of RMB-397 million and a net loss of RMB337 million.

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4. Haitong UT Capital, with a registered capital of HK\$4,146 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of Haitong UT Capital reached RMB113,916 million, and the net assets were RMB21,205 million. For the first half of 2024, Haitong UT Capital realized a revenue of RMB2,405 million and a net profit of RMB824 million.
5. HT Asset Management, with a registered capital of RMB2,200 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of HT Asset Management reached RMB5,988 million, and the net assets were RMB5,778 million. For the first half of 2024, HT Asset Management realized a revenue of RMB194 million and a net profit of RMB49 million.
6. Shanghai Weitai Properties, with a registered capital of RMB10 million, in which Haitong Securities holds 100% equity interest. As at 30 June 2024, the total assets of Shanghai Weitai Properties reached RMB273 million, and the net assets were RMB16 million. For the first half of 2024, Shanghai Weitai Properties realized a revenue of RMB12 million and a net profit of RMB0.9784 million.
7. Haitong Futures, with a registered capital of RMB1,301.5 million, in which Haitong Securities holds 83.22% equity interest. As at 30 June 2024, the total assets of Haitong Futures reached RMB48,766 million, and the net assets were RMB3,786 million. For the first half of 2024, Haitong Futures realized a revenue of RMB1,337 million and a net profit of RMB119 million.
8. HFT Investment, with a registered capital of RMB300 million, in which Haitong Securities holds 51% equity interest. As at 30 June 2024, the total assets of HFT Investment reached RMB3,811 million, and the net assets were RMB2,658 million. For the first half of 2024, HFT Investment realized a revenue of RMB454 million and a net profit of RMB134 million.
9. Fullgoal Fund, with a registered capital of RMB520 million, in which Haitong Securities holds 27.775% equity interest. As at 30 June 2024, the total assets of Fullgoal Fund reached RMB13,369 million, and the net assets were RMB8,208 million. For the first half of 2024, Fullgoal Fund realized a revenue of RMB2,918 million and a net profit of RMB774 million.

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### (VI) Structured entities controlled by the Company

The Company has recognized and included 58 structured entities held as at the end of the period in its consolidated financial statements, considering the variable returns from such structured entities to which the Company is entitled in the consolidated financial statements or the risks to which the Company is exposed.

## V. OTHER DISCLOSURES

### (I) Potential risks and management measures

#### 1. Summary of risk management

The Group has been attaching great importance to risk prevention and control, and set up the operational philosophy of “pragmatic, pioneering, steady and excellent” and the risk control philosophy of “prudence and even conservativeness”. The operation management of the Company adhered to the principle of the priority for compliance and priority for risk management.

According to the Standards of Comprehensive Risk Management of Securities Companies 《證券公司全面風險管理規範》 and other regulatory requirements and internal rules, the Group continuously improves the development of its comprehensive risk management system, strengthens the consolidated management of risk control indicators, and improves the Group’s T+1 risk data mart, in terms of full coverage, monitoring, measurement, analysis and risk-response ability. The Company has established a clearly arranged hierarchical risk management structure covering various types of risks, different business lines and all entities, constantly revamping various risk management processes including risk identification, assessment, measurement, monitoring, reporting and response. The Company has also established a multi-level risk control indicator system, realizing monitoring and early warning through the system and assessing the impact of extreme risks through pressure tests. For the purpose of enhancing the management of risks for the same client and the same business, the Company has improved the risk limit system of the Group and allocated such limit to each department and subsidiary. An intelligent warning platform of the Group has been built to continuously improve the ability of risk judgment and warning. The Company measures market risks, credit risks and liquidity risks, and has established model management mechanism and procedures, and carried out ongoing assessments and validations of the model. The Company regularly prepares risk reports of the Group, and prepares special reports on significant risk events. The Company chooses proper countermeasures, and has established an effective response mechanism as well as operational contingency plans. In addition, the Group also provides support for comprehensive risk management through measures including cultural cultivation, development of policies, data and systems, establishment of talent team and increased investment in risk management.

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### 2. *Structure of risk management*

In compliance with the Company Law, the Securities Law, the Guidelines for Internal Control of Securities Companies, the Standards of Comprehensive Risk Management of Securities Companies and other laws and regulations, as well as the rules and policies of the Company, the Company has built a multi-level organizational structure of risk management, and determined the specific responsibilities in risk management at all level for the Board of Directors, the Supervisory Committee, the management, the Chief Risk Officer (the “**CRO**”), the risk management department, the business and management department, branches and subsidiaries.

The Board is the maker and authorized person of the Company’s strategic objectives for risk management, and is responsible for reviewing and approving the overall objective, fundamental policy and major system of the Company’s risk management, the overall risk appetite and risk tolerance of the Company, solutions for material risks, periodic risk assessment report, supervision on the implementation of the Company’s risk management policy, appointment, dismissal and evaluation of the CRO, as well as the establishment of a direct communication mechanism with the CRO and other duties stipulated by the Articles of Association. The Board has set up the Compliance and Risk Management Committee to perform the specific risk management duties of the Board.

The Supervisory Committee supervises the Company’s risk management and internal control system and is responsible for the supervision of risk management and internal control established and implemented by the Board and the management, and performing other responsibilities stipulated in the Articles of Association.

Based on the authorization of the Board, the management is responsible for setting up an organizational structure with clear responsibilities and procedures, formulating risk management policies, rules and regulations of the Company, carrying out overall risk appetite and risk tolerance policies of the Company, identifying, evaluating and responding to all kinds of risks, establishing a sound and effective risk management system and mechanism, timely responding to or correcting existing issues or defects, reviewing and dealing with significant risk accidents of the Company, establishing an overall performance evaluation system covering risk management effectiveness, building a comprehensive IT system and data quality control mechanism, and performing other risk management duties delegated by the Board.



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The Company has a CRO, who is appointed by the Board. The CRO is the senior management member who is responsible for the overall risk management of the Company. The CRO is required to organize and implement risk management policies, rules and regulations determined by the Board and the management, arrange supervision, reviews, and evaluations for risk management systems established and perfected by the Company, arrange supervision and inspections for the implementation of risk management policies and procedures of the Company, make suggestions on and supervise the improvement of existing problems in risk management, arrange instruments and approaches that evaluate and improve risk management, regularly organize evaluations for the level of major risks to which the Company is exposed and its management status, file evaluation reports to the management, the Board and regulatory authorities, and organize the nomination and assessment for the persons in charge of risk management in subsidiaries.

The Company established a risk management department, which is led by the CRO to perform risk management functions and is responsible for drafting risk management functions, rules and regulations of the Company, supervising and guiding each unit to formulate business risk management systems and procedures, identifying and evaluating major risks of the Company's related businesses, organizing supervision and inspections for the implementation of the risk management systems of different businesses, regularly evaluating and reporting overall risk level and risk management of the Company, and timely reporting significant potential risks or risk events and giving suggestions accordingly. In addition, the compliance and management department is responsible for the management of compliance risk, money laundering risk and terrorism financing risk of the Company, the funds management head office of the Company is responsible for the management of liquidity risk of the Company, the general manager's office is responsible for the management of reputational risk of the Company, and the IT management department is responsible for the management of IT risk of the Company.

The Company's departments, branches and subsidiaries are responsible for risk management within the scope of their operation and management, establishing sound risk management systems and procedures accordingly, and carrying out risk management policies and related risk management. The heads of all departments, branches and subsidiaries assume direct responsibilities for risk management effectiveness. The departments, branches and subsidiaries of the Company appoint personnel to take charge of risk management in their respective units, and supervise, inspect, and report the implementation of risk management policies and systems, as well as perform the front-line risk management responsibilities.

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The Company's audit department carries out regular inspections for risk management and regular evaluations for the effectiveness of the risk management system, and makes suggestions for improvement based on the evaluation result.

All the subsidiaries operate in a standardized way and in accordance with law. The Company integrates the risk management of subsidiaries into its overall risk management system, implements vertical management for their risk management and conducts consolidated management of risk control indicators on a daily basis. The Company has built a T+1 risk data mart of the Group and effectively implemented vertical risk management for subsidiaries in terms of nomination of subsidiaries' persons in charge of risk management, risk limit and report, approval of major issues, risk data connection, consolidation of risk control indicators, risk supervision and inspection, risk assessment and evaluation, etc.

### **3. *Prevention measures to potential risks and the performance during the Reporting Period***

The risks faced by the Group in business operation activities mainly include: compliance risk, money laundering and terrorism financing risk, credit risk, market risk, operational risk, liquidity risk and reputational risk, which are detailed as follows:

#### **(1) *Compliance risk***

Compliance risk refers to the risk that a securities and fund firm may be subject to legal liabilities or regulatory penalties, disciplinary actions, or incur property loss or reputation damage due to failure to comply with laws, regulations and rules as a result of the securities and fund firm or its staff's poor management or malpractices.

In accordance with the regulatory requirements of compliance management and in combination with the actual situation of the Company, the Company has established a scientifically reasonable organizational structure of compliance management and defined the compliance management positions of the following persons, including the Board, the Supervisory Committee, the principal in charge of operation management, chief compliance officer and other senior management. The compliance department, other internal control departments and the subordinate entities of the Company have well-defined roles and responsibilities, coordination and interaction. The Company has formulated the Management Measures for the Compliance of Haitong Securities Co., Ltd. 《海通證券股份有限公司合規管理辦法》 and relevant supporting systems, built a compliance management team, implemented strict compliance management through prior review, in-process monitoring, post-event examination, assessment and application of accountability. At the same time, The Company made more efforts in compliance education in a bid to foster the business environment of "Full Compliance and Active Compliance".

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During the Reporting Period, in addition to carrying out compliance review, compliance inspection, compliance monitoring and other basic compliance management in a steady and orderly manner, under the goal-oriented and problem-oriented approach, the Company made enhanced efforts in support for full implementation in key areas, enhanced the two-way integration of compliance and business, strengthened the Group's compliance management development, and actively fostered a compliance culture of full compliance, active compliance, on-going compliance and all-round compliance.

### (2) *Money laundering and terrorism financing risk*

In accordance with the Guidelines for the Management of Money Laundering and Terrorism Financing Risk of Corporate Financial Institutions (Trial) 《法人金融機構洗錢和恐怖融資風險管理指引(試行)》, the Company formulated the Management Measures for Money Laundering and Terrorism Financing Risk of Haitong Securities Co., Ltd. 《海通證券股份有限公司洗錢和恐怖融資風險管理辦法》, and established and improved a sound anti-money laundering organizational framework under the Board, forming an anti-money laundering management system coordinated by the anti-money laundering leading group of the Company, led by the compliance department for organization and implementation, and implemented by relevant business departments and branches. The Company has developed an anti-money laundering management system consisting of the money laundering risk management system of the Group, basic anti-money laundering system of the Company and other supporting systems and operating procedures thereof. The Company formulated money laundering and terrorism financing risk management strategies of "taking risk prevention as its first priority" and adopted corresponding risk control measures based on different risk conditions in all business lines of the Company. It promoted the transmission of the money laundering risk management culture through trainings and publicity, created a sound atmosphere of the money laundering risk management culture and actively prevented money laundering and terrorism financing risk.

During the Reporting Period, the Company continued to improve the risk management mechanism for money laundering and terrorist financing, comprehensively advanced the publicity of the money laundering and terrorism financing risk management culture, and enhanced the money laundering and terrorist financing risk management of the Company. Firstly, it further strengthened the support of information technology for money laundering and terrorist financing risk management, made research on and optimized monitoring models, and made the monitoring and reporting more targeted and effective. Secondly, it strengthened the development of money laundering risk management culture, carried out special training on anti-money laundering, and improved the ability of front-line units to perform their duties in anti-money laundering. Thirdly, it actively fulfilled the obligation of anti-money laundering publicity, published publicity materials via the Company's WeChat official account, and organized publicity activities on the May 15 National Publicity Day for Combating Economic Crimes, so as to raise the awareness of the investors on the prevention of money laundering and terrorist financing risks.

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### (3) *Credit risk*

Credit risk refers to the risk of loss that may arise as a result of failure by the borrower, counterparty or debt issuer to perform the stipulated financial obligations or any adverse change in their credit standing. At present, the credit risks exposed to the Group are mainly concentrated in trading finance business (such as securities margin trading, stock pledged repurchase, margin trading), credit bond trading and investment business, financial leasing business, over-the-counter derivatives business, etc.

In respect of trading finance business, the Group mainly manages and controls the credit risk through formulating and implementing various strict systems and measures on due diligence, internal credit rating, project evaluation, credit approval management, daily mark-to-market, limit monitoring, post-lending tracking, credit enhancement, liquidation execution, judicial recourse and provision making.

In respect of debenture transaction and investment business, the Group emphasizes diversified investment to control concentration risk. Investment subjects are mostly high credit rating assets. In credit risk management, the Group also keeps a close track of the operating conditions and credit rating changes of investment subjects, implements internal rating and standard credit management mechanism, and establishes and improves credit risk monitoring indicators such as debt issuers, industries and geographic concentration. During the post-investment monitoring process, the Group updates the internal rating of debt issuer and credit limit indexes in a timely manner in accordance with the changes in financial indicators, significant risk events and negative public opinion, etc., and dynamically adjusts trading strategies.

In respect of financial leasing business, the Group upholds its original mission of serving the real economy, and develops credit risk management policies according to the industry and customers equally-focused strategy. At the industry level, the Group dynamically tracks and assesses those risks according to the prosperity of the industry where financial leasing customers are operating, and correspondingly formulates relevant industry investment policies to control industry concentration risks. At the customer level, the Group mainly manages and controls customer credit risk through due diligence, internal rating, credit review, post-loan asset inspection, risk early warning and monitoring, and concentration limit control and other measures.

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In respect of OTC derivatives business, the Group establishes a sound regulation system and procedure covering areas including counterparties access and credit granting management, subject securities management, and risk responses and handling, and conducts daily mark-to-market evaluation throughout the term of OTC derivative transaction and manages counterparty credit risk by fully adopting measures such as net settlement and performance guarantee. Meanwhile, the Group pays attention to the correlation between credit risk and market risk, and takes necessary monitoring and countermeasures against credit risk in the context of market fluctuations, including but not limited to trading margin arrangement, counterparty internal rating and credit management, measurement of potential future risk exposure, identification of misdirection risk, etc.

The Group continued to improve its credit risk management system in accordance with industry regulatory policies, capital market conditions and the Group's business development strategies. During the Reporting Period, with reference to relevant policies such as the credit risk management measures, the Group fully carried out the credit risk identification, assessment, measurement, monitoring, reporting and response work focusing on the same client and the same business. Firstly, relying on the construction results of the Group's intelligent warning center, the Group developed a credit risk warning management system, comprehensively promoted the application of warning working mechanism in the whole Group, implemented and improved the risk monitoring before, during and after the business to empower its business development and enhance its risk warning and prediction ability. Secondly, leveraging the Group's T+1 risk data mart, the Group continuously optimized the credit risk management system, improved the internal rating system, enhanced its risk identification, measurement and stress testing capabilities, and improved the credit risk limit system from multiple dimensions such as asset quality, risk offset and concentration risk. Thirdly, the Group adhered to the work idea of moving forward the risk management threshold, comprehensively revised the credit rating management measures for corporate customers, and continued to strengthen the forward-looking, timely and standardized degree of credit risk assessment. During the Reporting Period, the Group's core credit risk monitoring indicators were stable, and the overall credit risk was controllable.

For the three financing businesses, the Company proactively optimized the business structure, prudently evaluated new projects, strengthened the tracking, monitoring and management of existing projects, intensified recovery efforts for existing risky projects, and prudently and forwardly made provision for credit impairment to ensure adequate risk provision. As at the end of the Reporting Period, the average performance guarantee ratio of our customers in margin financing and securities lending business was 251.01%, the average performance guarantee ratio of our customers in securities repurchase transaction business was 288.24%, and the average performance guarantee ratio of our customers in stock pledged repo business was 207.01%. The collaterals provided by the borrowers were sufficient, and the overall credit risk was controllable.

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### (4) *Market risk*

Market risk refers to the risk of losses of the Group's self-owned funds investment related business due to adverse changes in market prices. The market risk mainly includes stock price risk, interest rate risk, exchange rate risk and commodity price risk.

For the stock price risk, the businesses of the Group with such risk mainly include equity securities proprietary business, market-making business and OTC derivatives business, etc. With high uncertainties, stock price risk is one of the major market risks that the Group faces. The Group closely monitors the price fluctuation of relevant assets and has adopted relevant preventive measures, which means that, it monitors and controls those risks through tracking any variation in investment scale and value-at-risk ("**VaR**") of securities positions on a daily basis. By implementing diversified investment strategies, the Group properly controlled and timely adjusted total investment amounts of various securities, and managed the market risk effectively by combining the use of various hedging instruments.

For the interest rate risk, the businesses of the Group with such risk mainly include bond investment business and interest rate derivatives business. The Group managed interest rate risk by employing methods such as size control and investment portfolio re-balancing to achieve a reasonable allocation of assets, to match the maturities of liabilities and assets and by evaluating interest rate risk through regular measurement of indicators such as duration, convexity and DV01 of investment portfolios.

For the exchange rate risk, under the complex and volatile overseas market, the Group continued to monitor and study the latest developments in the foreign exchange market, constantly optimized system construction and internal management, and took various measures, including hedging transactions, to hedge and mitigate exchange rate risks exposure. The Group focused on matching foreign currency assets and liabilities to control the foreign exchange risk exposure.

For the commodity price risk, the Group's relevant risk exposure is relatively low and is hedged and managed mainly by commodity derivatives such as commodity futures and options.

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Save as the above-mentioned risk factors, overseas investment and transaction businesses conducted by the Group are also exposed to relevant market risks. Fluctuations of each element of market risk around the world may affect the overall profit or loss of the Group. During the Reporting Period, under the relevant requirements of the Group's market risk management measures, the Company continuously sped up the implementation of the procedures of market risk identification, assessment, measurement, monitoring, response and reporting at the Group level, and included the investment and transaction businesses of subsidiaries into the overall market risk management system. In terms of investment and transaction businesses conducted by the subsidiaries of the Group, the Group managed and controlled those risks by setting and assigning market risk limit indicators such as VaR limit and stop loss limit, and the Group tracked and supervised its subsidiaries on their market risk profile and the implementation of risk limits based on the Group's T+1 risk data mart, the Group's market risk management system, risk reporting and other instruments or means.

The Group measures and controls market risks arising from various investment and transaction businesses through a VaR-based quantitative indicator system for market risks. VaR refers to the maximum possible loss arising from an investment portfolio due to market fluctuations in a specific forward-looking period in the future at a certain level of confidence, which is the main indicator to measure market risks. The specific measurement parameters of the Group's VaR model are confidence level of 95% and forward-looking period of 1 day. The measurement of the model covers various financial assets and derivatives such as equity, interest rates and foreign exchange held at the Group level. The Group continuously monitors and evaluates the effectiveness of the VaR model by back testing and other means, and continuously improves the VaR model as required by business development and risk management. In addition, the Group has established a stress test management mechanism as an important supplement to the VaR model. By constructing various historical scenarios and simulation scenarios as well as the corresponding stress test transmission mechanism, the Group can measure the extreme losses that the investment and transaction businesses may face, and assess whether the losses are tolerable. During the Reporting Period, the ratio of the Company's VaR to its net assets at the end of each month and the ratio of the Group's VaR to its net assets both were kept under 0.2% and the market risk was controllable and acceptable.

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### (5) *Operational risk*

Operational risk refers to the risk associated with losses arising from the defects of the internal processes, mis-operation or misconduct of staff, information system defects or breakdown, and external factors. Operational risk runs through all aspects of the business development and daily operation process, and may lead to legal risk, compliance risk, reputational risk and other risks. Based on the operational risk management measures and other systems, the Group leveraged on various risk management tools (including risk and control self-assessment, key risk indicators and loss data collection) to carry out the identification, assessment, monitoring, and report of operational risk. The Group conducted annual self-assessment of risk and control and special self-assessment of risk and control in accordance with the regulatory requirements and the new business and products development. The Group established the key risk indicators system covering the main departments and subsidiaries of the Group, and carried out monitoring of key risk indicators. The Group collected information on operational risk events within the Group, monitored the occurrence and development of risk events, checked and analyzed the problems revealed from risk events in a timely manner and formulated corresponding rectifications. During the Reporting Period, in accordance with the Guidelines on Operational Risk Management for Securities Companies issued by the Securities Association of China, the Group continued to improve the construction of the operational risk management system, further promoted the optimization of the mechanism and process of the Group's operational risk management, and improved the application effectiveness of operational risk management tools.

Information technology risks refer to the risks that arise from carrying out securities and funds business with the assistance of information technologies due to natural factors, human factors, technical vulnerability or management deficiency. The Group was continuously strengthening the construction of the information technology management system, continuously improving the network and information security incident emergency plan, monitoring and managing the information technology related conditions of system operation, system establishment, information security, technology management, etc. by carrying out regular drills, adopting regular or irregular monitoring, special inspections and other methods, to prevent information technology risks. During the Reporting Period, the Group continued to strengthen the construction, operation and maintenance of its information technology systems and conducted regular and irregular inspections and maintenance in strict accordance with the operational procedures to ensure the reliability, stability and safe operation of the systems.



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### (6) *Liquidity risk*

Liquidity risk refers to the risk that the Company is unable to gain sufficient funds with reasonable cost in a timely manner to pay its due debts, satisfy other payment obligations and meet the requirements for carrying out normal business operations. The Company is easily affected by the factors including macro policy, changes in market, operation conditions and client credit profile during its operations. Meanwhile, liquidity risk may also result from unmatched asset-liability structure.

In respect of daily liquidity risk management, in accordance with the requirements of risk appetite and limits, the Company has always ensured that the liquidity risk exposure is measurable, controllable and tolerable through reasonable monitoring and control measures. The Company reserved sufficient quality liquidity assets to guarantee the business development and the repayment of matured liabilities of the Company. The Company managed daily liquidity and risk indicators, built a linkage system of capital and indicator combining with assets and liabilities, and improved the liquidity risk analysis framework including daily indicator position follow-up, monthly indicator forward-looking analysis, and department indicator breakdown, which enriched tools of liquidity risk management over different periods of time, and enhanced the efficiency of the Company's management and forecast of liquidity risk.

In terms of mid-term and long-term liquidity risk management, the Company continued to optimize its asset allocation structure, intensified its analysis on the development trend of assets and liabilities and controlled over liquidity risk from the source. On the one hand, the Company set up the Assets and Liabilities Allocation Committee to proactively carry out asset and liability management and adjust its liability maturity mix by timely analyzing business development trend and potential need for mid-term and long-term funds, in order to ensure a reasonable match of assets and liabilities in terms of the maturity and scale. On the other hand, the Company continued to enhance the level of liquidity refined management to ensure more reasonable liability structure and distribution of maturities, whilst maintaining a balance among asset safety, liquidity and profitability. During the Reporting Period, the Company put emphasis on maintaining good relationships with major commercial banks, emphasized regulated operations, maintained good reputation, and kept financing channels open.

Furthermore, the Company has steadily implemented its requirements on liquidity risk management for the Group and its subsidiaries. Under the guidance of the Group's liquidity risk management measures, the Company developed scientific and effective liquidity risk management strategies as per the business characteristics of each subsidiary, which basically realized the unified management of liquidity risk across the Group. Firstly, with the aim to guide the improvement of subsidiaries' liquidity risk management systems, the Company continued to implement classified management of subsidiaries in terms of risk

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and asset-liability management, etc. on the basis of liquidity risk management and with different requirements proposed from three aspects: organizational system guarantee, risk control framework and risk response measures. Secondly, the Company implemented limit management requirements for the subsidiaries based on the consolidation of the liquidity risk indicators and the industry, location and risk features of the subsidiaries, to monitor the liquidity risk actuality of each subsidiary more effectively. Lastly, to strengthen the Group's capability to handle liquidity risks, the Company continued to improve the support system for the Group's liquidity, and safeguarded the Group against any liquidity risk.

During the Reporting Period, facing the change in market environment and internal capital demand of the Company, the Company actively planned on the basis of different areas to continuously strengthen the control over liquidity risk via prior risk identification, in-process risk mitigation and post-event improvement. The Company carried out market evaluation, grasped the timing of low interest rates to increase capital reserves through bond issuance and renew all due liabilities in a timely manner, which reduced the likelihood of the occurrence of liquidity risk and ensured its capability of stable operations in a complex market environment. During the Reporting Period, the daily average liquidity coverage ratio of the core liquidity monitoring indicators of the Company was 344.57% while the daily average Net Stabilized Funding Ratio ("NSFR") was 148.86%, both of which exceeded the regulatory requirement and pre-warning standard.

### (7) *Reputational risk*

Reputational risk refers to the risk of negative comments to the Company by investors, issuers, regulators, self-regulatory organizations, the public and the media due to the Company's acts or external events, as well as violations of integrity regulations, professional ethics, business norms, and industry rules and regulations by its employees, which may damage the Company's brand value, adversely affect the normal operation of the Company, and even affect market stability and social stability. The Group continued to enhance the forward-looking and proactive management of public opinions, continuously met the requirements of the regulatory authorities on systematic management of reputational risk, and strengthened the synergy efficiency of the parent company and subsidiaries in China and overseas through measures such as revising the system, enhancing awareness, improving the process, and uniting the team. It established publicity channels in Mainland China and Hong Kong to take the initiative in publicity based on the operating highlights, which can create a favorable public opinion environment for the Group's development. In response to a small number of negative public opinion reports, by strictly following the basic principles of full-process, all-staff, prevention first, prudent management, and rapid response, the Company made scientific judgments, made sufficient preparations, took the initiative to respond, promptly grasped the trend of public opinions. It maintained healthy communication with mainstream media, properly guided the public opinions, and protected the brand image of the Group. During the Reporting Period, the Group maintained a healthy environment of public opinions.

## Section III REPORT OF THE BOARD OF DIRECTORS

### (II) Other disclosures

#### *Information on the implementation of business plan*

In the first half of 2024, China's economy stabilized and achieved a good start. Under the guidance of the overall strategy, the Company deeply practiced the concept of "One Haitong", focused on the "five major aspects" of finance, gave full play to the advantages of comprehensive financial services, deepened the reform, strengthened the foundation and fundamentals, optimized and strengthened the principal responsibilities and businesses, and fully exerted the service functions of the capital market.

In terms of "science and technology finance", the Company focuses on creating new quality productivity and serving high-level science and technology in self-reliance. The private equity investment and direct investment business focuses on cutting-edge science and technology fields and improves the layout of the investment ecosystem; the investment banking business helps enterprises to launch the STAR Market, and underwrites a number of science and technology innovation corporate bonds and science and technology innovation notes as lead underwriter. In terms of "green finance", the Company helps industrial transformation and upgrading in ESG system construction, green financing, green investment, green research and green operation, and serves the goal of "carbon peaking and carbon neutrality" of the state. In terms of "inclusive finance", the Company helps the development of small and microenterprises and meets the needs of residents for wealth management. The number of clients holding products in the wealth management business line has continued to grow; the large investment banking business line actively helped small and microenterprises to connect to the capital market; Haitong UT continued to deepen the financial leasing business such as small and micro high-end equipment manufacturing, small and micro engineering machinery and small and micro medical care; and Haitong Futures has continuously enriched the risk management and control means for the agriculture, rural areas, and farmers. In terms of "pension finance", the Company supports the construction of a multi-level pension security system, and actively guides the positive interaction between scientific pension and the capital market through products such as deferred pension fund products, pension FOFs, and "home-based elderly care equipment leasing products" to promote the rapid development of the silver economy. In terms of "digital finance", the Company takes "unified management, self-reliance and controllability, integration of business, and leading development" as the guideline, and meets the demand for social financial services with high-level digital financial capabilities, strengthens the top-level design, and pushes forward the digital transformation of the Company in a solid manner. Meanwhile, the Company has continued to deepen its reforms, pushed forward the vertical reform of its institutional business, accelerated the expansion of the regional cooperation ecosystem, contributed to the stable development of the securities exchange market, stepped onto a new stage in the high-quality development of its branches, and achieved synergistic development both domestically and internationally. The Company has returned to its roots, sought new development results, performing our responsibilities as a "service provider" of direct financing, a "manager" of social wealth, and a "gatekeeper" for the capital market. The Company has pushed forward the new model of "banking, securities and insurance" cooperation to continuously improve the service level of centralized state-owned enterprises. The Company has strengthened its foundation and fundamentals, and continued to enhance its operational quality and management capabilities.

## Section III REPORT OF THE BOARD OF DIRECTORS

In the second half of 2024, the Company will balance functionality and profitability, focus on serving the real economy and the development of new quality productivity, and continue to strengthen its efforts in the “five major aspects” of finance, and continuously improve its product and service system, prioritize its specific business on wealth management business line to increase the scale of products and improve the service capability of products, setting up an innovative service team, and establishing a long-term service mechanism. The investment banking business line accelerated the development of mergers and acquisitions and restructuring business, increased the investment in industrial bonds, financial bonds and other products, optimized the domestic and overseas synergy mechanism, and further fulfilled the responsibility of “three lines of defense”. The asset management business line targeted the areas of pension finance and inclusive finance, and set up a competitive investment and research team and a full range of products to meet the different needs of investors. The trading and institutional business line further enhanced its investment management capability, strengthened business risk monitoring and early warning, improved the quality of research through chainization, internationalization and three-dimensionalization, and created differentiated, precise and professional service strategies. The private equity and direct investment business line strengthened its industry focus, plowed into key investment directions, and took the opportunity of investing in Shanghai’s three leading industry funds to explore the extension and layout of the front-end of science and innovation policy. With respect to overseas business line, the Company will consolidate the brand advantage of offshore investment banking, promote “vertical” integrated control of the whole business chain, and realize in-depth synergistic development of domestic and overseas operation. In respect of the financial leasing business line, the Company will accelerate the transformation and development of industrialization, expand the industrial ecosystem, and promote business investment in policy-friendly areas. Meanwhile, in the second half of the year, the Company will focus on the construction of high-quality compliance and internal control, science and technology operation, treasury management, group management and other systems to enhance the effectiveness of management work and escort the Company’s high-quality development.

## Section IV CORPORATE GOVERNANCE

### I. BRIEFING OF THE GENERAL MEETINGS

Session of the meeting	Date of the meeting	Search index of the designated website for resolutions disclosure	Date of resolutions disclosure	Resolutions of the meeting
2023 Annual General Meeting	12 June 2024	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a> <a href="https://www.hkexnews.hk">https://www.hkexnews.hk</a>	13 June 2024 12 June 2024	See "Descriptions of the general meetings" below for details
2024 First Extraordinary General Meeting	18 July 2024	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a> <a href="https://www.hkexnews.hk">https://www.hkexnews.hk</a>	19 July 2024 18 July 2024	See "Descriptions of the general meetings" below for details

#### Request for convening of extraordinary general meeting by preference shareholders with recovered voting rights

✓ Not applicable

#### *Descriptions of the general meetings*

During the Reporting Period, the Company held the 2023 Annual General Meeting at Haitong Bund Finance Plaza on 12 June 2024, at which 12 resolutions were considered and approved, including ordinary resolutions: 1. to consider and approve the report of the Board of the Company for the year 2023; 2. to consider and approve the report of the Supervisory Committee for the year 2023; 3. to consider and approve the 2023 duty performance report of independent non-executive Directors of the Company; 4. to consider and approve the annual report of the Company for the year 2023; 5. to consider and approve the final accounts report of the Company for the year 2023; 6. to consider and approve the profit distribution proposal of the Company for the year 2023; 7. to consider and approve the proposal regarding authorizing the Board to determine the Company's 2024 interim profit distribution at the general meeting; 8. to consider and approve the proposal regarding the estimated investment amount for the proprietary business of the Company for the year 2024; 9. to consider and approve the proposal regarding the projected external guarantees of the Company in 2024; 10. to consider and approve the proposal regarding the projected routine related party/connected transactions of the Company in 2024; 11. to consider and approve the proposal regarding the proposed appointment of Mr. Han Jianxin as an executive Director of the Company; and a special resolution: 1. to consider and approve the proposal regarding the proposed amendments to the Articles of Association.

Before the date of this Report, the Company held the 2024 first extraordinary general meeting at Haitong Bund Finance Plaza on 18 July 2024, at which 2 ordinary resolutions were considered and approved, including: 1. to consider and approve the proposal regarding the appointment of accounting firms for the year 2024; and 2. to consider and approve the proposal regarding the proposed appointment of Mr. Xie Weiqing as a Supervisor of the Company.

The relevant announcements on poll results of the general meetings were published on the HKExnews website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and on the website of the Company on the date of the meeting, and published on the website of the SSE (<http://www.sse.com.cn>) and in the China Securities Journal, the Shanghai Securities News, the Securities Times and the Securities Daily on the next date of the meeting.

## Section IV CORPORATE GOVERNANCE

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

Name	Position	Particulars of changes
Han Jianxin	Executive Director	Elected
Xie Weiqing	Non-employee Representative Supervisor	Elected
Li Zhenghao	Non-employee Representative Supervisor	Resigned
Jiang Chengjun	Deputy General Manager	Resigned

#### Description of Changes in Directors, Supervisors and Senior Management of the Company

##### 1. Changes in Directors

On 26 April 2024, the fifth meeting of the eighth session of the Board held by the Company considered and approved the proposal regarding the nomination of Mr. Han Jianxin as a director candidate of the Company, approving the nomination of Mr. Han Jianxin as a director candidate of the eighth session of the Board of the Company. The 2023 Annual General Meeting of the Company held on 12 June 2024 considered and approved the proposal on the election of Mr. Han Jianxin as a Director of the Company, approving the election of Mr. Han Jianxin as a Director of the eighth session of the Board of the Company, with his term of office commencing from the date of approval at the general meeting and ending on the expiry date of the term of the eighth session of the Board. For details, please refer to the "Overseas Regulatory Announcement" and the announcement of "Poll Results of Annual General Meeting Held on 12 June 2024" published by the Company on the HKExnews website of the Hong Kong Stock Exchange on 26 April 2024 and 12 June 2024, respectively.

##### 2. Changes in Supervisors

On 27 June 2024, the sixth meeting (extraordinary meeting) of the eighth session of the Supervisory Committee held by the Company considered and approved the proposal regarding the change of supervisor of the Company. Mr. Li Zhenghao ceased to serve as a Supervisor of the eighth session of the Supervisory Committee due to work re-arrangement, and Mr. Xie Weiqing was recommended as a supervisor candidate for the eighth session of Supervisory Committee. The proposal was considered and approved at the 2024 first extraordinary general meeting of the Company held on 18 July 2024, and Mr. Xie Weiqing has served as a Supervisor of the eighth session of the Supervisory Committee since 18 July 2024, with his term of office commencing from the date of approval at the general meeting and ending on the expiry date of the term of the eighth session of the Supervisory Committee. For details, please refer to the announcement of "Proposed Appointment of External Auditors and Proposed Change of Supervisor" and the announcement of "Poll Results of the 2024 First Extraordinary General Meeting Held on 18 July 2024" published by the Company on the HKExnews website of the Hong Kong Stock Exchange on 27 June 2024 and 18 July 2024, respectively.

## Section IV CORPORATE GOVERNANCE

### 3. *Change in Senior Management*

Mr. Jiang Chengjun applied to the Board for resignation from the position of deputy general manager of the Company for personal reasons. The resignation of Mr. Jiang Chengjun took effect on the date when his resignation letter was delivered to the Board. For details, please refer to the “Overseas Regulatory Announcement” published by the Company on the HKExnews website of the Hong Kong Stock Exchange on 31 July 2024.

## III. OTHER INFORMATION OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES OF THE COMPANY

### (I) **Dealings in securities by Directors, Supervisors and relevant employees**

The Company has adopted the standards as set out in the Model Code as the code of conduct of the Company regarding securities transactions by the Directors, Supervisors and relevant employees. The Company, having made enquiries to all the Directors and Supervisors, confirmed that they had been in compliance with the requirements of the abovementioned Model Code, during the period from 1 January 2024 to 30 June 2024. The Company has not found any relevant employee violating the aforesaid guidelines.

### (II) **Material changes in relevant information of Directors and Supervisors**

Mr. Mao Fugen, an independent non-executive Director, ceased to serve as an independent director of Zhonghong Pulin Medical Products Co., Ltd. (中紅普林醫療用品股份有限公司, a company listed on the SZSE, stock code: 300981) since July 2024.

Mr. Fan Ren Da Anthony, an independent non-executive Director, ceased to serve as a director of 3DG Holdings (International) Limited (formerly known as Hong Kong Resources Holdings Company Limited, a company listed on the Hong Kong Stock Exchange, stock code: 2882) since February 2024.

Mr. Li Zhenghao, a Supervisor (resigned), has been the deputy secretary of the Party Committee of Shenergy Property & Casualty Insurance Co., Ltd. since January 2024, and has ceased to be the general manager of the finance department of Shenergy Group Company Limited since April 2024, and has ceased to be a director of Shenergy Company Limited since June 2024 and a director of Shanghai Gas Co., Ltd. since June 2024.

Save as disclosed above, there is no other information in respect of the Directors and Supervisors of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

### (III) **Particulars about service contracts with Directors and Supervisors**

The Company has not entered into and does not intend to enter into any service contract with any of the Directors or Supervisors of the Company in their respective capacity as a Director or Supervisor (other than contracts expiring or terminable by the employer within one year without the payment of compensation (other than statutory compensation)).

## Section IV CORPORATE GOVERNANCE

### (IV) Employees and remuneration policy

As of the end of the Reporting Period, the Group had 13,346 employees, of whom 8,182 were from the parent company, and 5,164 were from subsidiaries.

The Company attaches great importance to talent attraction, motivation, training and retention, and continuously reviews and optimizes the Company's remuneration mechanism, adheres to the incentive principle of market-oriented distribution, performance-orientation and fairness, and continues to improve the mechanisms, including remuneration deferred payment and recourse deduction. The remuneration package of the Company consists of basic salary, performance bonus and benefits. Under the applicable laws and regulations, the Company purchased various social insurance (pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance) and established housing funds for its employees, and made abovementioned social insurance and housing fund contributions in full in accordance with applicable regulations. The Company also established a corporate annuity plan which provided supplemental pension protection for employees, and also purchased supplementary medical insurance and accident insurance for employees.

Under the applicable laws and regulations, the Company enters into a labor contract and establishes employment relationship with its employees. A labor contract contains the provisions on the duration of contract term, working hours, rest and vacation, remuneration and insurance benefits, labor protection and working conditions, modification and termination of the contract, etc.

### (V) Employee training

In the first half of 2024, for employee training, the Company adhered to the principles of overall planning, systematic training, combination of training and practice, and development empowerment. Anchored on its strategic layout and synergy under "One Haitong", and relying on the two platforms of Haitong Party School (海通黨校) and Haitong Wealth Research Academy (海通財富研修院), the Company carried out practical experience programs, special training and online teaching in a holistic way. The Company continuously enhanced its training system, and advanced the job rotation and opinion exchange between the first batch of senior management and employees of the middle and back office departments of its headquarters and senior management and employees of business departments and subsidiaries. The 2024 "Youth Talent Training Camp" was launched to select talents at all levels for cross-unit post training. The Company assigned new employees recruited by the headquarters on-campus to the branches in batches for training. The Company continuously optimized the form of training, and carried out three sessions of special training courses on "studying and implementing the important speech of General Secretary Xi Jinping during his inspection in Shanghai and the important speech at the symposium on in-depth promotion of the integrated development of the Yangtze River Delta", in which nearly 200 senior management participated. The Company upgraded the "Dandelion Program" and organized joint special trainings with its branches and subsidiaries. The Company carried out the "Starfish Program", a training program for new employees, and launched the "Seashell Program", a talent pipeline development program of subsidiaries to carry out centralized training and systematic tutoring. The Company continuously enriched the training content. In the first half of 2024, Haitong Wealth Research Academy launched a total of 578 courses, set up special learning courses, organized special livestreaming and themed activities, and promoted the sharing and co-development of internal resources.



## Section IV CORPORATE GOVERNANCE

### IV. PROPOSAL ON PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE FUNDS INTO SHARE CAPITAL

#### (I) Implementation or adjustment of profit distribution plan implemented during the Reporting Period

The Company held the 2023 Annual General Meeting on 12 June 2024 at which the profit distribution proposal of the Company for the year 2023 was considered and approved. On the basis of 12,987,125,533 shares, which is the Company's total share capital of 13,064,200,000 shares as of the record date excluding the 77,074,467 shares in the special stock account for share repurchase of the Company, the total cash dividend distribution amounted to RMB1,298,712,553.30 (inclusive of tax). The total cash dividends distributed to holders of A Shares amounted to RMB957,755,671.30 (inclusive of tax) based on the share capital of 9,577,556,713 A Shares (excluding the shares in the special account for share repurchase) and the total cash dividends distributed to holders of H Shares amounted to HK\$374,602,166.16 (inclusive of tax) based on the share capital of 3,409,568,820 H Shares.

The relevant announcement for the 2023 annual profit distribution plan was published in the China Securities Journal, the Shanghai Securities News, the Securities Times and the Securities Daily and published on the websites of the SSE, the HKExnews of the Hong Kong Stock Exchange and the Company, and the implementation was completed on 8 August 2024.

#### (II) Proposed plans of half-year profit distribution and conversion of capital reserve funds into share capital

Whether making profit distribution or converting capital reserve funds into share capital	Yes
Number of bonus shares for every 10 shares (share)	0
Dividend amount per 10 shares (RMB) (tax inclusive)	0.30
Number of shares capitalized for every 10 shares (share)	0

#### DESCRIPTION OF PROPOSAL ON PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE FUNDS INTO CAPITAL

The net profit attributable to owners of the parent company in the consolidated financial statements (unaudited) of the Company from January to June 2024 was RMB953,097,368.84 and the net profit of the parent company from January to June 2024 was RMB3,235,664,772.32.

According to relevant requirements, gains from changes in fair value may not be used for cash distribution, and after considering such impact, the profits of the Company available for cash distribution from January to June 2024 were RMB1,091,086,327.87, and the profits available for distribution of the parent company at the end of June 2024 were RMB36,622,356,278.95.

## Section IV CORPORATE GOVERNANCE

Taking into account the interests of shareholders, the development of the Company and other factors, it is proposed that the Company's 2024 interim profit distribution proposal be as follows:

1. The Company will declare cash dividend for the interim profit distribution for 2024, and a cash dividend of RMB0.3 (inclusive of tax) for every 10 shares will be distributed based on the total share capital of the Company as registered on the record date for the 2024 interim dividend distribution excluding the shares in the special stock account for share repurchase of the Company. On the basis of 12,987,125,533 shares, which is calculated based on the total share capital of 13,064,200,000 shares of the Company as at the date of the Board meeting considering the 2024 interim profit distribution plan deducting 77,074,467 shares in the special stock account for share repurchase of the Company, the total cash dividends amount to RMB389,613,765.99, representing 40.88% of the net profit attributable to the shareholders of the parent company on a consolidated basis from January to June 2024. The Company has implemented repurchases of A Shares amounting to RMB303,053,231.80 (excluding transaction costs) through centralized price bidding based on cash consideration from January to June 2024, and the total amount of cash dividends and repurchases is RMB692,666,997.79, representing 72.68% of the net profit attributable to the shareholders of the parent company on a consolidated basis from January to June 2024.

In the event that the total share capital of the Company (excluding the shares in the special stock account for share repurchase) changes after the date of this meeting of the Board and prior to the record date for the distribution, the Company intends to keep the dividend rate unchanged and adjust the total distribution amount accordingly. The retained profit available for distribution to investors after this cash dividend distribution will be carried forward to the next period.

2. Cash dividends are denominated and declared in Renminbi and payable in Renminbi to A shareholders of the Company and in HK dollars to H shareholders of the Company. The actual amounts distributed in HK dollars shall be converted based on the average benchmark exchange rates for Renminbi to HK dollars as announced by the People's Bank of China for the five business days prior to the date of this meeting of the Board.

In accordance with the relevant authorization of the Company's 2023 Annual General Meeting for the 2024 interim profit distribution, such profit distribution proposal shall be not required to be submitted to the general meeting for consideration. The Company will distribute 2024 interim cash dividends within two months from the date of this meeting of the Board.

## Section IV CORPORATE GOVERNANCE

The Board wishes to inform the Shareholders that details of the payment of the interim dividend for 2024 are as follows:

The interim cash dividend for the six months ended 30 June 2024 of RMB0.30 (inclusive of tax) for every 10 shares (the “**Interim Dividend**”) will be paid to the holders of H Shares on Friday, 18 October 2024. The register of members of H Shares will be closed from Friday, 13 September 2024 to Thursday, 19 September 2024 (both days inclusive), during which time no transfer of H Shares will be effected. In order to qualify for receiving the Interim Dividend, holders of H Shares should ensure that the relevant H Share certificates, accompanied by all transfer documents, are lodged with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, before 4:30 p.m. on Thursday, 12 September 2024. Holders of H Shares whose names appear on the register of members of the H Shares on Thursday, 19 September 2024 (the “**Record Date**”) are entitled to receive the Interim Dividend.

According to the Articles of Association, dividends shall be denominated and declared in Renminbi. The dividends payable to holders of A Shares shall be paid in Renminbi and dividends payable to holders of H Shares shall be paid in Hong Kong dollars. The actual amount of H Share dividends paid in Hong Kong dollars is converted based on the average benchmark exchange rate for Renminbi to Hong Kong dollars as announced by the People’s Bank of China for the five business days prior to 29 August 2024, being the date of the Board meeting, (i.e. RMB0.913678 against HK\$1.00), being a cash dividend of HK\$0.328343 (inclusive of tax) for every 10 H Shares.

Pursuant to the Notice of the PRC State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) 《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), dividends received by overseas resident individual shareholders from stocks issued by domestic non-foreign invested enterprises in Hong Kong are subject to the payment of individual income tax according to the items of “interest, dividend and bonus income”, which shall be withheld by the withholding agents in accordance with the relevant laws. The overseas resident individual shareholders who hold stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China or the tax arrangements between Mainland China and Hong Kong (Macau). The tax rate for dividends under the relevant tax agreements and tax arrangements is generally 10%. For the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividend, generally withhold individual income tax at the rate of 10%, and they are not obligated to file an application. If the tax rate for dividend is not equal to 10%, the following provisions shall apply: (1) for residents from countries under tax agreements to be entitled to tax rates lower than 10%, the withholding agents may file applications on their behalf to seek entitlement to the relevant agreed preferential treatments, and upon review and approval by the tax authorities, over withheld tax amounts will be refunded; (2) for residents from countries under tax agreements to be entitled to tax rates higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividend (bonus), and are not obligated to file an application; (3) for residents from countries without tax agreements or are under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividends.

## Section IV CORPORATE GOVERNANCE

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Withholding Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to Overseas Non-resident Enterprise Holders of H Shares (Guo Shui Han [2008] No. 897) 《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to H shareholders who are overseas non-resident enterprises, shall be subject to enterprise income tax withheld at a uniform rate of 10%.

The Company will withhold and pay the relevant income tax strictly in accordance with the relevant laws or requirements of the relevant government departments and strictly based on the Company's register of members of H Shares on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding arrangement. The Company has appointed Bank of China (Hong Kong) Trustees Limited to receive on behalf of holders of H Share all dividends declared in respect of H Shares.

The Company will announce separately on the website of the Shanghai Stock Exchange other details of the arrangement regarding the distribution of the Interim Dividend to holders of A Shares.

### ***Profit Distribution for Investors in Mainland China Investing in H Shares of the Company through the Shanghai-Hong Kong Stock Connect***

For investors of the Shanghai Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares through the Shanghai-Hong Kong Stock Connect, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares through the Shanghai-Hong Kong Stock Connect through its depository and clearing system.

The cash dividends for the investors of H Shares through the Shanghai-Hong Kong Stock Connect will be paid in Renminbi. Pursuant to the relevant requirements of the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) 《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), for dividends received by individual investors in Mainland China from investing in H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at a rate of 20% on behalf of the individual investors. For dividends received by securities investment funds in Mainland China from investing in H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold or pay the income tax on dividends for enterprise investors in Mainland China and those enterprise investors shall declare and pay the relevant tax themselves.

## Section IV CORPORATE GOVERNANCE

### *Profit Distribution for Investors in Mainland China Investing in H Shares of the Company through the Shenzhen-Hong Kong Stock Connect*

For investors of the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares through the Shenzhen-Hong Kong Stock Connect, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares through the Shenzhen-Hong Kong Stock Connect through its depository and clearing system.

The cash dividends for the investors of H Shares through the Shenzhen-Hong Kong Stock Connect will be paid in Renminbi. Pursuant to the relevant requirements of the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by individual investors in Mainland China from investing in H shares listed on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at a rate of 20% on behalf of the individual investors. For dividends received by securities investment funds in Mainland China from investing in H shares listed on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold or pay the income tax on dividends for enterprise investors in Mainland China and those enterprise investors shall declare and pay the relevant tax themselves.

The record date and the date of distribution of cash dividends and other time arrangements for the investors through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect are consistent with those for the H Shareholders of the Company.

### *Profit Distribution for Investors of Northbound Trading of the Shanghai-Hong Kong Stock Connect*

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Investors of Northbound Trading**”), their Interim Dividend will be distributed in Renminbi by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such A Shares. The Company will withhold and pay income tax at a rate of 10% on behalf of those investors and will declare the withholding to the tax authorities. For the Investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises or individuals may, or may entrust a withholding agent to, apply to the competent tax authorities of the Company for the preferential treatment under such tax agreement. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax agreement will be refunded.

The record date, the ex-entitlement date, the payment date of the Interim Dividend and other time arrangements for the Investors of Northbound Trading are consistent with those for A Shareholders of the Company.

## Section IV CORPORATE GOVERNANCE

### V. SHARE INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVES OF THE COMPANY AND THEIR EFFECTS

(I) **Relevant Share Incentives that have been disclosed in interim announcements and have no developments or changes in subsequent implementation**

✓ Not applicable

(II) **Incentives that have not been disclosed in interim announcements or have developments in subsequent implementation**

*Share incentives*

✓ Not applicable

*Other information*

✓ Not applicable

*Employee stock ownership plan*

✓ Not applicable

*Other incentives*

✓ Not applicable

### VI. OTHER INFORMATION ON CORPORATE GOVERNANCE

During the Reporting Period, the Company's operations and management were carried out in a regulated and orderly manner, and in compliance with the requirements under the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Regulatory Rules for Securities Companies, and relevant laws and regulations of the CSRC. In the meantime, during the Reporting Period and as of the date of the Report, the Company has complied with the CG Code, fully complied with all provisions under the CG Code (if applicable), and followed substantially all the requirements of the recommended best practices set out therein.

During the Reporting Period, the Company held a total of 27 meetings, including 1 general meeting, 7 Board meetings, 4 Supervisory Committee meetings, 7 meetings of the Audit Committee, 2 annual report work meetings of independent Directors, 1 meeting of the Nomination, Remuneration and Assessment Committee, 3 meetings of the Development Strategy and ESG Management Committee, 1 meeting of the Compliance and Risk Control Committee, and 1 special meeting of Independent Directors.

## Section IV CORPORATE GOVERNANCE

### (I) Shareholders and general meetings

The Company convenes and holds general meetings in strict accordance with the requirements under the Articles of Association and the Company's Rules of Procedure for Shareholders' General Meetings to ensure that all shareholders are treated equally and are able to fully exercise their rights.

### (II) Directors and the Board

The Company strictly adheres to the Articles of Association in appointing and changing Directors, and the composition of the Board and the qualifications of Directors are in line with requirements of laws and regulations. As of 30 June 2024, the Board comprised 11 Directors, including three executive Directors, namely Mr. Zhou Jie, Mr. Li Jun and Mr. Han Jianxin; four non-executive Directors, namely Mr. Tu Xuanxuan, Mr. Shi Lei, Ms. Xiao Hehua and Mr. Xu Jianguo; and four independent non-executive Directors, namely Mr. Zhou Yu, Mr. Fan Ren Da Anthony, Mr. Mao Fugen and Mr. Mao Huigang. All the Directors were able to perform their duties with due diligence and care and protect the interests of the Company and the shareholders as a whole. The Board has established the Development Strategy and ESG Management Committee, the Audit Committee, the Compliance and Risk Control Committee, and the Nomination, Remuneration and Assessment Committee. Each committee has its specific functions and clear accountabilities and operates effectively. Among the four committees, the Development Strategy and ESG Management Committee is chaired by the chairman of the Board, Zhou Jie, the Compliance and Risk Control Committee is chaired by an executive Director, Li Jun, and each of the other two committees is chaired by an independent non-executive Director.

The Audit Committee was established under the Board of the Company, which is in line with relevant requirements of the CSRC and the SSE and those in Chapter 3 of the Hong Kong Listing Rules. The Audit Committee consists of five members, including Mr. Mao Fugen (chairman), Ms. Xiao Hehua, Mr. Xu Jianguo, Mr. Zhou Yu and Mr. Fan Ren Da Anthony. The Audit Committee is mainly responsible for the communication, supervision and review of the Company's internal and external audit work and providing professional advice to the Board. The Audit Committee has reviewed and confirmed the Group's unaudited interim financial information for the six months ended 30 June 2024 and has raised no objection to the accounting policies and practices adopted by the Group.

## Section IV CORPORATE GOVERNANCE

### (III) Supervisors and the Supervisory Committee

As of 30 June 2024, the Supervisory Committee comprised eight Supervisors, including a chairman of the Supervisory Committee, three employee representative Supervisors and four non-employee representative Supervisors. As of the date of the Report, the Supervisory Committee comprised nine Supervisors, including a chairman of the Supervisory Committee, three employee representative Supervisors and five non-employee representative Supervisors. The qualifications of the Supervisors and the composition of the Supervisory Committee are in compliance with the relevant laws and regulations. All the Supervisors, holding themselves accountable to the shareholders, performed their obligations with due diligence and care to monitor the legality and compliance of performance of duties by the Company's finance department, the Board members and senior management, and provided recommendations and improvement suggestions to the Board and the senior management regarding relevant matters.

### (IV) Senior management

Procedures for the appointment of the Company's senior management are in compliance with the Company Law and the Articles of Association. The Company's senior management was able to operate the business in accordance with laws and regulations and authorizations from the Board, with a view towards maximizing shareholders' interests and social benefits.

### (V) Stakeholders

The Company fully respects and safeguards the legitimate rights and interests of its stakeholders, and engages them in the common goal for promoting the Company's sustainable and healthy development.

### (VI) Information disclosure and investor relations management

During the Reporting Period, the Company was able to disclose relevant information in a manner that is true, accurate, complete, timely and fair and in strict compliance with the laws, regulations and regulatory documents in Mainland China and Hong Kong where its shares are listed. The Company was able to strictly comply with relevant provisions of Corporate Insider Registration System, strengthen the management of the Company's inside information and well organize the insider registration.

The Company attaches great importance to maintaining investor relations, and through various investor relations activities, continuously strengthens communication with investors, effectively protects the legitimate rights and interests of investors, and effectively improves investors' understanding and recognition of the Company. In order to ensure that the management of investor relations is carried out in accordance with the relevant regulations, systems and procedures put in place, the Company has formulated relevant policies such as the Investor Relations Management Measures, and communicates with investors through various channels such as the Company's official website, investor hotline, email, investor briefing, roadshow, analyst meeting, reception of visitors and SSE e-interaction platform, and establishes and improves the investor relations management archives.



## Section IV CORPORATE GOVERNANCE

During the Reporting Period, the Company successfully held the 2023 annual results conference for various domestic and overseas investors by a combination of video and online interaction, where the management comprehensively introduced the Company's development strategy and operational highlights, fully communicated with investors and analysts on market focuses and actively responded to investors' concerns while properly guiding market expectations. The Company has a normalized mechanism for communications with investors in place, updates the investor relations column on the Company's official website and the contents on the SSE e-interaction platform from time to time and maintains the investor hotline smooth and deals with investors' enquiries and recommendations promptly. During the Reporting Period, the Company answered 279 investor hotline calls, and answered 60 questions on the SSE e-interaction platform. The Company constantly diversifies the channels and forms of communications with investors, attaches great importance to strengthening proactive and strategic communication within the scope of information disclosure, and has received domestic and foreign institutional investors and analysts for research on-site or by telephone for several times, and was invited to attend domestic and foreign seller institutional investors' investment strategy conferences multiple times and conducted communications on the operation conditions of the Company and the development trends of the industry with investors and analysts, and conveyed the viewpoints and expectations of the capital market to the Board and the management in a timely manner, developing the healthy interactions between forward-looking market thinking and the Company's development strategies.

### (VII) Building of compliance system

During the Reporting Period, in strict compliance with the requirements of the CSRC and taking into account the Company's actual position, the Company continuously improved its compliance management. The Company's chief compliance officer performed compliance management duties strictly according to law. None of the shareholders, Directors nor senior management of the Company had violated the stipulated duties and procedures to give direct instructions to the chief compliance officer or interfered with her work. The Company provided human resource, material resource, financial resource and technical support to its chief compliance officer for her to fully carry out her duties to ensure effective compliance management. During the Reporting Period, the Company has widely disseminated the State Council's new "Nine-Point Guideline for the Capital Market" ("國九條"). Focusing on the "1+N" policy system of the capital market, in addition to carrying out compliance review, compliance inspection, compliance monitoring and other compliance management work in a steady and orderly manner, under the goal-oriented and problem-oriented approach, the Company made enhanced efforts in support for full implementation in key areas, enhanced the two-way integration of compliance and business, strengthened the Group's compliance management development, and actively fostered a compliance culture of full compliance, active compliance, on-going compliance and all-round compliance.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### I. ENVIRONMENTAL INFORMATION

**(I) Description of environmental protection of the Company and its key subsidiaries which are the major pollutant discharging entities identified by environmental protection authorities**

✓ Not applicable

**(II) Description of the environmental protection of the Company other than the major pollutant discharging entities**

**1. Administrative penalties due to environmental issues**

The Company and its subsidiaries are not listed as major pollutant discharging entities identified by environmental protection authorities.

The Group is in strict compliance with the environmental protection laws and regulations such as the Environmental Protection Law of the PRC, the Law of Water Pollution Prevention and Control of the PRC, and the Law of Prevention and Control of Air Pollution of the PRC. During the Reporting Period, the Company was not subject to any penalties due to violations of environmental protection laws.

**2. Other environmental information disclosed with reference to other major pollutant discharging entities**

✓ Not applicable

**3. Reasons for non-disclosure of other environmental information**

✓ Not applicable

**(III) Description of the follow-up progress or changes in the environmental information disclosed during the Reporting Period**

✓ Not applicable

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (IV) Relevant information beneficial to ecological protection, pollution prevention and fulfillment of environmental responsibilities

Conforming to the new trend of “green finance”, the Company fulfilled its corporate environmental responsibilities in terms of its own operation and green finance in order to promote industrial transformation and upgrading, and to serve the goal of “carbon peaking and carbon neutrality” of the state. In respect of its own operation, the Company set green environmental protection targets, promoted the construction of green data centers, and cultivated green culture and reduced resource waste and energy consumption in the process of office operation by advocating paperless office, air conditioning temperature limitation, green travel and having meals on demand. In respect of green finance, the Company focused on its main business, continuously strengthened its service support for green economy, low-carbon economy and circular economy, guided and encouraged more private capital investment towards green low-carbon transformation industries, and actively engaged in green research and consultancy, green finance industry exchange, and implemented ESG principles with concrete actions. With prominent core competitiveness in ESG management, the Company was successfully selected into the list of “China’s ESG Listed Companies Pioneer 100” (2024) by the Central Radio and Television General Station.

#### 1. Own operation

In terms of green operation, the Company continued carrying out energy saving and consumption reduction activities, improving resource utilization, adjusting the time of lighting and air conditioning at workplace; it promoted the construction of green data centers. The Zhangjiang Data Center was successfully selected into the 2023 National Green Data Centers List, becoming the first securities company on the list; the Company continuously optimized the office collaboration information system, built an information-based and paperless office mode with the support of RPA intelligent process automation robots and smart audit system, which greatly reduced the use of paper and the generation of other wastes. The Company encouraged employees to consciously turn off the lights after work and have meal on demand, and advocated green travel. Priority was given to the purchase of water-saving appliances and energy-saving lamps, and regular maintenance of water-using and energy-using devices was carried out to effectively reduce the loss of resources and energy.

In terms of green publicity, the Company carried out the green thematic publicity campaign around the time points of “Arbor Day”, “3.15 Investor Protection”, “World Water Day”, “Earth Day” and “World Environment Day” by focusing on the topic of “carbon peaking and carbon neutrality” and green finance, and relying on the Company’s official website, official Weibo account and other publicity channels, and demonstrated the Company’s ESG concept and targets and initiatives in energy management, water resource management, emissions and waste management. The Company launched low-carbon initiatives centering around plastic reduction, waste paper recycling, material recycling, green travel, energy saving and consumption reduction, and set up plastic recycling stations and waste paper recycling points in the headquarters to advocate the concept of green life and promote the recycling of renewable products and “zero waste” of paper.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### 2. *Green finance*

In terms of green financing, during the Reporting Period, the Company underwrote and issued 19 green bonds and green asset-backed securities, raising a total of RMB24.4 billion, and helped Sinolong New Materials Co., Ltd., a leading enterprise in green technology materials, successfully get listed on the ChiNext. Haitong UT, as one of the first batch of financial leasing institutions, started to conduct business on the Shanghai Green Financial Service Platform and launched the first direct leasing in industrial and commercial energy storage.

In terms of green investment, during the Reporting Period, the Company participated in 64 green bond investments with its own funds, with an investment scale of RMB3.8 billion; it completed the equity investment in Zhuzhou CRRC Times Semiconductor Co., Ltd., a leading enterprise in the power device industry, and in Hunan Red Solar Photoelectricity Science And Technology Co., Ltd., a photovoltaic equipment supplier, with an investment amount of over RMB220 million; HFT Investment formally established the “HFT ESG Leading Stock Equity Investment Fund” to provide sound investment tools for practicing green finance and ESG investment philosophy. As of the end of the Reporting Period, HFT Carbon Neutrality Theme Mixed Fund had total AUM of RMB454 million.

In terms of green research and consultancy, during the Reporting Period, the Company served a total of 605 institutional customers through the provision of ESG research and consultancy focusing on the themes of responsible investment, ESG strategy and green finance. The Institute issued the Comparative Research and Policy Recommendations on Domestic and Foreign ESG Systems, drawing on international experience to provide policy recommendations for promoting the development of China’s ESG; “India’s ESG Development Trend and Its Inspirations for China” of Fullgoal Fund was selected into the “Voice” column of the Asset Management Association of China.

In terms of green finance exchanges, the Company participated in the Global Tour of China’s Brands and ESG sustainable development conference, and the case of Empowering the Green and High-quality Development of Data Centers with Technology” was selected as one of the “Green and Low-Carbon Practice Cases” in the ESG Development Research Report of Chinese Enterprises, jointly led the project of “Research on Application of ESG Practice Disclosure Results” with Shanghai SASAC, and actively explored the close integration of ESG concept and practice with enterprise development, urban construction and social operation. The course “High-quality Development of Securities Companies under the Concept of ESG” produced by the Company was selected into the 2024 distance training co-construction course of the Securities Association of China, focusing on providing suggestions and references for securities companies on how to carry out related businesses with high quality under the ESG concept.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (V) Measures adopted for reducing its carbon emission during the Reporting Period and effects

The Company's carbon emission is mainly from the use of electricity and natural gas in its routine operation and the carbon emission from the fuel consumption of vehicles for corporate affairs. The Company reduced carbon emissions from its own operation and promoted energy management through green data center operation, green office, low carbon travel, etc.

Adhering to the concept of green development, the Company advanced the construction of green data centers, promoted and carried out a series of energy saving and consumption reduction measures, which included further deployment of photovoltaic equipment, construction of AI energy-saving refrigeration tuning and optimization platform, realization of the overall intelligent lighting environment of the server room building, continuous optimization of the air distribution of the server room, pilot application of green equipment, the first deployment and application of water-saving devices, pilot operation of distribution inspection robots, etc. Compared to the same period of the previous year, the IT energy consumption increased by approximately 55%, and the power energy consumption decreased by approximately 20%. In June 2024, the 2023 National Green Data Center List was officially released on the website of the Ministry of Industry and Information Technology, in which the Zhangjiang Data Center of the Company was successfully included, becoming the first securities company on the list. During the Reporting Period, the total energy consumption of the Company's headquarters building at the South Bund, Zhangjiang High-tech Park and Guangdong Road building decreased by approximately 2,434,000 kWh period-on-period.

## II. DETAILS ON CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS OF POVERTY ALLEVIATION, RURAL REVITALIZATION AND OTHER WORK

In the first half of 2024, the Company continued to carry out the poverty relief through "One Company to One County (一司一縣)" and "Hundred Enterprises in Support of Hundred Villages (百企幫百村)" paired-up assistance to help consolidate the results of shaking off poverty in Xichou County in Yunnan, Yecheng County in Xinjiang, Ningdu County in Jiangxi, and Lixin County and Shucheng County in Anhui. It actively carried out assistance programs in Yunnan, Xinjiang, Tibet and Qinghai and solidly offered comprehensive assistance to the rural areas in Shanghai and paired-up assistance through partnering with urban and rural Party organizations. It strove to solve practical issues of the public in the regions it supported and continuously supported the national strategy of rural revitalization.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (I) Implementing paired-up assistance and promoting rural revitalization with various measures

Centering on project development, the Company relied on its branches to continuously strengthen communication and exchange with paired counties such as Xichou in Yunnan, Yecheng in Xinjiang, Ningdu in Jiangxi, and Lixin and Shucheng in Anhui, and continued to facilitate their economic and social development. The Company focused on the assisted areas to carry out public welfare assistance projects. For example, focusing on 12 primary and secondary schools in Xichou in Yunnan, Yecheng in Xinjiang, Ningdu in Jiangxi, and Lixin and Shucheng in Anhui, the Company carried out the “Haitong • Love Health” public welfare program, and donated sports and fitness equipment to support the sports education for the local youth. By focusing on financial assistance, intellectual assistance and industrial assistance, the Company carried out the “Financial Lecture Hall” public welfare activities in Ningdu, Jiangxi, and organized financial trainings for relevant entities directly under the county, state-owned enterprises under the county, private enterprises, etc., the lectures were given by closely focusing on the current economic and social trends, taking into account the specialty industries in Ningdu and centered on the analysis of new energy battery industry and development opportunities in Ningdu, the current condition of the domestic bond market, and regional cooperation to empower regional economic development, and increased efforts in capital investment to optimize the layout of industrial funds, so as to contribute its wisdom and strength to promote local economic development.

### (II) Persisting in financial empowerment and injecting development momentum into rural revitalization

The Company actively leveraged its professional capabilities and advantages in resources integration to help enterprises in the regions it supported and assisted standardize corporate governance and improve the financing conditions. It assisted CGN Wind Power in successfully issuing long-term carbon neutrality green technology innovation and rural revitalization corporate bonds, with a total issuance scale of RMB3 billion. The Company also assisted Karamay City Construction Investment and Development Co., Ltd. in issuing the first tranche of 2024 ultra-short-term financing bonds, with an issuance scale of RMB500 million. In addition, its subsidiary Haitong Futures continued to explore the “insurance + futures” financial assistance model. For example, it invested RMB0.405 million in public welfare funds to carry out the apple orchard “insurance + futures” rural revitalization project in Lixian County, Gansu Province, to help farmers avoid the risk of apple price fluctuations and safeguard their returns. In addition, the Company actively promoted assistance through consumption. Relying on trade unions at all levels and property logistics, the Company purchased specialty agricultural products from Inner Mongolia, Heilongjiang, Fujian and other areas. Instead of donation, the Company boosted consumption by encouraging purchases of products from local farmers, thus increasing their income.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (III) Improving the public welfare system and conveying the public welfare concept of “Love in Haitong”

Adhering to the guidance of the “Love in Haitong” party building public welfare brand, the Company extensively rallies the power of love, and contributes to rural revitalization with charity and public welfare. **First**, the Company properly carried out the management and operation of Shanghai Love in Haitong Public Welfare Foundation, (the “**Foundation**”). In accordance with the work requirements of the Shanghai Civil Affairs Bureau, we properly performed annual inspection and annual reporting, continued to optimize the internal systems of the Foundation, continued to enhance the disclosure of the Foundation’s charity work-related information, and comprehensively consolidated the management foundation of the Foundation. **Second**, the Company strengthened the building of the volunteer team, established the Haitong Securities “Love in Haitong” volunteer service team at the beginning of the year, and set up more than 20 sub-teams to further coordinate the volunteer forces of all parties and assemble a more professional and coordinated volunteer team. **Third**, the Company faithfully implemented the list of public welfare programs under “Love in Haitong”. The Company continued to promote the “Haitong • Love Health” brand public welfare program, and donated sports supplies to 35 primary and secondary schools in Xinjiang, Tibet, Yunnan, Qinghai, Jiangxi, Anhui, Henan, Pudong and other places to contribute to the development of Healthy China. In particular, at the 2024 “Attracting Tourists to Karamay” and Shanghai-Karamay Air Travel Promotion Event hosted by the Karamay Municipal Government and the Shanghai Aid to Karamay Front-line Command Office, the Karamay Fitness Public Welfare Program under the “Haitong • Love Health” was selected as one of the top 10 cooperation and linkage projects in Shanghai-Karamay Cultural Tourism and Transportation in 2024. The Company was also invited to participate in the “2023 Beautiful Tibet Education Assistance Certificate Banner Granting Ceremony” and symposium hosted by Shanghai United Media Group and Shanghai Publicity Newsletter (上海宣傳通訊), and shared the results of the “Love in Haitong • Beautiful Tibet” public welfare program with the Shanghai Tibet Aid Cadre Talent Liaison Group and the Shanghai Charity Foundation, so as to further publicize the public welfare story of “Love in Haitong”. In addition, all subsidiaries and branches actively carried out the themed activity of “Love in Haitong Volunteer Pioneer”, and carried out voluntary public welfare and donation assistance actions centering on public welfare investor education, low-carbon and environmental protection and community services, demonstrating the joint force in public welfare activities under “Love in Haitong”.

## Section V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (IV) Participating in comprehensive assistance, and proactively carrying out comprehensive rural assistance and paired-up assistance of urban and rural Party organizations

The Company actively attended the Shanghai Work Conference on Rural Comprehensive Assistance and Paired-up Assistance, and properly carried out the paired-up assistance work of the Company in Chongming District in accordance with the relevant arrangements. The Company further strengthened the working mechanism of support and comfort, and reached out to people in difficulty during the holiday season, visited the Company's paired-up villages through partnering with urban and rural Party organizations, and carried out pairing and co-development and visit and caring activities, so as to contribute to the revitalization of local villages. In addition, the Company actively carried out intellectual support by designating an officer to serve as the first secretary of Weimin Village in Pudong, and the designated village officer helped local agricultural products branding, to enhance agricultural output value and the level of the industry, as well as effectively drive the development of the local collective economy.

In the future, the Company will continue to resolutely implement the major decisions and arrangements of the CPC Central Committee on rural revitalization, earnestly fulfil the responsibilities and missions as a state-owned financial enterprise, and make greater contributions to the rural revitalization strategy. First, the Company will further deepen the working mechanism on paired-up assistance, continuously optimize the assistance model with finance, industry, intelligence, consumption and public welfare based on the new stage of development. It will continue to boost paired-up regions in achieving development of higher quality with more targeted assistance measures. Second, the Company will continue to leverage its professional advantages and innovatively adopt multi-layered financing models in the capital market, accurately meet the financing demands of enterprises in areas under support and provide multi-channel, multi-variety and all-round financial services to areas under support. Third, it will constantly improve the "Four Ones" public welfare system. Under the guidance of the public welfare concept of "Love in Haitong", it will rely on the Shanghai Love in Haitong Public Welfare Foundation as a platform to build the volunteer team of "Love in Haitong", extensively rally the power of love and enrich and expand the annual public welfare program list of "Love in Haitong", actively contribute to rural revitalization so as to continuously promote the "Love in Haitong" CSR brand.



## Section VI SIGNIFICANT EVENTS

### I. PERFORMANCE OF UNDERTAKINGS

#### (I) Undertakings made by the Company's de facto controller, shareholders, related parties, acquirers, the Company and other related undertakers during the Reporting Period or subsisting in the Reporting Period

Background of undertaking	Type of undertaking	Undertaking party	Content of undertaking	Date of undertaking	Whether there is a deadline for performance	Duration of undertaking	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
Undertaking relating to refinancing	Shares selling restrictions	Shanghai Guosheng Group Co., Ltd.	The shares subscribed for refinancing shall not be transferred within 48 months from the date of closing of the issue	48 months from 5 August 2020	Yes	48 months	Yes	-	-
	Others	Directors and senior management	1. They will not convey any benefits to other entities or individuals on a free or on an unfair basis, nor harm the interests of the Company in any other way; 2. they will restrain position related consumption behaviors; 3. they will not use the Company's assets to engage in any investment and consumption activities not relating to the performance of their duties; 4. the remuneration system formulated by the Board or the Nomination and Remuneration and Assessment Committee will be linked to the implementation of the remedial measures relating to returns of the Company; 5. in the event of the implementation of any material transactions and matters by the Company in the future, the vesting conditions of the equity incentive of the Company to be announced will be linked to the implementation of the remedial measures relating to returns of the Company	Period when serving as Director or senior management of the Company	Yes	Period when serving as Director or senior management of the Company	Yes	-	-

## Section VI SIGNIFICANT EVENTS

### II. APPROPRIATION OF FUNDS ON A NON-OPERATING BASIS BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

✓ Not applicable

### III. GUARANTEE IN BREACH OF REGULATIONS

✓ Not applicable

### IV. APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

#### (I) Explanation on appointment and dismissal of accounting firms

The Company convened the First Extraordinary General Meeting of 2024 held on 18 July 2024, at which a resolution regarding appointment of accounting firms of the Company for the year 2024 was considered and approved. Therefore, shareholders of the Company approved to appoint BDO China Shu Lun Pan Certified Public Accountants LLP (“BDO China”) as its domestic auditor for 2024, and to appoint Deloitte Touche Tohmatsu (“DTT HK”) as the Company’s overseas auditor for 2024. BDO China will be responsible for provision of relevant domestic audit and review services on the financial statements and internal control prepared in accordance with the PRC GAAP; and DTT HK will be responsible for provision of relevant overseas external audit and review services on the financial statements prepared in accordance with the IFRS. The change of accounting firms was mainly in consideration of the existing business conditions, development needs and overall audit needs of the Company. There was no disagreement between the Company and the former accounting firms in terms of work arrangement, fees and opinions.

#### *Explanations on change of accounting firms during the audit period*

✓ Not applicable

#### (II) Explanation of the Company on “Non-Standard Auditors’ Report” issued by the auditors

✓ Not applicable

### V. DEVELOPMENT AND HANDLING OF MATTERS INVOLVED IN NONSTANDARD AUDIT OPINIONS IN PREVIOUS YEAR’S ANNUAL REPORT

✓ Not applicable

### VI. BANKRUPTCY AND RESTRUCTURING RELATED MATTERS

✓ Not applicable

## Section VI SIGNIFICANT EVENTS

### VII. MATERIAL LITIGATION AND ARBITRATION

✓ The Company was not involved in any material litigation or arbitration during the Reporting Period

During the Reporting Period, the Company was not involved in any material litigation or arbitration that involves claims of over RMB10 million and accounts for more than 10% of the absolute value of the Company's net assets as audited in the latest financial statements, which shall be disclosed in accordance with the requirements under the Shanghai Stock Exchange Listing Rules.

From the beginning of the Reporting Period to the disclosure date of the Report, the Group's new litigations or arbitrations with an amount of over RMB100 million that have not been disclosed or disclosed ones with progress are as follows:

#### **Dispute over the liabilities of infringement between Ningbo Zhejin Steel Co., Ltd. (寧波浙金鋼材有限公司) and Huatai Securities Co., Ltd., the Company and other parties**

Due to the dispute over the infringement liability, Ningbo Zhejin Steel Co., Ltd. filed a lawsuit with the Hangzhou Intermediate People's Court (杭州市中級人民法院), requesting the four defendants including the Company to be jointly and severally liable for all of its losses, and compensate the plaintiff the principal amount of RMB95 million and the corresponding interest. The Hangzhou Intermediate People's Court of Zhejiang Province (浙江省杭州市中級人民法院) accepted the case in June 2024.

#### **Dispute between Zhang Fangjie (張方傑) and Regan Big Data Technology Co., Ltd. (雷根大數據科技有限公司), the Company and other parties on compensation for property damages**

Due to dispute over compensation for property damages, Zhang Fangjie filed a lawsuit with the Shanghai Financial Court, requesting the 15 defendants including Li Jinlong (李金龍) to jointly and severally compensate Zhang Fangjie, the plaintiff, RMB122 million and the corresponding interest, and requesting three defendants including the Company to assume secondary liability for compensation to the extent of the above amount. The Shanghai Financial Court accepted the case in October 2023.

#### **Dispute between Sichuan Trust and HT Asset Management, the Company and other parties on the financial entrusted wealth management contract**

Due to the dispute over the financial entrusted wealth management contract, Sichuan Trust Co., Ltd. (四川信託有限公司, "Sichuan Trust") filed a lawsuit with the Chengdu Intermediate People's Court of Sichuan Province (四川省成都市中級人民法院), requesting the eight defendants including Shanghai Haitong Securities Asset Management Company Limited ("HT Asset Management") and the Company to return or compensate the plaintiff for the entrusted property of RMB515 million and the corresponding interest. The Chengdu Intermediate People's Court of Sichuan Province accepted the case on 13 September 2021, and issued the first-instance judgment on 27 September 2023. Sichuan Trust filed an appeal, the High People's Court of Sichuan Province heard the case on 1 March 2024. Currently, the judgment of the case has not been made.

## Section VI SIGNIFICANT EVENTS

### **Dispute over the liability of securities false statement between PSBC and Fucheng Haifutong and other parties**

Due to the substantive breach of contract under the “Huatai Beautiful Auspicious Lights Asset-backed Special Project (華泰美吉特燈都資產支持專項計劃)”, one of the holders of the special plan, Postal Savings Bank of China Co., Ltd. (“PSBC”), filed a lawsuit with the Shanghai Financial Court, requesting that the five defendants including the original owner Kunshan Beautiful Auspicious Lights Management Co., Ltd. (昆山美吉特燈都管理有限公司), Shanghai Fucheng Haifutong Asset Management Co., Ltd. (上海富誠海富通資產管理有限公司, “Fucheng Haifutong”), shall be jointly and severally liable for all of its losses, with the principal amount of RMB527 million and the corresponding interest thereof. In November 2020, the Shanghai Financial Court accepted the case, and issued the first instance verdict on 14 April 2023. The plaintiff, PSBC, and defendants including Fucheng Haifutong filed appeals to the Shanghai High People’s Court. At present, the case is in the process of being heard in the second instance.

Save as the above cases, there are four cases are still in execution process with involved amount of RMB1,157 million.

In respect of material litigation and arbitration matters, the Company’s overseas listed subsidiaries and subsidiaries whose principal places of business are located overseas (Haitong UT, Haitong International, Haitong Bank and their subsidiaries) shall make disclosure on relevant information to the statutory parties on their own in accordance with the regulatory rules of the place where they operate and the relevant listing rules (if relevant).

## **VIII. SUSPECTED VIOLATIONS OF LAWS AND REGULATIONS BY, PUNISHMENT AGAINST AND RECTIFICATION OF THE LISTED COMPANY, ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS**

1. As at the end of the Reporting Period, the Company did not have any controlling shareholder or de facto controller.
2. During the Reporting Period, none of the following circumstances happened to the Directors, Supervisors, senior management, or the largest shareholder of the Company: being investigated by competent authorities, imposed coercive measures by a judiciary authority or discipline inspection and supervision authority, transferred to a judicial authority and held criminally liable, investigated or imposed administrative penalties by the CSRC, banned from access to market, identified as an unsuitable person, imposed material administrative penalties by other administrative authorities, or publicly condemned by stock exchanges. None of the Directors, Supervisors and senior management of the Company violated any rules or regulations with regard to trading of the shares of the Company.

## Section VI SIGNIFICANT EVENTS

3. During the Reporting Period, the Company has not been imposed coercive measures by a judiciary authority or discipline inspection and supervision authority, transferred to a judicial authority or discipline inspection and supervision authority and held criminally liable, or imposed material administrative penalties by other administrative authorities.

During the Reporting Period, the Company and its Directors and senior management have been investigated and administratively punished by the CSRC, subject to administrative supervision measures by the CSRC or its local branches, and subject to disciplinary actions by the stock exchanges as follows.

From January to February 2024, the CSRC Shanghai Bureau issued the Decision on Ordering Haitong Securities Co., Ltd. to Take Corrective Measures (Hu Zheng Jian Jue [2024] No. 17) 《關於對海通證券股份有限公司採取責令改正措施的決定》(滬證監決[2024]17號)) and other regulatory letters, which found that the Company had inadequate compliance management and risk management over its overseas subsidiaries, inadequate internal controls over OTC options business, and unsound risk indicator systems related to OTC derivatives business, ordered the Company to take corrective measures and impose punishment on relevant personnel, and took regulatory talk measures against the relevant then senior managers in charge of such matters. After receiving the aforesaid regulatory letters, the Company attached great importance to them, and initiated internal accountability procedures on relevant personnel at the earliest possible time, profoundly reviewed the deficiencies in business control, implemented relevant rectifications in all respects to ensure all business processes are in strict compliance with laws, regulations and self-discipline guidelines.

In April 2024, the CSRC issued the Administrative Penalty Decision ([2024] No. 45) 《行政處罰決定書》([2024]45號)), to order Haitong Securities to make rectification, confiscate illegal gains of Haitong Securities of RMB789,445.21 and impose a fine of RMB6,975,000 on Haitong Securities. The penalty decision found that the Company subscribed for the shares under the non-public issuance of CNNC Hua Yuan Titanium Dioxide Co., Ltd. in its own name in accordance with the quotation instructions of CITIC Securities Co., Ltd., which objectively assisted CITIC Securities Co., Ltd. and its customers in obtaining gains from the shares, making the arbitrage behavior of private placement happen. For details, please refer to the announcements dated 12 April 2024, 19 April 2024 and 30 April 2024. The Company attached great importance to it and made rectification in a timely manner, strengthened due diligence on customers and verification of transaction purposes, refined suitability management requirements and work processes, and effectively performed its duty of care.

## Section VI SIGNIFICANT EVENTS

In April 2024, the CSRC Guangdong Bureau issued the Decision on Ordering Haitong Securities Co., Ltd. to Take Corrective Measures ([2024] No. 36) 《關於對海通證券股份有限公司採取責令改正監管措施的決定》([2024]36號)), to order the Company take corrective measures. The letter found that the Company had insufficient due diligence on certain matters in the bond underwriting business of Gree Real Estate Co., Ltd. After receiving the regulatory letter, the Company attached great importance to it and made rectification in a timely manner, strengthened the study of regulatory documents, revised the bond financing business system and guidelines, raised the due diligence standards on the projects and effectively enhanced its practicing level.

In April 2024, the CSRC Xinjiang Bureau issued the Decision on Taking Warning Letter Measures against the Urumqi Youhao North Road Securities Business Department of Haitong Securities Co., Ltd. and Miao Miao ([2024] No. 9) 《關於對海通證券股份有限公司烏魯木齊友好北路證券營業部、苗苗採取出具警示函措施的決定》([2024]9號)), to take warning letter measures against the Urumqi Youhao North Road Securities Business Department and Miao Miao. The regulatory letter found that the securities business department offered convenience for the use of the customers' relevant securities accounts by others, and that the Company failed to reassess the customers' risk tolerance in a timely manner, and provided financing renewal services that did not align with the investor's risk tolerance at that time. After receiving the regulatory letter, the Company attached great importance to it, and urged the securities business department to make rectification immediately, strengthened training on compliance, supervised the performance of duties by its employees in a diligent and responsible manner, enhanced its practicing level, and refined and enhanced customer identity verification procedures.

In April 2024, the CSRC Shanghai Bureau issued the Decision on Ordering Haitong Securities Co., Ltd. to Take Corrective Measures (Hu Zheng Jian Jue [2024] No. 180) 《(關於對海通證券股份有限公司採取責令改正措施的決定》(滬證監決[2024]180號)) and other regulatory letters, which found that the Company failed to prudently assess the risks associated with certain subjects of stock pledges and the use of proceeds, failed to prudently conduct return swap transactions, and had inadequate risk control procedures for certain risk bond investments and that the investment subjects of certain private equity funds in which an alternative investment subsidiary of the Company invested were beyond the business scope of such subsidiary, ordered the Company to take corrective measures, and took regulatory talk measures against the relevant then senior managers in charge of such matters. After receiving the aforesaid regulatory letters, the Company attached great importance to them and made rectification in a timely manner, enhanced the Company's internal control management, and intensified the Group's integrated control measures to ensure the effective implementation of the rectification requirements.

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In May 2024, the Shanghai Stock Exchange issued the Decision on Issuing a Notice of Criticism to Haitong Securities Co., Ltd. ([2024] No. 82) 《關於對海通證券股份有限公司予以通報批評的決定》([2024]82號)), which stated that the Company was imposed disciplinary sanction by issuing a notice of criticism. The regulatory letter found that the Company failed to perform due duties in the verification work and had weak points in its internal control quality during the sponsor work. After receiving the regulatory letter, the Company attached great importance to it, made rectification in a timely manner, strengthened the internal control audit and follow-up management of the projects, regularly organized special trainings, supervised the performance of duties by its employees in a diligent and responsible manner, improved the working papers, and effectively enhanced its practice level.

In May 2024, the CSRC issued the Decision on Taking Warning Letter Regulatory Measures against Haitong Securities Co., Ltd. and its sponsor representatives, Zhu Zhen and Zhou Lei ([2024] No. 16) 《關於對海通證券股份有限公司及保薦代表人朱楨、周磊採取出具警示函監管措施的決定》([2024]16號)), which stated that it took the measures of issuing warning letters against the Company and two sponsor representatives. The regulatory letter found that the Company failed to perform its relevant duties in a diligent and responsible manner during the sponsor work. After receiving the regulatory letter, the Company attached great importance to it, and made rectification in a timely manner, strengthened the study of regulatory documents, raised the due diligence standards on the projects, and boosted efforts in due diligence and verification.

### IX. EXPLANATIONS ON THE CREDIT-WORTHINESS OF THE COMPANY, ITS CONTROLLING SHAREHOLDER, AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

As of the end of the Reporting Period, the Company did not have any controlling shareholder or de facto controller. During the Reporting Period, there was no failure to comply with any effective court judgement or settle any material debts that have fallen due of the Company and the largest shareholder.

## Section VI SIGNIFICANT EVENTS

### X. MATERIAL RELATED PARTY TRANSACTIONS

#### (I) Related party transactions relevant to daily operations

1. *Matters that have been disclosed in interim announcements and have no developments or changes in subsequent implementation*

✓ Not applicable

2. *Matters that have been disclosed in interim announcements and have developments or changes in subsequent implementation*

✓ Not applicable

3. *Matters that have not been disclosed in interim announcements*

✓ Not applicable

4. *Daily related party/connected transactions*

The Company established a basic and comprehensive related party/connected transactions regulation system as well as a more scientific and refined organizational management framework for related party/connected transactions, and the relevant internal control was generally effective. The Company strictly complied with the review procedures and information disclosure requirements of related party/connected transactions under the Company Law, the Securities Law, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 5 – Transactions and Related-party Transactions, the Hong Kong Listing Rules, the Shanghai Stock Exchange Listing Rules and other relevant laws and regulatory rules, as well as internal rules such as the Articles of Association, the Management Measures for Related Party Transactions and the Implementation Rules for the Management of Related Party (Connected) Transactions (Trial), which formed an appropriate restrictive mechanism for related party/connected transactions in respect of various businesses.

During the Reporting Period, the Company conducted routine related party/connected transactions in strict compliance with the Proposal regarding Projected Routine Related Party/Connected Transactions of the Company in 2024 considered and approved at the 2023 Annual General Meeting.

Disclosure of related party/connected transactions set out in this section is determined in accordance with the Shanghai Stock Exchange Listing Rules and the Hong Kong Listing Rules, and may differ from the amounts of related party transactions (prepared in accordance with the Accounting Standards for Business Enterprises) in notes to financial statements. The related party transactions set out in note 63 to the consolidated financial statements of the Report do not constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules, provided that related party transactions between the Company and the Shanghai Guosheng Group and its associates constitute continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules, and the Company has complied with the requirements of Chapter 14A of the Hong Kong Listing Rules. For details of these connected transactions, please refer to the announcement on continuing connected transactions dated 30 December 2022. Save as the above connected transactions and the disclosures in the Report, the Company did not have any connected transactions that were required to be disclosed under Chapter 14A of the Hong Kong Listing Rules during the Reporting Period.



## Section VI SIGNIFICANT EVENTS

*The relevant implementation is set out as follows:*

- *Continuing connected transactions under the Hong Kong Listing Rules*

Reference is made to the announcement of the Company dated 30 December 2022 in relation to the continuing connected transactions. As of the end of the Reporting Period, Shanghai Guosheng Group directly and indirectly held 10.38% equity interest of the Company. Shanghai Guosheng Group and its associates constituted connected persons of the Company under Rule 14A.07 of the Hong Kong Listing Rules. The Company and Shanghai Guosheng Group entered into the Continuing Connected Transactions Framework Agreement on 30 December 2022 for a term from 1 January 2023 to 31 December 2026. Pursuant to the Continuing Connected Transactions Framework Agreement, the Group and Shanghai Guosheng Group and its associates will conduct the Securities and Financial Products Transactions and the Securities and Financial Services in the ordinary course of business.

During the Reporting Period, the Group carried out the continuing connected transactions in relation to the Securities and Financial Products Transactions and the Securities and Financial Services with Shanghai Guosheng Group and its associates, implementation of which is as follows:

*Unit: 0'000 Currency: RMB*

<b>Transaction</b>	<b>Estimated annual cap for 2024</b>	<b>Actual transaction amount for the six months ended 30 June 2024</b>
<b>Securities and Financial Products</b>		
<b>Transaction</b>		
Inflow <sup>(1)</sup>	270,000.00	1,028.29
Outflow <sup>(2)</sup>	220,000.00	–
<b>Securities and Financial Services</b>		
Total revenue derived from provision of Securities and Financial Services by the Group to Shanghai Guosheng Group and its associates	12,000.00	230.23
Total expenses incurred for Securities and Financial Services provided by Shanghai Guosheng Group and its associates to the Group	3,000.00	–

## Section VI SIGNIFICANT EVENTS

- (1) "Inflow" refers to the total amount of cash inflows arising from the Securities and Financial Products Transactions, including those from the sale of fixed income products and equity products, the interest to be received from derivatives related to fixed income products and the borrowing/repurchase through financing transactions.
- (2) "Outflow" refers to the total amount of cash outflows arising from the Securities and Financial Products Transactions, including those from the purchase of fixed income products and equity products, the interest to be paid for derivatives related to fixed income products and the lending/reverse repurchase through financing transactions.
- *Routine related party transactions under the Shanghai Stock Exchange Listing Rules*

**(1) Related party transactions with Shanghai Guosheng Group Co., Ltd. and Shanghai Guosheng Group Assets Co., Ltd.**

Unit: 0'000 Currency: RMB

Transaction	Transaction amount for the six months ended 30 June 2024	Percentage of the amount of similar transactions	Remarks
Net fee and commission income	37.55	0.01%	Asset management fee and commission income received from related parties
Net fee and commission income	33.64	0.01%	Securities trading fee and commission income received from related parties
Net interest income	95.41	0.05%	Interest income from margin deposits of related parties
Net gains or losses from trading of derivative financial instruments (Note)	48.21	-0.13%	During the Reporting Period, the amount of notional principal was RMB61 million. As at the end of the Reporting Period, the balance of notional principal was RMB50 million.

Note: The realized and unrealized investment income generated from trading of derivatives between the related parties as the counterparties and the Company, with losses shown as negative values.

## Section VI SIGNIFICANT EVENTS

Unit: 0'000 Currency: RMB

Item	Balance as at 30 June 2024	Percentage of the amount of similar transactions	Remarks
Accounts receivable	7.51	0.00%	Balance of service fees receivable from related parties
Accounts payable	5,103.31	0.45%	Balance of margin deposits payable by the Company to related parties on derivative financial instruments
Accounts payable to brokerage clients	181.46	0.00%	Balance of margin deposits from clients placed by related parties with the Company
Derivative financial assets	152.48	0.07%	Balance of derivative financial assets generated from trading of derivatives with related parties

**(2) Related party transactions with companies (other than the Company and its subsidiaries), where the Company's Directors, Supervisors and senior management hold positions as directors or senior management, and other related corporate legal persons**

Unit: 0'000 Currency: RMB

Transaction	Transaction amount for the six months ended 30 June 2024	Percentage of the amount of similar transactions	Remarks
Fee and commission income	6,507.18	1.86%	Income from asset management business, income from sales service and income from investment consulting service received from related parties
Fee and commission income	551.13	0.16%	Securities trading fee and commission income received from related parties
Interest income from margin deposits	8.39	0.00%	Interest income from margin deposits of related parties
Interest income from bank deposits	4,360.20	2.33%	Interest income from bank deposits of related parties
Interest expenses on credit repo transactions	62.44	0.28%	During the Reporting Period, the amount of credit repo transactions was RMB4,200 million, with the period: 1-7 days

## Section VI SIGNIFICANT EVENTS

Transaction	Transaction amount for the six months ended 30 June 2024	Percentage of the amount of similar transactions	Remarks
Interest expenses on securities lending transactions	245.73	0.63%	During the Reporting Period, the amount of securities lending transactions was RMB6,780 million, with the period: 1 day-11 months
Interest expenses on repurchase transactions	5.18	0.00%	During the Reporting Period, the amount of repurchase transactions was RMB1,000 million, with the period: 1 day
Interest expenses on gold leasing	6,414.45	16.49%	During the Reporting Period, the amount of gold leasing was RMB8,824 million, with the period: 341-365 days
Interest expenses on bank loans	5,924.71	3.63%	Interest expenses on bank loans paid to related parties
Business and management expenses	18.67	0.00%	Expenses such as fund sales service fees paid to related parties
Net gains or losses from trading of derivative financial instruments (Note)	7,449.72	-19.61%	During the Reporting Period, the amount of notional principal was RMB4,476 million. As at the end of the Reporting Period, the balance of notional principal was RMB5,424 million.

Note: The realized and unrealized investment income generated from trading of derivatives between the related parties as the counterparties and the Company, with losses shown as negative values.

Unit: 0'000 Currency: RMB

Item	Balance as at 30 June 2024	Percentage of the amount of similar transactions	Remarks
Bank deposits	369,070.48	2.61%	Balance of bank deposits placed by the Company with related parties
Accounts receivable	2.31	0.00%	Balance of performance fees and prepaid business margin receivable from related parties
Derivative financial assets	9,504.60	4.57%	Balance of derivative financial assets generated from trading of derivatives with related parties
Accounts payable to brokerage clients	273.12	0.00%	Balance of margin deposits from clients placed by related parties with the Company
Short-term borrowings	182,536.00	5.47%	Balance of short-term borrowings granted by related parties to the Company
Long-term borrowings	70,576.96	1.91%	Balance of long-term borrowings granted by related parties to the Company

## Section VI SIGNIFICANT EVENTS

Item	Balance as at 30 June 2024	Percentage of the amount of similar transactions	Remarks
Accounts payable	6.40	0.00%	Balance of service fees and unpaid business margin payable to related parties
Financial assets sold under repurchase agreements	456,643.55	4.58%	Balance of financial assets sold under repurchase agreements arising from gold leasing business with related parties
Derivative financial liabilities	1,781.02	1.45%	Balance of derivative financial liabilities generated from trading of derivatives with related parties
Financial liabilities held for trading	913.06	0.07%	Balance of financial liabilities held for trading generated from trading of derivatives with related parties

In addition, certain related legal persons which are securities companies, carried out spot trading with the Company as qualified counterparties. During the Reporting Period, the total trading amount was RMB32,964 million.

### (II) Related party transactions in relation to the acquisition or disposal of assets or equity interests

1. ***Matters that have been disclosed in interim announcements and have no developments or changes in subsequent implementation***  
 ✓ Not applicable
2. ***Matters that have been disclosed in interim announcements and have developments or changes in subsequent implementation***  
 ✓ Not applicable
3. ***Matters that have not been disclosed in interim announcements***  
 ✓ Not applicable
4. ***If a performance agreement is involved, the achievement of performance targets during the Reporting Period shall be disclosed***  
 ✓ Not applicable

## Section VI SIGNIFICANT EVENTS

### (III) Material related party transactions relating to common external investments

1. *Matters that have been disclosed in interim announcements and have no developments or changes in subsequent implementation*

✓ Not applicable

2. *Matters that have been disclosed in interim announcements and have developments or changes in subsequent implementation*

✓ Not applicable

3. *Matters that have not been disclosed in interim announcements*

✓ Not applicable

### (IV) Creditor's rights and debts pertaining to related party transactions

1. *Matters that have been disclosed in interim announcements and have no developments or changes in subsequent implementation*

✓ Not applicable

2. *Matters that have been disclosed in interim announcements and have developments or changes in subsequent implementation*

✓ Not applicable

3. *Matters that have not been disclosed in interim announcements*

✓ Not applicable

### (V) Financial businesses between the Company and its affiliated financial companies, majority-owned financial companies and the related parties

✓ Not applicable

### (VI) Other material related party transactions

✓ Not applicable

## Section VI SIGNIFICANT EVENTS

### (VII) Others

#### 1. *Connected transaction under the Hong Kong Listing Rules*

Reference is made to the connected transaction announcement of the Company dated 5 July 2024 in relation to formation of partnership. Haitong Innovation Securities, a wholly-owned subsidiary of the Company, intended to make capital contribution of RMB1,000 million to co-invest in the formation of Shanghai SCI Pioneer IC Private Equity Investment Fund Partnership (Limited Partnership) (上海國投先導集成電路私募投資基金合夥企業(有限合夥)) (“**IC Master Fund**”) with Shanghai Guosheng Group, the largest shareholder of the Company, and its wholly-owned subsidiary, Shanghai Guojing Investment and Development Co., Ltd. (上海國經投資發展有限公司), and to co-invest in the formation of Shanghai SCI Pioneer Biopharmaceutical Private Equity Investment Fund Partnership (Limited Partnership) (上海國投先導生物醫藥私募投資基金合夥企業(有限合夥)) (“**Biopharmaceutical Master Fund**”) and Shanghai SCI Pioneer AI Private Equity Investment Fund Partnership (Limited Partnership) (上海國投先導人工智能私募投資基金合夥企業(有限合夥)) (“**AI Master Fund**”) (collectively, the “**Shanghai Three Major Pioneer Industries Master Funds**”) with Shanghai Guojing Investment and Development Co., Ltd. (上海國經投資發展有限公司).

The Shanghai Three Major Pioneer Industries Master Funds were established in the form of limited partnership, aiming to invest in three key industries of integrated circuit, biopharmaceutics and artificial intelligence, respectively, and Shanghai SCI Pioneer Private Equity Fund Management Co., Ltd. serves as their fund manager. The scale of the IC Master Fund is RMB45,001 million, of which Haitong Innovation Securities intends to make capital contribution of RMB500 million as a limited partner, with a shareholding percentage of 1.1111%, which was funded by its own funds; Shanghai Guosheng Group intends to make capital contribution of RMB2,000 million as a limited partner, with a shareholding percentage of 4.4443%; Shanghai Guojing Investment and Development Co., Ltd. intends to make capital contribution of RMB20,000 million as a limited partner, with a shareholding percentage of 44.4435%. The scale of the Biopharmaceutical Master Fund is RMB21,501 million, of which Haitong Innovative Securities intends to make capital contribution of RMB250 million as a limited partner, with a shareholding percentage of 1.1627%, which was funded by its own funds; Shanghai Guojing Investment and Development Co., Ltd. intends to make capital contribution of RMB10,000 million as a limited partner, with a shareholding percentage of 46.5095%. The scale of the AI Master Fund is RMB22,501 million, of which Haitong Innovation Securities intends to make capital contribution of RMB250 million as a limited partner, with a shareholding percentage of 1.1111%, which was funded by its own funds; Shanghai Guojing Investment and Development Co., Ltd. intends to make capital contribution of RMB10,000 million as a limited partner, with a shareholding percentage of 44.4425%.

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As at the Latest Practicable Date, Shanghai Guosheng Group is a substantial shareholder of the Company, directly or indirectly holding approximately 10.38% of the entire issued share capital of the Company. Shanghai Guojing Investment and Development is a wholly-owned subsidiary of Shanghai Guosheng Group. Accordingly, Shanghai Guosheng Group and Shanghai Guojing Investment and Development are connected persons of the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and dealt with as one transaction if they are all completed or otherwise connected within 12 months. Accordingly, the transactions under the establishment of the Shanghai Three Major Pioneer Industries Master Funds shall be aggregated. As the highest applicable percentage ratio in respect of the transaction on a consolidated basis is more than 0.1% but less than 5%, the transaction under the Shanghai Three Major Pioneer Industries Master Funds is subject to the reporting and announcement requirements, but exempted from the requirements of circular (including independent financial advice) and independent shareholders' approval under Chapter 14A of the Listing Rules.

### XI. MATERIAL CONTRACTS AND THEIR PERFORMANCE

#### 1 Custody, contracting and leasing matters

During the Reporting Period, the Company had no material custody, contracting or leasing matters.



## Section VI SIGNIFICANT EVENTS

### 2 Material guarantees which have been performed and not yet been duly performed during the Reporting Period

Unit: Yuan Currency: RMB

<b>External guarantees provided by the Company (excluding the guarantees for subsidiaries)</b>	
Total amount of guarantees incurred during the Reporting Period (excluding the guarantees provided for subsidiaries)	–
Total balance of guarantees at the end of the Reporting Period (A) (excluding the guarantees provided for subsidiaries)	–
<b>Guarantees provided by the Company for its subsidiaries</b>	
Total amount of guarantees provided for subsidiaries during the Reporting Period	4,645,422,359
Total balance of guarantees provided for subsidiaries at the end of the Reporting Period (B)	31,587,307,218
<b>Total amount of guarantees provided by the Company (including those provided for subsidiaries)</b>	
Total amount of guarantees (A+B)	31,587,307,218
Percentage of total guarantee amount to the net assets of the Company (%)	18.45
Including:	
Amount of guarantees provided for shareholders, de facto controllers and their related parties (C)	–
Amount of debt guarantees directly or indirectly provided for the guaranteed parties with a gearing ratio exceeding 70% (D)	22,055,409,500
Amount of the portion of total guarantee exceeding 50% of net assets (E)	–
Total amount of the above three types of guarantees (C+D+E)	22,055,409,500
Explanations on outstanding guarantees which may undertake joint and several liability for repayment	
Explanations on guarantees	<ol style="list-style-type: none"> <li>In 2023, as considered and approved at the 41st meeting of the seventh session of the Board, the Company was approved to provide a joint and several liability guarantee for offshore debt financing of Haitong International Holdings (an offshore wholly-owned subsidiary of the Company) and wholly-owned subsidiaries thereof, with a guarantee amount not more than USD500 million covering debt financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 7 years (inclusive).</li> </ol>

The Company signed the Deed of Guarantee on 1 March 2024, pursuant to which, the Company provided a joint and several liability guarantee for the issue of a bond with an amount of RMB3.5 billion which will be due and repayable in 2027 by Haitong International Finance Holdings Limited, an offshore wholly-owned subsidiary of the Company.

## Section VI SIGNIFICANT EVENTS

2. In 2022, as considered and approved at the 33rd meeting of the seventh session of the Board, the Company was approved to provide a joint and several liability guarantee for offshore debt financing of Haitong International Holdings (an offshore wholly-owned subsidiary of the Company) and wholly-owned subsidiaries thereof, with a guarantee amount not more than USD1 billion covering debt financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 7 years (inclusive).

The Company signed the Deed of Guarantee on 20 April 2023, pursuant to which, the Company provided a joint and several liability guarantee for the issue of a bond with an amount of RMB4 billion which will be due and repayable in 2026 by Haitong International Finance Holdings Limited, an offshore wholly-owned subsidiary of the Company.

The Company signed the Deed of Guarantee on 18 May 2023, pursuant to which, the Company provided a joint and several liability guarantee for the issue of a bond with an amount of RMB2.8 billion which will be due and repayable in 2026 by Haitong International Finance Holdings Limited, an offshore wholly-owned subsidiary of the Company.

3. In 2021, as considered and approved at the 15th meeting of the seventh session of the Board, the Company was approved to provide a joint and several liability guarantee for offshore bond financing of its offshore wholly-owned subsidiary Haitong Bank, S.A. or subsidiaries thereof, with a guarantee amount of not more than EUR750 million covering bond financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 9 years (inclusive).

The Company signed the Letter of Guarantee on 8 February 2022, pursuant to which, the Company provided a joint and several liability guarantee for the issue of an EUR bond with an amount of EUR230 million which will be due and repayable in 2025 by Haitong Bank, an offshore wholly-owned subsidiary of the Company.

The Company signed the Deed of Guarantee on 31 May 2022, pursuant to which, the Company provided a joint and several liability guarantee for the issue of a bond with an amount of USD150 million which will be due and repayable in 2027 by Haitong Bank, an offshore wholly-owned subsidiary of the Company, and a guarantee period of 66 months.

## Section VI SIGNIFICANT EVENTS

4. In 2020, as considered and approved at the 11th meeting of the seventh session of the Board, the Company was approved to provide a joint and several liability guarantee for offshore bond financing of its offshore wholly-owned subsidiary Haitong Bank or subsidiaries thereof, with a guarantee amount of not more than EUR375 million covering bond financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 6 years (inclusive).

On 17 May 2021, the Company (as the guarantor) signed the Loan Agreement to provide a joint and several liability guarantee of EUR375 million (inclusive, or equivalent value in other currencies) for the syndicated loan of Haitong Bank, an offshore wholly-owned subsidiary of the Company. As of 30 June 2024, the liability balance of such guarantee amounted to EUR225 million.

5. In 2019, as considered and approved at the 37th meeting of the sixth session of the Board, the Company was approved to provide a joint and several liability guarantee for offshore debt financing of Haitong International Holdings (an offshore wholly-owned subsidiary of the Company) and wholly-owned subsidiaries thereof, with a guarantee amount of not more than USD670 million covering debt financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 10 years (inclusive).

The Company signed the Deed of Guarantee on 12 March 2020, pursuant to which, the Company provided a joint and several liability guarantee for the issue of an USD bond with an amount of USD670 million and a nominal interest rate of 2.107% which will be due and repayable in 2025 by Haitong International Finance Holdings 2015 Limited, an offshore wholly-owned subsidiary of the Company.

## Section VI SIGNIFICANT EVENTS

6. In 2012, as considered and approved at the 12nd meeting of the fifth session of the Board, the Company was approved to provide guarantees of no more than RMB1.5 billion for the net capital of HT Asset Management. In June 2013, pursuant to Letter of No Objection on the Issuance of Net Capital Guarantee Commitment Letter by Haitong Securities Co., Ltd. to Shanghai Haitong Securities Asset Management Co., Ltd. (Hu Zheng Jian Ji Gou Zi [2013] No. 145) issued by the CSRC Shanghai Bureau, the Company provided a guarantee commitment of RMB800 million to HT Asset Management.

In 2016, as considered and approved at the 18th meeting of the sixth session of the Board, the Company was approved to provide additional guarantee commitment of no more than RMB4 billion for the net capital of HT Asset Management. With regard to this net capital guarantee, HT Asset Management has obtained the Letter of No Objection on the Issuance of Net Capital Guarantee Commitment Letter by Haitong Securities Co., Ltd. to Shanghai Haitong Securities Asset Management Co., Ltd. (Hu Zheng Jian Ji Gou Zi [2016] No. 325) from the CSRC Shanghai Bureau.

In December 2021, the Company decreased the amount of guarantee commitment provided for the net capital of HT Asset Management by RMB1.8 billion. With regard to such decrease of guarantee amount, HT Asset Management has obtained the Letter of No Objection on Haitong Securities Co., Ltd. Reducing the Provision of Part of Net Capital Guarantee Commitment to Shanghai Haitong Securities Asset Management Co., Ltd. (Hu Zheng Jian Ji Gou Zi [2021] No. 532) from the CSRC Shanghai Bureau.

In April 2024, the Company decreased the amount of guarantee commitment provided for the net capital of HT Asset Management by RMB2 billion. With regard to such decrease of guarantee amount, HT Asset Management has obtained the Letter of No Objection on Haitong Securities Co., Ltd. Reducing the Provision of Part of Net Capital Guarantee Commitment to Shanghai Haitong Securities Asset Management Co., Ltd. (Hu Zheng Jian Ji Gou Zi [2024] No. 106) from the CSRC Shanghai Bureau.

As of 30 June 2024, the amount of guarantee commitment provided by the Company for the net capital of HT Asset Management was RMB1 billion.

## Section VI SIGNIFICANT EVENTS

7. Haitong Capital, a wholly-owned subsidiary of the Company, reduced its registered capital from RMB7.5 billion to RMB5.5 billion, with a capital reduction of RMB2 billion. The Company provided a general guarantee for the outstanding debt of RMB145.4224 million in the process of capital reduction of Haitong Capital. The above guarantee was considered and approved at the 5th meeting of the eighth Board of the Company held on 26 April 2024. As of 30 June 2024, the liability balance of such guarantee of the Company amounted to RMB139.8051 million.
8. Haitong UT Capital, a subsidiary of the Company, signed the Deed of Guarantee on 19 March 2024 to provide a joint and several liability guarantee for the issue of a bond with an amount of RMB1 billion which will be due and repayable in March 2027 by its overseas wholly-owned subsidiary Haitong UT Brilliant Limited.
9. Haitong UT Capital, a subsidiary of the Company, signed the Deed of Guarantee on 27 April 2022 to provide a joint and several liability guarantee for the issue of a bond with an amount of USD200 million which will be due and repayable in April 2025 by its overseas wholly-owned subsidiary Haitong UT Brilliant Limited.

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Notes: During the Reporting Period, Haitong International (a subsidiary of the Company) provided guarantee to banks for the business development of its subsidiaries, with a guarantee limit of RMB8,392,092,600 in total based on the RMB central parity rates published by the China Foreign Exchange Trade System on 28 June 2024 of HKD1 to RMB0.91268. As at the end of the Reporting Period, the guarantee balance of the loan actually drawn was RMB60 million.

During the Reporting Period, Haitong International (a subsidiary of the Company) and its subsidiaries provided guarantees to ensure the transactions of their subsidiaries under a number of agreements such as the International Swaps and Derivatives Association agreements (ISDA), the Global Master Repurchase agreements (GMRA), the Global Master Securities Lending agreements (GMSLA). Some were unlimited guarantees. The above-mentioned unlimited guarantees have been issued in accordance with normal practices in the international banking industry and capital market, to ensure the normal development of related business. Meanwhile, in view of the fact that the guarantors are companies with limited liabilities, the substantive limit of such guarantees was restricted to the net asset value of the guarantors, and its issuance purpose and risk attributes was different from those of debt financing guarantee.

### 3 Other material contracts

During the Reporting Period, the Company had no other disclosable material contracts which were not disclosed.

## Section VI SIGNIFICANT EVENTS

### XII. DESCRIPTION ON THE PROGRESS OF THE USE OF PROCEEDS

✓ Not applicable

### XIII. DESCRIPTION OF OTHER MATERIAL MATTERS

#### Other matters on subsidiaries

#### 1. *Completion of the privatization of Haitong International*

On 26 September 2023, the Resolution on the Privatization of Haitong International Securities Group Limited by Haitong International Holdings Limited 《關於海通國際控股有限公司對海通國際證券集團有限公司進行私有化的議案》 was considered and approved at the 42nd meeting (extraordinary meeting) of the seventh session of the Board of the Company, pursuant to which the Company agreed to approve the plan for privatization of Haitong International by Haitong International Holdings. At 9 a.m. on 11 January 2024, the withdrawal of the listing status of Haitong International from the Hong Kong Stock Exchange took effect and Haitong International was officially delisted.

#### 2. *Deregistration of Shanghai Zechun Investment & Development Co. Ltd.*

On 26 August 2021, the Resolution on the Merger with Shanghai Zechun Investment & Development Co. Ltd. 《關於吸收合併上海澤春投資發展有限公司的議案》 was considered and approved at the 18th meeting of the seventh session of the Board of the Company, pursuant to which the Company agreed the merger with Shanghai Zechun Investment & Development Co. Ltd. with Haitong Securities as the principal, and Shanghai Zechun Investment & Development Co. Ltd., as the merged party, has been dissolved and deregistered according to laws. On 26 February 2024, all of the procedures of merger and deregistration of Shanghai Zechun Investment & Development Co. Ltd. have been completed.

## Section VI SIGNIFICANT EVENTS

### ***3. Provision of Joint and Several Liability Guarantee for Offshore Debt Financing of an Offshore Wholly-owned Subsidiary***

On 28 March 2024, the Resolution on Provision of Joint and Several Liability Guarantee for Offshore Debt Financing of an Offshore Wholly-owned Subsidiary was considered and approved at the 4th meeting of the eighth session of the Board of the Company, and the Company was approved to provide a joint and several liability guarantee for offshore debt financing (including but not limited to issuance of overseas bond, medium- and long-term commercial borrowings and other financing methods in compliance with regulatory requirements) of Haitong International Holdings Limited (an offshore wholly-owned subsidiary of the Company) and wholly-owned subsidiaries thereof, with a guarantee amount of not more than USD670 million covering debt financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 7 years (inclusive); and the Company was approved to provide a joint and several liability guarantee for offshore debt financing (including but not limited to issuance of overseas bond, medium- and long-term commercial borrowings and other financing methods in compliance with regulatory requirements) of Haitong Bank S.A. (an offshore wholly-owned subsidiary of the Company), and branches or wholly-owned subsidiaries thereof, with a guarantee amount of not more than EUR230 million covering debt financing principal (inclusive, or equivalent value in other currencies), interest and other fees to be borne by the borrower, and a guarantee period of not more than 5 years (inclusive).

### ***4. Change of provision of the keepwell support for overseas debt financings of overseas subsidiaries***

On 26 April 2024, at the 5th meeting of the eighth session of the Board of Directors of the Company, the Resolution on Change of Provision of the Keepwell Support for Overseas Debt Financings of Overseas Subsidiaries was considered and approved, which changed the Resolution on Provision of the Keepwell Support for Overseas Debt Financings of Overseas Subsidiaries considered and approved at the 36th meeting of the seventh session of the Board of Directors of the Company as: the Company shall be approved to provide the guarantee or keepwell support of not more than HK\$16 billion (inclusive) (or equivalent currency) in aggregate for overseas debt financings of Haitong International Holdings Limited, an overseas wholly-owned subsidiary, Haitong International Securities Group Limited and wholly-owned subsidiaries thereof, with a guarantee period of not more than 7 years (inclusive) and a keepwell duration of not more than 5 years (inclusive), in which, the guarantee amount shall be not more than 50% of the total amount.

### ***5. Capital Deduction by Haitong Capital Investment Co., Ltd.***

On 26 April 2024, the Resolution on the Capital Deduction by Haitong Capital Investment Co., Ltd., the Wholly-owned Subsidiary of the Company and the Provision of Guarantee for its Outstanding Debts by the Company during the Capital Deduction 《關於公司全資子公司海通開元投資有限公司減資及公司為其減資過程中未清償債務提供擔保的議案》 was considered and approved at the 5th meeting of the eighth session of the Board of the Company, pursuant to which the Company agreed to decrease the registered capital of Haitong Capital, a subsidiary, from RMB7.5 billion to RMB5.5 billion. On 13 June 2024, such capital deduction has completed its industrial and commercial change procedures.

## Section VI SIGNIFICANT EVENTS

### XIV. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Save as disclosed in note 67 to the consolidated financial statements of the Report, the Company had no material events subsequent to 30 June 2024 and up to the date of the Report.

### XV. SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ADDITIONS OF CAPITAL ASSETS

Save as disclosed in the Report, there were no significant investments held, thus none of each individual investment held by the Company constituted 5% or above of the total assets of the Group as at 30 June 2024, nor were there material acquisitions or disposals of subsidiaries, associates or joint ventures by the Company during the Reporting Period, and there were no material investments or additions of capital assets authorized by the Board at the date of the Report.





## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### I. CHANGES IN SHARE CAPITAL

#### (I) Table of changes in shares

##### 1. Table of changes in shares

During the Reporting Period, there was no change in the total number of shares and share capital structure of the Company. The total number of shares of the Company was 13,064,200,000, of which 9,654,631,180 were A Shares and 3,409,568,820 were H Shares.

##### 2. Particulars about changes in shares

There was no change in the shares of the Company during the Reporting Period.

##### 3. Effect of changes in shares on financial indicators such as earnings per share and net assets per share during the period from the end of the Reporting Period to the date of disclosure of the interim report (if any)

✓ Not applicable

##### 4. Other disclosures deemed necessary by the Company or required by securities regulatory authorities

✓ Not applicable

#### (II) Changes in restricted shares

Unit: Share

Name of shareholders	Number of restricted shares at the beginning of the period	Number of restricted shares released during the Reporting Period	Number of restricted shares increased during the Reporting Period	Number of restricted shares at the end of the Reporting Period	Reasons for restriction on sale	Date of release for sale
Shanghai Guosheng Group Co., Ltd.	781,250,000	0	0	781,250,000	Restriction on sale of non-publicly issued shares	15 August 2024*
Total	781,250,000	0	0	781,250,000	/	/

\* The restricted shares held by Shanghai Guosheng Group Co., Ltd. with a lockup period of 48 months would have been released from lockup on 5 August 2024. However, considering the impact of the unlock of the restricted shares for listing on the implementation of the equity distribution during the implementation period of the Company's 2023 equity distribution, the release date of such restricted shares was changed to 15 August 2024. There have been no restricted shares in the Company from 15 August 2024. For details, please refer to the "Overseas Regulatory Announcement" published by the Company on the HKExnews website of the Hong Kong Stock Exchange on 8 August 2024.

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### II. INFORMATION ON SHAREHOLDERS

#### (I) Total number of shareholders:

Total number of shareholders of ordinary shares as at the end of the Reporting Period 244,569 (of which 244,422 were holders of A Shares and 147 were holders of H Shares)

#### (II) Table of shareholdings of the top ten shareholders and the top ten shareholders of circulating shares (or shareholders not subject to trading moratorium) as at the end of the Reporting Period

Unit: Share

##### Shareholdings of the top ten shareholders (excluding shares lent through the margin and securities refinancing business)

Name of shareholders (Full name)	Changes in the number of shares during the Reporting Period	Number of shares held as at the end of the period	Percentage (%)	Number of shares held subject to trading moratorium	Particulars of shares pledged, marked or frozen		
					Particulars of shares	Number of shares	Nature of shareholders
HKSCC Nominees Limited	316,400	3,409,025,756	26.09	0	Unknown	–	Foreign legal person
Shanghai Guosheng Group Co., Ltd.	0	862,489,059	6.60	781,250,000	Nil	0	State-owned legal person
Shanghai Haiyan Investment Management Company Limited	0	635,084,623	4.86	0	Nil	0	State-owned legal person
Bright Food (Group) Co., Ltd.	0	480,275,000	3.68	0	Nil	0	State-owned legal person
Shanghai Electric Holding Group Co., Ltd.	-478,600	343,767,818	2.63	0	Nil	0	State
Shenergy Group Company Limited	0	322,162,086	2.47	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	0	258,104,024	1.98	0	Nil	0	Others
Shanghai Guosheng Group Assets Co., Ltd.	0	238,382,008	1.82	0	Nil	0	State-owned legal person
Shanghai Jiushi (Group) Co., Ltd.	5,162,900	235,247,280	1.80	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	69,399,390	234,083,689	1.79	0	Nil	0	Foreign legal person

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### Shareholdings of the top ten shareholders not subject to selling restrictions (excluding shares lent through the margin and securities refinancing business)

Name of shareholders	Number of circulating shares held not subject to selling restrictions	Type and number of shares	
		Type	Number of shares
HKSCC Nominees Limited	3,409,025,756	Overseas listed foreign shares	3,409,025,756
Shanghai Haiyan Investment Management Company Limited	635,084,623	RMB denominated ordinary shares	635,084,623
Bright Food (Group) Co., Ltd.	480,275,000	RMB denominated ordinary shares	480,275,000
Shanghai Electric Holding Group Co., Ltd.	343,767,818	RMB denominated ordinary shares	343,767,818
Shenergy Group Company Limited	322,162,086	RMB denominated ordinary shares	322,162,086
China Securities Finance Corporation Limited	258,104,024	RMB denominated ordinary shares	258,104,024
Shanghai Guosheng Group Assets Co., Ltd.	238,382,008	RMB denominated ordinary shares	238,382,008
Shanghai Jiushi (Group) Co., Ltd.	235,247,280	RMB denominated ordinary shares	235,247,280
Hong Kong Securities Clearing Company Limited	234,083,689	RMB denominated ordinary shares	234,083,689
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	217,735,748	RMB denominated ordinary shares	217,735,748
Particulars of the repurchase accounting for the top ten shareholders			–
Description of entrusting voting rights, entrusted voting rights, waiving voting rights of the above shareholders			–
Explanations on the related relationship or concerted action among the above shareholders	Shanghai Guosheng Group Assets Co., Ltd. is a wholly-owned subsidiary of Shanghai Guosheng Group Co., Ltd. Moreover, the Company is not aware of any related relationship among other shareholders or whether they are parties acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.		
Explanations on the shareholders of preference shares whose voting rights were resumed and their shareholdings			

Notes: 1. The nature of shareholders of RMB denominated ordinary shares (A Shares) represents that of accounts registered by such shareholders in the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

- In the table above, overseas listed foreign shares are H Shares. Among the H Shareholders of the Company, HKSCC Nominees Limited held the H Shares on behalf of the non-registered shareholders.
- Shanghai Guosheng Group and its wholly-owned subsidiary, Shanghai Guosheng Group Assets Co., Ltd., hold a total of 1,356.3275 million A Shares and H Shares of the Company, representing 10.38% of the total share capital of the Company; Shanghai Electric Holding Group Co., Ltd. holds a total of 646.4302 million A Shares and H Shares of the Company, representing 4.95% of the total share capital of the Company.
- As the shares of the Company are subject of margin financing and securities lending, the number of shares held by a shareholder is calculated based on the aggregated number of shares and interests held by such shareholder through ordinary securities accounts and credit securities accounts.

### *Shares lent by the Shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders of circulating shares not subject to selling restrictions through participating in the margin and securities refinancing business*

Unit: Share

Shares lent by the Shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders of circulating shares not subject to selling restrictions through participating in the margin and securities refinancing business

Name of shareholders (Full name)	Shares held in ordinary accounts and credit accounts at the beginning of the period		Shares lent that have not yet been returned through the margin and securities refinancing business at the beginning of the period		Shares held in ordinary accounts and credit accounts at the end of the period		Shares lent that have not yet been returned through the margin and securities refinancing business at the end of the period	
	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)
Shanghai Electric Holding Group Co., Ltd.	344,246,418	2.6350	300,000	0.0023	343,767,818	2.6314	778,600	0.0060
Shanghai Jiushi (Group) Co., Ltd.	230,084,380	1.7612	5,162,900	0.0395	235,247,280	1.8007	0	0
China Construction Bank Corporation- Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	208,194,248	1.5936	1,468,400	0.0112	217,735,748	1.6667	440,600	0.0034

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

*Changes in the top ten shareholders and the top ten shareholders of circulating shares not subject to selling restrictions due to the reasons of lending/return through participating in the margin and securities refinancing business over the previous period*

✓ Not applicable

*Number of shares held by the top ten shareholders subject to trading moratorium and trading moratorium*

*Unit: Share*

No.	Name of shareholders subject to trading moratorium	Number of shares held subject to trading moratorium	Listing and trading of shares subject to trading moratorium		Trading moratorium
			Available listed trading hours	Number of newly listed trading shares	

1	Shanghai Guosheng Group Co., Ltd.	781,250,000	15 August 2024	–	Lock-up period of 48 months
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Explanations on the related relationship or concerted action among the above shareholders

On 5 August 2020, following the completion of non-public issuance of 1,562,500,000 RMB denominated ordinary shares (A Shares) to 13 specific target subscribers (including Shanghai Guosheng Group) by the Company, the total number of shares of the Company has increased from 11,501,700,000 shares to 13,064,200,000 shares, of which the number of H Shares remained at 3,409,568,820, and the number of A Shares has increased from 8,092,131,180 shares to 9,654,631,180 shares. Upon the completion of the issuance of new A Shares, the number of circulating shares not subject to trading moratorium of the Company was 11,501,700,000 shares, and the number of circulating shares subject to trading moratorium was 1,562,500,000 shares (all are the A Shares under this non-public issuance). Part of the restricted shares under the non-public issuance of the Company has been released on 5 February 2021, 7 February 2022 and 15 August 2024, respectively. For details, please refer to the Oversea Regulatory Announcements disclosed by the Company on the website of the Hong Kong Stock Exchange on 29 January 2021, 21 January 2022 and 8 August 2024, respectively. As of the end of the Reporting Period, out of the total number of shares of the Company, the number of circulating shares not subject to trading moratorium was 13,064,200,000 shares, and the number of circulating shares subject to trading moratorium was 0.

None

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### (III) Substantial shareholders and other persons' interests and short positions in the shares and underlying shares

As at 30 June 2024, to the best knowledge of the Directors of the Company having made all reasonable enquiries, the following parties (other than the Directors, Supervisors and chief executive of the Company) had an interest or short position in the shares or underlying shares, which is required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and has been entered in the register required to be kept by the Company according to Section 336 of the SFO:

No.	Name of substantial shareholders	Type of share	Nature of interests	Number of shares held (shares)	Percentage of total issued shares of the Company (%)	Percentage of total issued A Shares/ Long position (Note 3)/short position (Note 4) shares in lending pool	
						H Shares of the Company (%)	
1.	Maunakai Capital Partners (Hong Kong) Limited	H Share	Investment manager	272,590,000	2.09	7.99	Long position
2.	BSA Strategic Fund I	H Share	Beneficial owner	272,590,000	2.09	7.99	Long position
3.	Shi Jing	H Share	Founder of discretionary trust	228,000,000	1.75	6.69	Long position
4.	Wickhams Cay Trust Company Limited	H Share	Trustee (Note 1)	228,000,000	1.75	6.69	Long position
5.	Abhaya Limited	H Share	Interests in controlled corporation (Note 1)	228,000,000	1.75	6.69	Long position
6.	Heyday Trend Limited	H Share	Beneficial owner (Note 1)	228,000,000	1.75	6.69	Long position
7.	Shanghai Guosheng Group Co., Ltd. (Note 5)	H Share A Share	Beneficial owner Beneficial owner	241,206,000 1,100,871,067	1.85 8.43	7.07 11.40	Long position Long position
8.	Shanghai Electric Holding Group Co., Ltd.	H Share	Beneficial owner and interests in controlled corporation (Note 2)	307,409,200	2.35	9.02	Long position
9.	China National Tobacco Corporation	A Share	Beneficial owner	635,084,623	4.86	6.58	Long position

Note 1: Heyday Trend Limited holds 228,000,000 H Shares of the Company. Abhaya Limited holds 228,000,000 H Shares of the Company through its wholly-owned Heyday Trend Limited. Abhaya Limited is wholly-owned by Wickhams Cay Trust Company Limited; Shi Yuzhu is a director of Abhaya Limited, and other directors in Abhaya Limited are accustomed to taking instructions from Shi Yuzhu. Therefore, Wickhams Cay Trust Company Limited and Shi Yuzhu are deemed to have interests in the 228,000,000 H Shares held by Abhaya Limited.

Note 2: Shanghai Electric Group Hong Kong Limited (上海電氣集團香港有限公司) holds 4,746,800 H Shares of the Company. Shanghai Electric Group Hong Kong Limited (上海電氣集團香港有限公司) is wholly owned by Shanghai Electric Holding Group Co., Ltd., and thus Shanghai Electric Holding Group Co., Ltd. is deemed to be interested in the 4,746,800 H Shares held by Shanghai Electric Group Hong Kong Limited (上海電氣集團香港有限公司).

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

Note 3: A shareholder has a “long position” if such shareholder has an interest in shares, including interests through holding, selling or issuing financial instruments (including derivatives) under which: (i) such shareholder has a right to purchase the underlying shares; (ii) such shareholder is under an obligation to purchase the underlying shares; (iii) such shareholder has a right to receive money if the price of the underlying shares increases; or (iv) such shareholder has a right to avoid or reduce loss if the price of the underlying shares increases.

Note 4: A shareholder has a “short position” if such shareholder borrows shares under a securities borrowing and lending agreement, or holds, sells or issues financial instruments (including derivatives) under which: (i) such shareholder has a right to require another person to subscribe the underlying shares; (ii) such shareholder is under an obligation to deliver the underlying shares; (iii) such shareholder has a right to receive money if the price of the underlying shares declines; or (iv) such shareholder has a right to avoid or reduce loss if the price of the underlying shares declines.

Note 5: For the avoidance of doubt, as the scope of the abovementioned interest disclosure is not limited to the actual shares held by the relevant shareholders, there may be differences between the number and percentage of shares held by the relevant shareholders shown in this table and the number and percentage of shares beneficially held by the relevant shareholders disclosed in other parts of the interim report.

Save as disclosed above, as at 30 June 2024, the Company was not aware of any other person (other than the Directors, Supervisors and chief executive of the Company) having any interests or short positions in the shares or underlying shares of the Company which are required to be recorded in the register pursuant to Section 336 of the SFO.

### ***Directors, Supervisors and chief executive’s interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations***

As at 30 June 2024, according to the information obtained by the Company and so far as the Directors are aware, none of the Director(s), Supervisor(s) and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporation (as defined under the Part XV of the SFO), which shall be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which are taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or would be required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

### **(IV) Strategic investors or general legal person having become one of the top ten shareholders as a result of placing of new shares**

✓ Not applicable

## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### III. PARTICULARS ABOUT DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

#### (I) Changes in shareholding of current and resigned Directors, Supervisors and senior management during the Reporting Period

✓ Not applicable

#### (II) Equity incentives granted to Directors, Supervisors and senior management during the Reporting Period

During the Reporting Period, none of the Directors, Supervisors or senior management of the Company were granted any equity incentive.

#### (III) OTHER INFORMATION

✓ Not applicable

### IV. CHANGES OF CONTROLLING SHAREHOLDERS OR DE FACTO CONTROLLERS

The Company did not have any controlling shareholder or de facto controller. Shanghai Guosheng Group, the largest shareholder of the Company, together with its wholly-owned subsidiary, Shanghai Guosheng Group Assets Co., Ltd., hold 10.38% of the shares of the Company. Particulars of the largest shareholder of the Company are as follows:

Name	Shanghai Guosheng Group Co., Ltd.
Responsible officer or legal representative	Ye Jinsong
Date of establishment	26 September 2007
Principal business activities	Investment (non-financial investment as the focus and financial investment as the supplement), capital operation and asset management, industry research, and social and economic consultancy. [Items approved under law and business activities subject to the approval of relevant authorities]



## Section VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### V. REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 30 January 2024, the Company convened the 3rd meeting of the eighth session of the Board (extraordinary meeting), at which the Resolution on the Plan of Repurchase of A Shares of the Company through Centralized Bidding was considered and approved. The repurchase is the second share repurchase plan implemented by the Company since August 2023 and has been completed on 30 April 2024.

For the six months ended 30 June 2024, the Company has effectively repurchased 35,567,000 A Shares through the SSE, accounting for 0.2722% of the total share capital of the Company, with the highest repurchase price of RMB9.12 per share, the lowest repurchase price of RMB7.69 per share and the average repurchase price of RMB8.52 per share. The total amount of funds used is RMB303,053,231.80 (excluding transaction costs). The monthly reports during the repurchase period are as follows:

Month	Number of shares repurchased (shares)	Highest trading price (RMB/share)	Lowest trading price (RMB/share)	Total amount (RMB, excluding transaction costs)
January 2024	10,000,000	8.81	8.69	87,474,539.80
February 2024	5,940,900	8.60	8.18	50,273,483.00
March 2024	3,379,600	9.12	8.62	30,092,486.00
April 2024	16,246,500	8.78	7.69	135,212,723.00

On 30 June 2024, the Company held 77,074,467 treasury shares in A Shares. It is proposed that A Shares repurchased by the Company will be sold through centralized price bidding after 12 months from the date of the announcement on the results of repurchase and the resulting changes in A Shares. If the Company fails to complete the sales of the A Shares repurchased within three years after the date of the announcement on the results of repurchase and the resulting changes in A Shares, such portion of A Shares repurchased shall be cancelled.

During the Reporting Period, save as stated in the table above, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any listed securities of the Company, except for those dealt in by the Company or its subsidiaries on behalf of their clients in the capacity of agent.

## Section VIII PREFERENCE SHARES

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



## Section IX BONDS

### I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES

#### (I) Corporate Bonds (including Enterprise Bonds)

##### 1. Basic information of corporate bonds

Details of the existing corporate bonds as at the approval date of issuance of the interim report of the Company are set out below.

Unit: 100 million Yuan Currency: RMB

Name of Bonds	Abbreviation	Code	Date of issuance	Effective date	Latest sell-back date after 31 August 2024	Maturity date	Balance of bonds	Interest rate (%)	Method to repay principal and pay interest	Venue of trading	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether it is exposed to termination of the listing and trading
2013 Corporate Bond (Tranche 2) (10 Years) of Haitong Securities Co., Ltd.	13 Haitong 06	122313	14 July 2014	14 July 2014	-	14 July 2024	-	5.85	Simple annualized interest rate	SSE	CTIC	CTIC	Public investors, institutional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2017 Corporate Bonds (Tranche 2) of Haitong Securities Co., Ltd. publicly issued to qualified investors	17 Haitong 03	143301	20 September 2017	22 September 2017	-	22 September 2027	55	4.99	Simple annualized interest rate	SSE	CTIC	CTIC	Qualified investors	Price bidding, price quotation, price consultation and trading through agreement	No
2020 Corporate Bonds (Tranche 1) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional investors	20 Haitong 05	163508	29 April 2020	30 April 2020	-	30 April 2025	7	2.88	Simple annualized interest rate	SSE	CTIC	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2021 Corporate Bonds (Tranche 6) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 06	189458	28 July 2021	29 July 2021	-	29 July 2024	-	3.14	Simple annualized interest rate	SSE	CTIC, Gussen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2021 Corporate Bonds (Tranche 7) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 07	188571	19 August 2021	20 August 2021	-	20 August 2024	-	3.04	Simple annualized interest rate	SSE	CTIC, Gussen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2021 Corporate Bonds (Tranche 8) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 08	188663	27 August 2021	30 August 2021	-	30 August 2024	-	3.10	Simple annualized interest rate	SSE	CTIC, Gussen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2021 Corporate Bonds (Tranche 8) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 09	188664	27 August 2021	30 August 2021	-	30 August 2026	20	3.43	Simple annualized interest rate	SSE	CTIC, Gussen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2021 Corporate Bonds (Tranche 9) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 10	188962	9 November 2021	10 November 2021	-	10 November 2024	50	3.10	Simple annualized interest rate	SSE	CTIC, Gussen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No

## Section IX BONDS

Name of Bonds	Abbreviation	Code	Date of issuance	Effective date	Latest sell-back date after 31 August 2024	Maturity date	Balance of bonds	Interest rate (%)	Method to repay principal and pay interest	Venue of trading	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether it is exposed to termination of the listing and trading
2021 Corporate Bonds (Tranche 10) of Haitong Securities Co., Ltd. publicly issued to professional investors	21 Haitong 11	185010	19 November 2021	22 November 2021	-	22 November 2024	50	3.09	Simple annualized interest rate	SSE	CTIC, Guosen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Subordinated Bonds (Tranche 1) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong C1	185219	11 January 2022	12 January 2022	-	12 January 2025	50	3.18	Simple annualized interest rate	SSE	CTIC	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 1) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong 01	185285	19 January 2022	20 January 2022	-	25 December 2024	50	2.84	Simple annualized interest rate, and principal to be repaid upon maturity in one lump sum together with the interest	SSE	CTIC, Guosen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 2) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong 02	185359	17 February 2022	21 February 2022	-	21 February 2025	29	2.90	Simple annualized interest rate	SSE	CTIC, Guosen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Subordinated Bonds (Tranche 2) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong C2	185400	24 February 2022	25 February 2022	-	25 February 2025	20	3.15	Simple annualized interest rate	SSE	CTIC	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 3) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong 03	185448	4 March 2022	7 March 2022	-	7 March 2025	5	3.03	Simple annualized interest rate	SSE	CTIC, Guosen, CSC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Subordinated Bonds (Tranche 3) of Haitong Securities Co., Ltd. publicly issued to professional investors	22 Haitong C3	185472	8 March 2022	9 March 2022	-	9 March 2025	24.8	3.29	Simple annualized interest rate	SSE	CTIC	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 4) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	22 Haitong 04	137555	25 July 2022	26 July 2022	-	26 July 2025	50	2.75	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 5) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	22 Haitong 05	137799	8 September 2022	9 September 2022	-	9 September 2025	50	2.53	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No

## Section IX BONDS

Name of Bonds	Abbreviation	Code	Date of issuance	Effective date	Latest sell-back date after 31 August 2024	Maturity date	Balance of bonds	Interest rate (%)	Method to repay principal and pay interest	Venue of trading	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether it is exposed to termination of the listing and trading
2022 Corporate Bonds (Tranche 6) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	22 Haitong 06	137904	13 October 2022	14 October 2022	-	14 October 2025	47	2.60	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2022 Corporate Bonds (Tranche 7) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	22 Haitong 07	138571	9 November 2022	10 November 2022	-	10 November 2025	30	2.61	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 1) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 01	138869	7 February 2023	8 February 2023	-	8 February 2025	25	2.95	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 1) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 02	138870	7 February 2023	8 February 2023	-	8 February 2026	30	3.23	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 2) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 03	115003	3 March 2023	6 March 2023	-	6 March 2025	25	3.11	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 2) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 04	115004	3 March 2023	6 March 2023	-	6 March 2026	17	3.26	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 3) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 05	115104	21 March 2023	22 March 2023	-	22 March 2025	33	2.97	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 3) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 06	115105	21 March 2023	22 March 2023	-	22 March 2026	27	3.10	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 4) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 07	115272	21 April 2023	24 April 2023	-	24 April 2025	20	2.89	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No

## Section IX BONDS

Name of Bonds	Abbreviation	Code	Date of issuance	Effective date	Latest sell-back date after 31 August 2024	Maturity date	Balance of bonds	Interest rate (%)	Method to repay principal and pay interest	Venue of trading	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether it is exposed to termination of the listing and trading
2023 Corporate Bonds (Tranche 4) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 08	115273	21 April 2023	24 April 2023	-	24 April 2026	40	3.05	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 5) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 09	115362	17 May 2023	18 May 2023	-	18 May 2026	36	2.94	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 5) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 10	115363	17 May 2023	18 May 2023	-	18 May 2028	14	3.10	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 6) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 11	115487	14 June 2023	15 June 2023	-	15 June 2026	30	2.73	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 6) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 12	115488	14 June 2023	15 June 2023	-	15 June 2028	20	3.07	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 7) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 13	115618	24 July 2023	25 July 2023	-	25 July 2026	20	2.72	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 7) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 14	115619	24 July 2023	25 July 2023	-	25 July 2028	27	3.05	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Corporate Bonds (Tranche 8) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 15	155828	17 August 2023	18 August 2023	-	18 August 2026	32	2.67	Simple annualized interest rate	SSE	CTIC, Shenwan Hongyuan	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2023 Short-term Corporate Bonds (Tranche 1) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong S1	240048	14 November 2023	15 November 2023	-	25 October 2024	50	2.68	Principal to be repaid upon maturity in one lump sum together with the interest	SSE	GF, Caizong, BOC International	GF	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No

## Section IX BONDS

Name of Bonds	Abbreviation	Code	Date of issuance	Effective date	Latest sell-back date after 31 August 2024	Maturity date	Balance of bonds	Interest rate (%)	Method to repay principal and pay interest	Venue of trading	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether it is exposed to termination of the listing and trading
2023 Corporate Bonds (Tranche 9) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	23 Haitong 16	240306	23 November 2023	24 November 2023	-	24 November 2026	18	2.95	Simple annualized interest rate	SSE	CTIC, GF, Guosen	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 1) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 01	240454	21 February 2024	22 February 2024	-	22 February 2027	10	2.58	Simple annualized interest rate	SSE	CTIC, GF, Huatai United	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 1) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 02	240587	21 February 2024	22 February 2024	-	22 February 2029	50	2.75	Simple annualized interest rate	SSE	CTIC, GF, Huatai United	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 2) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 03	240643	4 March 2024	5 March 2024	-	5 March 2027	17	2.50	Simple annualized interest rate	SSE	CTIC, GF	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 2) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 04	240644	4 March 2024	5 March 2024	-	5 March 2029	33	2.70	Simple annualized interest rate	SSE	CTIC, GF	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 3) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 05	240748	19 March 2024	20 March 2024	-	20 March 2027	41	2.55	Simple annualized interest rate	SSE	CTIC, Everbright, Guosen	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No
2024 Corporate Bonds (Tranche 3) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors	24 Haitong 06	240749	19 March 2024	20 March 2024	-	20 March 2029	30	2.69	Simple annualized interest rate	SSE	CTIC, Everbright, Guosen	CTIC	Professional investors	Price bidding, price quotation, price consultation and trading through agreement	No

**Note:** The full names of CITIC, CSC, Guosen, Shenwan Hongyuan, GF, Caitong, BOC International, Huatai United and Everbright are CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Shenwan Hongyuan Securities Co., Ltd., GF Securities Co., Ltd., Caitong Securities Co., Ltd., BOC International (China) Co., Ltd., Huatai United Securities Co., Ltd. and Everbright Securities Company Limited, respectively.

As of the date of the Report, 13 Haitong 06, 21 Haitong 06, 21 Haitong 07 and 21 Haitong 08 had been redeemed and delisted.

## Section IX BONDS

*The Company's countermeasures to the risks of termination of listing and trading of bonds*

✓ Not applicable

**2. *The triggering and performance of the Company's or investor option terms, investor protection terms***

✓ Not applicable

**3. *Adjustment on results of credit rating***

✓ Not applicable

*Other information*

Nil

**4. *The changes, movement in and implementation of guarantees, repayment plans and other repayment supporting measures and impacts thereof during the Reporting Period***

Status	Implementation	Whether there is a change	Condition after change	Reason for the change	Whether the change has been approved by the competent authority	The effects of the change on the equity of bond investors
The existing corporate bonds are unguaranteed bonds.	Normal	No	-	-	-	-
The redemption and interest payment obligations are performed strictly pursuant to agreements on the repayment plan in the corporate bond prospectus.	Normal	No	-	-	-	-
The debt repayment supporting measures include formulating the Bondholder Meeting Rules, establishing special repayment work team, giving full play to the role of trustee and strictly performing information disclosure obligation, etc.	Normal	No	-	-	-	-



## Section IX BONDS

### Other information

No change has occurred.

### 5. Intermediaries providing services for bond issuance and business over the duration

Name of intermediary	Office address	Services	Contact persons/ signatory accountants	Tel
CITIC Securities Company Limited	22nd and 23rd floor, CITIC Securities Mansion, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	Trustee	Nie Lei, Qi Jihua, Kang Yaran	010-60838888 010-60833046
GF Securities Co., Ltd.	41st Floor, Taikang Insurance Tower, No. 429 North Nanquan Road, Pudong New Area, Shanghai	Trustee	Ma Qian, Zhang Yicheng	021-38003800
PricewaterhouseCoopers Zhong Tian LLP	11/F, PricewaterhouseCoopers Center, Link Square 2, 202 Hu Bin Road, Huangpu District, Shanghai	A-share auditor for 2020-2023	Xu Kangwei, Liuwei, Wang Yibin	021-23238888
Shanghai AllBright Law Offices	11th and 12th Floor, Shanghai Tower, No. 501, Yincheng Middle Road, Pudong New Area, Shanghai	Legal consultant	Pei Zhenyu, Xiao Wenyan	021-20511000
China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No.2, Nanzhugan Hutong, Dongcheng District, Beijing	Credit rating institution	Qiao Shuang	010-66428877

Name of intermediary	Reason for the change	Procedures performed	The effects on the equity of bond investors
BDO China Shu Lun Pan Certified Public Accountants LLP	To select and appoint A-share auditor for 2024 after consideration of current business status, development requirements and overall auditing needs of the Company.	It has been considered and approved at the 9th meeting of the eighth session of the Board on 27 June 2024 and the 2024 first extraordinary general meeting on 18 July 2024.	–

### (II) Debt financing instruments of non-financial enterprises in the inter-bank bond market

✓ Not applicable

### (III) Proceeds from corporate bonds

✓ Corporate bonds involving the use of proceeds or rectification during the Reporting Period

**Bond code:** 240454

**Bond abbreviation:** 24 Haitong 01

## Section IX BONDS

### 1. Basic information

Unit: 100 million Yuan Currency: RMB

<b>Full name of bond</b>	2024 Corporate Bonds (Tranche 1) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors
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Whether it is a special purpose bond	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Specific types of special purpose bond	–
Total amount of proceeds	10
Balance of proceeds as at the end of the Reporting Period	0
Balance of special account of proceeds as at the end of the Reporting Period	0

### 2. Adjustment or change of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to repay the principal of maturing corporate bonds and replace the Company's own funds used for repayment of the principal of maturing corporate bonds.
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Whether the use of proceeds was changed or adjusted	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus	–
Disclosure of information on changing or adjusting the use of proceeds	–
Use of proceeds after change or adjustment and its legal compliance	–

## Section IX BONDS

### 3. Actual use of proceeds (excluding temporary liquidity support)

Unit: 100 million Yuan Currency: RMB

Actual amount of proceeds utilized during the Reporting Period	10
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–
3.2.1 Amount utilized for repayment of corporate bonds	10
3.2.2 Repayment of corporate bonds	The proceeds were used to replace the Company's own funds used for repayment of GC Haitong 01
3.3.1 Amount utilized for supplementation of working capital	–
3.3.2 Supplementation of working capital	–
3.4.1 Amount utilized for investment in fixed assets	–
3.4.2 Investment in fixed assets	–
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–
3.5.2 Equity investment, debt investment or asset acquisition	–
3.6.1 Amount utilized for other purposes	–
3.6.2 Details of other purposes	–

## Section IX BONDS

### 4. Use of proceeds for specific projects

- |       |  |   |
|-------|--|---|
| 4.1   | Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.1.1 | Progress of the projects   | –   |
| 4.1.2 | Results of operations of the projects  | –   |
| 4.1.3 | Charges or pledges of the projects (if any)  | –   |
| 4.2   | Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.2.1 | Changes in the projects  | –   |
| 4.2.2 | Performance of procedures for project change   | –   |
| 4.2.3 | Changes in the use of proceeds after changes in the projects (if any)  | –   |
| 4.3   | Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4.3.1 | Changes in net income of the projects  | –   |
| 4.3.2 | Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc.   | –   |
| 4.4   | Other matters that need to be disclosed for the development of the projects  | –   |

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

- |  |   |
|--|---|
| Whether the proceeds were used for temporary liquidity support during the Reporting Period   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Amount of temporary liquidity support  | –   |
| Information on temporary liquidity support, including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed | –   |

## Section IX BONDS

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support)	The proceeds were used to replace the Company's own funds used for repayment of GC Haitong 01
Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the management and use of proceeds account during the Reporting Period were compliant	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	–
Penalties and sanctions for non-compliance in respect of the proceeds (if any)	–
Whether rectification has been completed and the status of rectification, if any, in the event of non-compliance in respect of the proceeds	–
Whether the use of proceeds was in compliance with local government debt management regulations	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any)	–

**Bond code:** 240587

**Bond abbreviation:** 24 Haitong 02

#### 1. Basic information

*Unit: 100 million Yuan Currency: RMB*

**Full name of bond** 2024 Corporate Bonds (Tranche 1) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors

Whether it is a special purpose bond	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Specific types of special purpose bond	–
Total amount of proceeds	50
Balance of proceeds as at the end of the Reporting Period	0
Balance of special account of proceeds as at the end of the Reporting Period	0

## Section IX BONDS

### 2. Change or adjustment of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to repay the principal of maturing corporate bonds and replace the Company's own funds used for repayment of the principal of maturing corporate bonds
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Whether the use of proceeds was changed or adjusted	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus	–
Disclosure of information on changing or adjusting the use of proceeds	–
Use of proceeds after change or adjustment and its legal compliance	–

### 3. Actual use of proceeds (excluding temporary liquidity support)

*Unit: 100 million Yuan Currency: RMB*

Actual amount of proceeds utilized during the Reporting Period	50	
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–	
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–	
3.2.1 Amount utilized for repayment of corporate bonds	50	
3.2.2 Repayment of corporate bonds		RMB1.7 billion was used to replace the Company's own funds used for repayment of GC Haitong 01, and RMB3.3 billion was used to replace the Company's own funds used for repayment of 21 Haitong 01
3.3.1 Amount utilized for supplementation of working capital	–	
3.3.2 Supplementation of working capital	–	
3.4.1 Amount utilized for investment in fixed assets	–	
3.4.2 Investment in fixed assets	–	
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–	
3.5.2 Equity investment, debt investment or asset acquisition	–	
3.6.1 Amount utilized for other purposes	–	
3.6.2 Details of other purposes	–	

## Section IX BONDS

### 4. Use of proceeds for specific projects

- 4.1 Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition  Yes  No
- 4.1.1 Progress of the projects –
- 4.1.2 Results of operations of the projects –
- 4.1.3 Charges or pledges of the projects (if any) –
- 4.2 Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds  Yes  No
- 4.2.1 Changes in the projects –
- 4.2.2 Performance of procedures for project change –
- 4.2.3 Changes in the use of proceeds after changes in the projects (if any) –
- 4.3 Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period  Yes  No
- 4.3.1 Changes in net income of the projects –
- 4.3.2 Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc. –
- 4.4 Other matters that need to be disclosed for the development of the projects –

## Section IX BONDS

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

Whether the proceeds were used for temporary liquidity support during the Reporting Period  Yes  No

Amount of temporary liquidity support –  
Information on temporary liquidity support, – including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support) RMB1.7 billion was used to replace the Company's own funds used for repayment of GC Haitong 01, and RMB3.3 billion was used to replace the Company's own funds used for repayment of 21 Haitong 01

Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)  Yes  No

Whether the management and use of proceeds account during the Reporting Period were compliant  Yes  No

Details of non-compliance (if any) –  
Penalties and sanctions for non-compliance – in respect of the proceeds (if any)

Whether rectification has been completed – and the status of rectification, if any, in the event of non-compliance in respect of the proceeds

Whether the use of proceeds was in compliance with local government debt management regulations  Yes  No  N/A

Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any) –

**Bond code:** 240643

**Bond abbreviation:** 24 Haitong 03



## Section IX BONDS

### 1. Basic information

Unit: 100 million Yuan Currency: RMB

<b>Full name of bond</b>	2024 Corporate Bonds (Tranche 2) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors
--------------------------	---

Whether it is a special purpose bond  Yes  No

Specific types of special purpose bond –

Total amount of proceeds 17

Balance of proceeds as at the end of the Reporting Period 0

Balance of special account of proceeds as at the end of the Reporting Period 0

### 2. Change or adjustment of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to replace the Company's own funds used for repayment of the principal of maturing corporate bonds.
---	---

Whether the use of proceeds was changed or adjusted  Yes  No

Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus –

Disclosure of information on changing or adjusting the use of proceeds –

Use of proceeds after change or adjustment and its legal compliance –

## Section IX BONDS

### 3. Actual use of proceeds (excluding temporary liquidity support)

Unit: 100 million Yuan Currency: RMB

Actual amount of proceeds utilized during the Reporting Period	17	
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–	
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–	
3.2.1 Amount utilized for repayment of corporate bonds	17	
3.2.2 Repayment of corporate bonds		The proceeds were used to replace the Company's own funds used for repayment of 21 Haitong 01
3.3.1 Amount utilized for supplementation of working capital	–	
3.3.2 Supplementation of working capital	–	
3.4.1 Amount utilized for investment in fixed assets	–	
3.4.2 Investment in fixed assets	–	
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–	
3.5.2 Equity investment, debt investment or asset acquisition	–	
3.6.1 Amount utilized for other purposes	–	
3.6.2 Details of other purposes	–	

## Section IX BONDS

### 4. Use of proceeds for specific projects

- 4.1 Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition  Yes  No
- 4.1.1 Progress of the projects –
- 4.1.2 Results of operations of the projects –
- 4.1.3 Charges or pledges of the projects (if any) –
- 4.2 Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds  Yes  No
- 4.2.1 Changes in the projects –
- 4.2.2 Performance of procedures for project change –
- 4.2.3 Changes in the use of proceeds after changes in the projects (if any) –
- 4.3 Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period  Yes  No
- 4.3.1 Changes in net income of the projects –
- 4.3.2 Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc. –
- 4.4 Other matters that need to be disclosed for the development of the projects –

## Section IX BONDS

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

Whether the proceeds were used for temporary liquidity support during the Reporting Period	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary liquidity support	–
Information on temporary liquidity support, including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed	–

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support)	The proceeds were used to replace the Company's own funds used for repayment of 21 Haitong 01
Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the management and use of proceeds account during the Reporting Period were compliant	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details non-compliance (if any)	–
Penalties and sanctions for non-compliance in respect of the proceeds (if any)	–
Whether rectification has been completed and the status of rectification, if any, in the event of non-compliance in respect of the proceeds	–
Whether the use of proceeds was in compliance with local government debt management regulations	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any)	–

Bond code: 240644

Bond abbreviation: 24 Haitong 04

## Section IX BONDS

### 1. Basic information

Unit: 100 million Yuan Currency: RMB

<b>Full name of bond</b>	2024 Corporate Bonds (Tranche 2) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors
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Whether it is a special purpose bond	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--------------------------------------	---

Specific types of special purpose bond	–
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Total amount of proceeds	33
--------------------------	----

Balance of proceeds as at the end of the Reporting Period	0
---	---

Balance of special account of proceeds as at the end of the Reporting Period	0
--	---

### 2. Change or adjustment of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to replace the Company's own funds used for repayment of the principal of maturing corporate bonds
---	--

Whether the use of proceeds was changed or adjusted	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	---

Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus	–
--	---

Disclosure of information on changing or adjusting the use of proceeds	–
--	---

Use of proceeds after change or adjustment and its legal compliance	–
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## Section IX BONDS

### 3. Actual use of proceeds (excluding temporary liquidity support)

Unit: 100 million Yuan Currency: RMB

Actual amount of proceeds utilized during the Reporting Period	33	
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–	
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–	
3.2.1 Amount utilized for repayment of corporate bonds	33	
3.2.2 Repayment of corporate bonds		RMB1.0 billion was used to replace the Company's own funds used for repayment of 21 Haitong 01, and RMB2.3 billion was used to replace the Company's own funds used for repayment of 21 Haitong 02
3.3.1 Amount utilized for supplementation of working capital	–	
3.3.2 Supplementation of working capital	–	
3.4.1 Amount utilized for investment in fixed assets	–	
3.4.2 Investment in fixed assets	–	
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–	
3.5.2 Equity investment, debt investment or asset acquisition	–	
3.6.1 Amount utilized for other purposes	–	
3.6.2 Details of other purposes	–	

## Section IX BONDS

### 4. Use of proceeds for specific projects

- 4.1 Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition  Yes  No
- 4.1.1 Progress of the projects –
- 4.1.2 Results of operations of the projects –
- 4.1.3 Charges or pledges of the projects (if any) –
- 4.2 Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds  Yes  No
- 4.2.1 Changes in the projects –
- 4.2.2 Performance of procedures for project change –
- 4.2.3 Changes in the use of proceeds after changes in the projects (if any) –
- 4.3 Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period  Yes  No
- 4.3.1 Changes in net income of the projects –
- 4.3.2 Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc. –
- 4.4 Other matters that need to be disclosed for the development of the projects –

## Section IX BONDS

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

Whether the proceeds were used for temporary liquidity support during the Reporting Period  Yes  No

Amount of temporary liquidity support –  
Information on temporary liquidity support, – including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support) RMB1.0 billion was used to replace the Company's own funds used for repayment of 21 Haitong 01, and RMB2.3 billion was used to replace the Company's own funds used for repayment of 21 Haitong 02

Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)  Yes  No

Whether the management and use of proceeds account during the Reporting Period were compliant  Yes  No

Details of non-compliance (if any) –  
Penalties and sanctions for non-compliance in respect of the proceeds (if any) –

Whether rectification has been completed and the status of rectification, if any, in the event of non-compliance in respect of the proceeds –

Whether the use of proceeds was in compliance with local government debt management regulations  Yes  No  N/A

Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any) –

Bond code: 240748

Bond abbreviation: 24 Haitong 05



## Section IX BONDS

### 1. Basic information

Unit: 100 million Yuan Currency: RMB

<b>Full name of bond</b>	2024 Corporate Bonds (Tranche 3) (Type I) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors
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Whether it is a special purpose bond	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--------------------------------------	---

Specific types of special purpose bond	–
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Total amount of proceeds	41
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Balance of proceeds as at the end of the Reporting Period	0
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Balance of special account of proceeds as at the end of the Reporting Period	0
--	---

### 2. Change or adjustment of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to repay the principal of maturing corporate bonds and replace the Company's own funds used for repayment of the principal of maturing corporate bonds
---	--

Whether the use of proceeds was changed or adjusted	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	---

Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus	–
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Disclosure of information on changing or adjusting the use of proceeds	–
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Use of proceeds after change or adjustment and its legal compliance	–
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## Section IX BONDS

### 3. Actual use of proceeds (excluding temporary liquidity support)

Unit: 100 million Yuan Currency: RMB

Actual amount of proceeds utilized during the Reporting Period	41	
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–	
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–	
3.2.1 Amount utilized for repayment of corporate bonds	41	
3.2.2 Repayment of corporate bonds		RMB3.1 billion was used to replace the Company's own funds used for repayment of 21 Haitong 02, and RMB1.0 billion was used to replace the Company's own funds used for repayment of 21 Haitong 03
3.3.1 Amount utilized for supplementation of working capital	–	
3.3.2 Supplementation of working capital	–	
3.4.1 Amount utilized for investment in fixed assets	–	
3.4.2 Investment in fixed assets	–	
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–	
3.5.2 Equity investment, debt investment or asset acquisition	–	
3.6.1 Amount utilized for other purposes	–	
3.6.2 Details of other purposes	–	

## Section IX BONDS

### 4. Use of proceeds for specific projects

- 4.1 Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition  Yes  No
- 4.1.1 Progress of the projects –
- 4.1.2 Results of operations of the projects –
- 4.1.3 Charges or pledges of the projects (if any) –
- 4.2 Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds  Yes  No
- 4.2.1 Changes in the projects –
- 4.2.2 Performance of procedures for project change –
- 4.2.3 Changes in the use of proceeds after changes in the projects (if any) –
- 4.3 Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period  Yes  No
- 4.3.1 Changes in net income of the projects –
- 4.3.2 Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc. –
- 4.4 Other matters that need to be disclosed for the development of the projects –

## Section IX BONDS

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

Whether the proceeds were used for temporary liquidity support during the Reporting Period	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary liquidity support	–
Information on temporary liquidity support, including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed	–

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support)	RMB3.1 billion was used to replace the Company's own funds used for repayment of 21 Haitong 02, and RMB1.0 billion was used to replace the Company's own funds used for repayment of 21 Haitong 03
Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the management and use of proceeds account during the Reporting Period were compliant	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	–
Penalties and sanctions for non-compliance in respect of the proceeds (if any)	–
Whether rectification has been completed and the status of rectification, if any, in the event of non-compliance in respect of the proceeds	–
Whether the use of proceeds was in compliance with local government debt management regulations	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any)	–

Bond code: 240749

Bond abbreviation: 24 Haitong 06

## Section IX BONDS

### 1. Basic information

Unit: 100 million Yuan Currency: RMB

<b>Full name of bond</b>	2024 Corporate Bonds (Tranche 3) (Type II) of Haitong Securities Co., Ltd. publicly issued to professional institutional investors
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Whether it is a special purpose bond Yes No

Specific types of special purpose bond –

Total amount of proceeds 30

Balance of proceeds as at the end of the Reporting Period 0

Balance of special account of proceeds as at the end of the Reporting Period 0

### 2. Change or adjustment of use of proceeds

<b>Agreed use of proceeds (please list in full)</b>	The proceeds will be used to repay the principal of maturing corporate bonds and replace the Company's own funds used for repayment of the principal of maturing corporate bonds
---	--

Whether the use of proceeds was changed or adjusted Yes No

Procedures for changing or adjusting the use of proceeds, and whether such procedures were in compliance with the prospectus –

Disclosure of information on changing or adjusting the use of proceeds –

Use of proceeds after change or adjustment and its legal compliance –

## Section IX BONDS

### 3. Actual use of proceeds (excluding temporary liquidity support)

Unit: 100 million Yuan Currency: RMB

Actual amount of proceeds utilized during the Reporting Period	30	
3.1.1 Amount utilized for repayment of interest-bearing debts (excluding corporate bonds)	–	
3.1.2 Repayment of interest-bearing debts (excluding corporate bonds)	–	
3.2.1 Amount utilized for repayment of corporate bonds	30	
3.2.2 Repayment of corporate bonds		The proceeds were used to replace the Company's own funds used for repayment of 21 Haitong 03
3.3.1 Amount utilized for supplementation of working capital	–	
3.3.2 Supplementation of working capital	–	
3.4.1 Amount utilized for investment in fixed assets	–	
3.4.2 Investment in fixed assets	–	
3.5.1 Amount utilized for equity investment, debt investment or asset acquisition	–	
3.5.2 Equity investment, debt investment or asset acquisition	–	
3.6.1 Amount utilized for other purposes	–	
3.6.2 Details of other purposes	–	

## Section IX BONDS

### 4. Use of proceeds for specific projects

- 4.1 Whether the proceeds were used for fixed asset investment projects or other specific projects such as equity investment, debt investment or asset acquisition Yes No
- 4.1.1 Progress of the projects –
- 4.1.2 Results of operations of the projects –
- 4.1.3 Charges or pledges of the projects (if any) –
- 4.2 Whether there was any significant change in the projects during the Reporting Period, or whether there was any change that might affect the plan for the investment and use of the proceeds Yes No
- 4.2.1 Changes in the projects –
- 4.2.2 Performance of procedures for project change –
- 4.2.3 Changes in the use of proceeds after changes in the projects (if any) –
- 4.3 Whether the net income of the projects at the end of the Reporting Period decreased by more than 50% as compared with that disclosed in the prospectus and other documents, or whether any other material adverse events that might affect the actual operation of the projects occurred during the Reporting Period Yes No
- 4.3.1 Changes in net income of the projects –
- 4.3.2 Impact of changes in net income of the projects on the Company's solvency and investors' rights and interests, countermeasures, etc. –
- 4.4 Other matters that need to be disclosed for the development of the projects –

## Section IX BONDS

### 5. Information on temporary liquidity support

Unit: 100 million Yuan Currency: RMB

Whether the proceeds were used for temporary liquidity support during the Reporting Period	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Amount of temporary liquidity support	–
Information on temporary liquidity support, including but not limited to the purpose of the temporary liquidity support, the time of commencement and return, and the procedures performed	–

### 6. Compliance of proceeds

Actual use of the proceeds as of the end of the Reporting Period (including actual use and temporary liquidity support)	The proceeds were used to replace the Company's own funds used for repayment of 21 Haitong 03
Whether the actual use was consistent with the agreed use (including the agreed use in the prospectus and the use after changes for the purpose of compliance)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the management and use of proceeds account during the Reporting Period were compliant	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Details of non-compliance (if any)	–
Penalties and sanctions for non-compliance in respect of the proceeds (if any)	–
Whether rectification has been completed and the status of rectification, if any, in the event of non-compliance in respect of the proceeds	–
Whether the use of proceeds was in compliance with local government debt management regulations	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Information on the violation of local government debt management regulations in respect of the use of proceeds and the rectification thereof (if any)	–



## Section IX BONDS

### (IV) Other matters that should be disclosed for special types of bonds

✓ Not applicable

### (V) Important matters relating to the Company's bonds during the Reporting Period

#### 1. Balance of non-operating transaction appropriation and capital placements

✓ Not applicable

#### 2. Liabilities

##### (1). Interest-bearing debts and changes therein

##### 1.1 Corporate debt structure

As at the beginning of the Reporting Period and at the end of the Reporting Period, the balance of the Company's interest-bearing debts (not within the scope of the Company's consolidation) amounted to RMB252.152 billion and RMB239.464 billion, respectively, and the balance of the Company's interest-bearing debts during the Reporting Period changed by -5.03% year on year.

Unit: 100 million Yuan Currency: RMB

Type of interest-bearing debt	Overdue	Maturity		Total amount	Amount as a percentage of total interest-bearing debts (%)
		Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	296.64	982.80	1,279.44	53.43
Bank loans	-	-	-	-	-
Loans from non-bank financial institutions	-	-	-	-	-
Other interest-bearing debts	-	1,012.91	102.29	1,115.20	46.57
Total	-	1,309.55	1,085.09	2,394.64	-

Note: Interest-bearing liabilities include short-term borrowings, short-term financing bills payable, placements from banks and other financial institutions, financial assets sold under repurchase agreements, long-term borrowings and bonds payable.

As at the end of the Reporting Period, among the Company's outstanding corporate credit bonds, the balance of corporate bonds was RMB127.944 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB0 billion, and a total of RMB20.0 billion of credit bonds of the Company will be due for repayment or redemption within September to December 2024.

## Section IX BONDS

### 1.2 Structure of the Company's consolidated interest-bearing debts

As at the beginning of the Reporting Period and at the end of the Reporting Period, the balance of interest-bearing debts within the scope of the Company's consolidated financial statements amounted to RMB413.404 billion and RMB394.627 billion, respectively, representing a year-on-year change of -4.54% in the balance of interest-bearing debts during the Reporting Period.

Unit: 100 million Yuan Currency: RMB

Type of interest-bearing debt	Overdue	Maturity		Total amount	Amount as a percentage of the total interest-bearing debts (%)
		Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	360.75	1,191.80	1,552.55	39.34
Bank loans	-	385.77	313.78	699.55	17.73
Loans from non-bank financial institutions	-	1.78	2.41	4.19	0.11
Other interest-bearing debts	-	1,226.34	463.64	1,689.98	42.82
Total	-	1,974.64	1,971.63	3,946.27	-

Note: Interest-bearing liabilities include short-term borrowings, short-term financing bills payable, placements from banks and other financial institutions, financial assets sold under repurchase agreements, long-term borrowings and bonds payable.

As at the end of the Reporting Period, among the Company's consolidated outstanding corporate credit bonds, the balance of corporate bonds was RMB140.048 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB15.207 billion, and a total of RMB24.0 billion of credit bonds of the Company will be due for repayment or redemption within September to December 2024.

### 1.3 Overseas bonds

As of the end of the Reporting Period, the balance of overseas bonds issued within the scope of the Company's consolidated financial statements amounted to RMB31.982 billion, and the balance of overseas bonds maturing within September to December 2024 amounted to RMB474 million.

## Section IX BONDS

(2). *As at the end of the Reporting Period, the overdue interest-bearing debts or corporate credit bonds of the Company and its subsidiaries with an amount of over RMB10 million*

✓ Not applicable

(3). *Major liabilities and reasons for changes*

*Unit: 100 million Yuan Currency: RMB*

Liabilities	Balance as at the end of the period	Balance for 2023	Percentage change (%)	If the percentage change is more than 30%, please explain
Short-term borrowing	333.96	310.54	7.54	–
Short-term financing bills payable	155.71	188.53	-17.41	–
Placements from banks and other financial institutions	195.05	147.12	32.58	Increase in placements from banks
Financial assets sold under repurchase agreements	997.26	1,125.65	-11.41	–
Long-term borrowings	369.77	422.99	-12.58	–
Bonds payable	1,894.51	1,939.20	-2.30	–
Accounts payable to brokerage clients	1,065.26	1,065.39	-0.01	–

(4). *Senior debts with priority over third-party claims*

As of the end of the Reporting Period, there were senior debts with priority over third-party claims within the scope of the Company's consolidated statements:

✓ Not applicable

**(VI) The Company's loss in the scope of consolidated statements during the Reporting Period exceeded 10% of its net assets as at the end of last year**

✓ Not applicable

## Section IX BONDS

### (VII) Key accounting data and financial indicators

Unit: 100 million Yuan Currency: RMB

Key indicators	As at the end	As at the end	Movement at	Reasons
	of the Reporting	of last year	the end of the	
	Period		Reporting	
			Period as	
			compared with	
			the end of	
			last year (%)	for changes
Current ratio	1.93	1.81	6.63	-
Quick ratio	1.93	1.81	6.63	-
Gearing ratio (%)	72.16	73.03	-1.19	-
	For the	For the last	Movement for	Reasons
	Reporting	corresponding	the Reporting	
	Period	period	Period compared	
	(January to		with last	
	June)		corresponding	
			period (%)	
				for changes
Net profit, net of non-recurring gains and losses	5.46	32.12	-83.01	Decrease of profit
EBITDA total debt ratio	0.02	0.03	-33.33	Decrease of profit
Interest coverage ratio	1.27	1.69	-24.85	-
Cash interest coverage ratio	3.91	-0.10	N/A	-
EBITDA interest coverage ratio	1.40	1.80	-22.22	-
Loan repayment ratio (%)	100	100	-	-
Interest payment ratio (%)	100	100	-	-

## II. CONVERTIBLE CORPORATE BONDS

✓ Not applicable

## Section X FINANCIAL REPORT

The unaudited interim financial information is enclosed hereinafter.



## Section XI INFORMATION DISCLOSURES OF SECURITIES COMPANY

### RELEVANT INFORMATION ABOUT MAJOR ADMINISTRATIVE LICENSING MATTERS OF THE COMPANY

<b>Date</b>	<b>Title of Approval Document</b>	<b>Approval Organization</b>	<b>No. of Approval</b>
29 January 2024	Reply on Permitting Haitong Securities Co., Ltd. to Publicly Issue Subordinated Corporate Bonds to Professional Investors	CSRC	Zheng Jian Xu Ke [2024] No.157
Contents of documents available for inspection	<p>The text of the Interim Report bearing the signature of the legal representative of the Company</p> <p>The text of the unaudited interim financial information bearing the signature or seal of the legal representative, the chief financial officer and the head of the accounting department of the Company</p> <p>The original copies of all of the documents and announcements of the Company published through media that satisfy the conditions required by the securities regulatory authority of the State Council during the Reporting Period</p> <p>Other related information</p>		

By order of the Board  
**Haitong Securities Co., Ltd.**  
**ZHOU JIE**  
*Chairman*

Shanghai, the PRC  
 29 August 2024

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	Notes	Six months ended 30 June	
		2024 (Unaudited)	2023 (Unaudited)
<b>Revenue</b>			
– Commission and fee income	4	4,941,756	6,462,063
– Interest income	5	8,188,000	9,320,529
– Finance lease income	5	765,501	781,925
– Investment income and gains (net)	6	1,791,039	3,286,842
		<b>15,686,296</b>	19,851,359
Other income and gains	7	1,906,564	6,176,069
<b>Total revenue, gains and other income</b>		<b>17,592,860</b>	26,027,428
Commission and fee expenses	8	(1,437,546)	(1,521,494)
Interest expenses	9	(7,182,697)	(7,918,051)
Depreciation and amortisation	10	(886,463)	(839,209)
Staff costs		(3,038,109)	(3,651,013)
Impairment losses under expected credit loss model	11	(870,126)	(1,203,824)
Impairment losses on other assets		(15,648)	(9,878)
Other expenses	12	(2,185,160)	(6,112,006)
<b>Total expenses</b>		<b>(15,615,749)</b>	(21,255,475)
Share of results of associates		(71,235)	479,771
<b>Profit before income tax</b>		<b>1,905,876</b>	5,251,724
Income tax expense	13	(676,352)	(1,326,992)
<b>Profit for the period</b>		<b>1,229,524</b>	3,924,732
<b>Attributable to:</b>			
Shareholders of the Company		953,097	3,829,635
Non-controlling interests		276,427	95,097
		<b>1,229,524</b>	3,924,732
<b>Earnings per share (Expressed in RMB per share)</b>			
– Basic	14	0.07	0.29
– Diluted	14	0.07	0.29

The accompanying notes form part of the unaudited condensed consolidated financial information.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Profit for the period	1,229,524	3,924,732
<b>Other comprehensive income/(loss):</b>		
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on defined benefit obligations	10,627	(2,266)
Fair value gains on equity instruments measured at fair value through other comprehensive income	93,483	84,353
Income tax impact	(44,825)	(13,950)
Subtotal	59,285	68,137
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(193,922)	452,773
Fair value gains on hedging instrument designated in cash flow hedges	12,775	54,803
Fair value gains/(losses) on debt instruments measured at fair value through other comprehensive income		
– Net fair value changes during the period	693,199	416,681
– Reclassification adjustment to profit or loss on disposal	(162,018)	(86,912)
– Reclassification adjustment to profit or loss for expected credit loss	16,506	(40,469)
– Income tax relating to components of other comprehensive income	(135,387)	(72,439)
Share of other comprehensive income of associates, net of related income tax	670	2,986
Subtotal	231,823	727,423
Other comprehensive income for the period (net of tax)	291,108	795,560
<b>Total comprehensive income for the period</b>	<b>1,520,632</b>	<b>4,720,292</b>
<b>Attributable to:</b>		
Shareholders of the Company	1,276,743	4,381,613
Non-controlling interests	243,889	338,679
	<b>1,520,632</b>	<b>4,720,292</b>
<b>Total comprehensive income for the period attributable to shareholders of the company arises from:</b>		
Continuing operations	1,520,632	4,720,292
	<b>1,520,632</b>	<b>4,720,292</b>

The accompanying notes form part of the unaudited condensed consolidated financial information.



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b>Non-current assets</b>			
Property and equipment	15	16,349,799	16,643,326
Right-of-use assets	16	1,657,047	1,763,167
Investment properties	17	2,502,581	2,635,841
Goodwill	18	3,476,950	3,468,589
Other intangible assets	19	649,170	691,445
Investments accounted for using equity method	20	7,560,572	8,115,626
Finance lease receivables	21	10,157,761	11,248,040
Receivables arising from sale and leaseback arrangements	22	36,083,833	40,593,188
Equity instruments at fair value through other comprehensive income	23	10,416,426	8,010,844
Debt instruments at fair value through other comprehensive income	24	53,933,453	52,676,210
Debt instruments measured at amortised cost	25	3,529,951	5,035,193
Financial assets at fair value through profit or loss	26	26,207,802	24,766,774
Financial assets held under resale agreements	27	806,799	2,013,400
Other loans and receivables	28	122,104	548,019
Loans and advances	29	5,106,119	5,155,382
Deferred tax assets	30	3,302,174	4,187,114
Deposits with exchanges	31	131,005	163,344
Restricted bank balances and cash	32	2,052,034	1,980,005
Other non-current assets	34	2,391,295	2,422,443
<b>Total non-current assets</b>		<b>186,436,875</b>	192,117,950

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b>Current assets</b>			
Advances to customers on margin financing	35	63,944,096	68,418,208
Accounts receivable	36	8,320,102	12,167,275
Finance lease receivables	21	7,716,322	8,644,405
Receivables arising from sale and leaseback arrangements	22	37,017,928	38,923,317
Debt instruments at fair value through other comprehensive income	24	3,279,794	8,634,537
Debt instruments measured at amortised cost	25	1,183,043	1,762,587
Financial assets at fair value through profit or loss	26	185,190,483	196,506,316
Derivative financial assets	37	2,079,842	2,278,555
Financial assets held under resale agreements	27	32,029,721	34,769,832
Other loans and receivables	28	5,176,240	4,742,213
Loans and advances	29	511,385	460,278
Other current assets	38	5,765,459	5,015,395
Placements to banks and other financial institutions		831,819	330,295
Deposits with exchanges	31	20,731,501	23,480,478
Clearing settlement funds	39	15,900,998	15,584,378
Deposits with central banks	40	5,399,093	4,252,200
Deposits with other banks	40	95,272	111,445
Bank balances and cash	32	139,804,562	136,387,128
<b>Total current assets</b>		<b>534,977,660</b>	562,468,842
<b>Total assets</b>		<b>721,414,535</b>	754,586,792

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b>Current liabilities</b>			
Borrowings	41	51,588,937	48,942,398
Short-term financing bills payables	42	15,571,430	18,853,059
Bonds payable	43	79,895,931	78,301,231
Accounts payable to brokerage clients	44	106,526,337	106,538,717
Customer accounts	45	5,664,040	4,828,712
Contract liabilities		19,174	19,174
Other payables and accruals	46	19,352,470	22,538,352
Lease liabilities	16	293,551	319,896
Provisions	47	158,579	193,964
Income tax liabilities		590,433	851,562
Financial liabilities at fair value through profit or loss	48	10,230,741	13,130,414
Derivative financial liabilities	37	1,230,667	1,190,945
Financial assets sold under repurchase agreements	49	98,965,552	111,617,827
Placements from banks and other financial institutions	50	17,610,021	12,740,366
Deposits from central banks		89,002	89,568
Deposits from other banks		24	–
<b>Total current liabilities</b>		<b>407,786,889</b>	420,156,185
<b>Net current assets</b>		<b>127,190,771</b>	142,312,657
<b>Total assets less current liabilities</b>		<b>313,627,646</b>	334,430,607

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	<i>Notes</i>	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b>Non-current liabilities</b>			
Long-term payables	51	4,495,965	4,923,274
Deferred tax liabilities	30	546,508	835,048
Customer accounts	45	2,179,109	1,581,203
Long-term borrowings	41	18,784,786	24,410,822
Bonds payable	43	109,554,840	115,619,049
Other payables and accruals	46	1,493,485	1,242,428
Financial assets sold under repurchase agreement	49	760,127	946,966
Financial liabilities at fair value through profit or loss	48	2,016,560	7,322,991
Lease liabilities	16	709,735	777,269
Placements from banks and other financial institutions	50	1,894,976	1,971,998
<b>Total non-current liabilities</b>		<b>142,436,091</b>	159,631,048
<b>Total liabilities</b>		<b>550,222,980</b>	579,787,233
<b>Equity</b>			
Share capital	52	13,064,200	13,064,200
Capital reserve		75,877,537	75,764,593
Treasury shares	53	(717,408)	(414,335)
Revaluation reserve	54	240,632	(401,324)
Translation reserve		(1,063,666)	(903,252)
General reserves	55	33,830,680	33,798,461
Retained earnings	55	41,795,755	42,335,647
<b>Equity attributable to shareholders of the company</b>		<b>163,027,730</b>	163,243,990
Non-controlling interests		8,163,825	11,555,569
<b>Total equity</b>		<b>171,191,555</b>	174,799,559
<b>Total equity and liabilities</b>		<b>721,414,535</b>	754,586,792

The accompanying notes form part of the unaudited condensed consolidated financial information.

The unaudited condensed consolidated financial information was approved by the Board of Directors on 29 August 2024 and signed on its behalf by:

**Zhou Jie**

*Chairman of Board*

**Li Jun**

*Executive Director and  
General Manager*

**Zhang Xinjun**

*Chief Financial Officer*

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	Attributable to shareholders of the Company								Non-controlling interests	Total equity
	Share capital	Capital reserve (Note)	Treasury shares	Revaluation reserve	Translation reserve	General reserves	Retained earnings	Total		
<b>As at 1 January 2024 (audited)</b>	13,064,200	75,764,593	(414,335)	(401,324)	(903,252)	33,798,461	42,335,647	163,243,990	11,555,569	174,799,559
Profit for the period	-	-	-	-	-	-	953,097	953,097	276,427	1,229,524
Other comprehensive income/ (expense) for the period	-	-	-	484,060	(160,414)	-	-	323,646	(32,538)	291,108
<b>Total comprehensive income/ (expense) for the period</b>	-	-	-	484,060	(160,414)	-	953,097	1,276,743	243,889	1,520,632
Acquisition of non-controlling interests (Note 60)	-	115,658	-	-	-	-	-	115,658	(3,048,320)	(2,932,662)
Other equity instruments issued by a subsidiary	-	(2,714)	-	-	-	-	-	(2,714)	1,499,521	1,496,807
Appropriation to general reserve	-	-	-	-	-	32,219	(32,219)	-	-	-
Cash dividend recognised as distribution (Note 59)	-	-	-	-	-	-	(1,298,713)	(1,298,713)	-	(1,298,713)
Distribution to non-controlling interests and other equity instruments holders	-	-	-	-	-	-	-	-	(119,808)	(119,808)
Acquisition of treasury shares	-	-	(303,073)	-	-	-	-	(303,073)	-	(303,073)
Redemption of other equity instruments issued by a subsidiary	-	-	-	-	-	-	-	-	(1,970,000)	(1,970,000)
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	157,896	-	-	(157,896)	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	3,010	3,010
Others	-	-	-	-	-	-	(4,161)	(4,161)	(36)	(4,197)
<b>As at 30 June 2024 (unaudited)</b>	13,064,200	75,877,537	(717,408)	240,632	(1,063,666)	33,830,680	41,795,755	163,027,730	8,163,825	171,191,555

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	Attributable to shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Capital reserve (Note)	Revaluation reserve	Translation reserve	General reserves	Retained earnings	Total		
<b>As at 1 January 2023 (audited)</b>	13,064,200	75,007,559	(624,143)	(993,170)	31,438,374	46,699,137	164,591,957	13,030,101	177,622,058
Profit for the period	-	-	-	-	-	3,829,635	3,829,635	95,097	3,924,732
Other comprehensive income for the period	-	-	324,714	227,264	-	-	551,978	243,582	795,560
<b>Total comprehensive income for the period</b>	-	-	324,714	227,264	-	3,829,635	4,381,613	338,679	4,720,292
Shares issued by a subsidiary under rights issue	-	801,557	-	-	-	-	801,557	(738,821)	62,736
Other equity instruments issued by a subsidiary	-	-	-	-	-	-	-	480,000	480,000
Appropriation to general reserve	-	-	-	-	52,958	(52,958)	-	-	-
Cash dividend recognised as distribution (Note 59)	-	-	-	-	-	(2,743,482)	(2,743,482)	-	(2,743,482)
Distribution to non-controlling interests and other equity instruments holders	-	-	-	-	-	-	-	(278,200)	(278,200)
Share-based payments of a subsidiary	-	543	-	-	-	-	543	4,755	5,298
Disposal of equity instruments at fair value through other comprehensive income	-	-	34,235	-	-	(34,235)	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	1,566	1,566
Others	-	-	-	-	-	(12,553)	(12,553)	10,817	(1,736)
<b>As at 30 June 2023 (unaudited)</b>	13,064,200	75,809,659	(265,194)	(765,906)	31,491,332	47,685,544	167,019,635	12,848,897	179,868,532

Note: Capital reserve of the Group represents primarily (i) the share premium arisen from the issuance of the Company's shares, and (ii) the difference between the considerations paid over the proportionate share of net assets attributable to the acquisition of additional interests in subsidiaries.

The accompanying notes form part of the unaudited condensed consolidated financial information.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
<b>OPERATING ACTIVITIES</b>		
Profit before income tax	1,905,876	5,251,724
Adjustments for		
Interest expenses	7,182,697	7,918,051
Share of results of associates	71,235	(479,771)
Depreciation and amortisation	886,463	839,209
Impairment losses under expected credit loss model	870,126	1,203,824
Impairment losses on other assets	15,648	9,878
Share-based payments of a subsidiary	–	5,298
Losses on disposal of property and equipment and other intangible assets	878	7,677
Foreign exchange losses, net	65,963	205,420
Interest income from debt instruments at fair value through other comprehensive income	(752,024)	(871,432)
Interest income from debt instruments measured at amortised cost	(130,569)	(115,835)
Dividend income from equity instruments at fair value through other comprehensive income	(333,353)	(67,285)
Net gains arising from debt instruments at fair value through other comprehensive income	(194,261)	(135,550)
Net realised gains arising from financial assets at fair value through profit or loss	(92)	(69,281)
Fair value change of financial instruments at fair value through profit or loss	470,978	(48,517)
Others	(19,818)	–
<b>Operating cash flows before movements in working capital</b>	<b>10,039,747</b>	<b>13,653,410</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	<b>Six months ended 30 June</b>	
	<b>2024</b> <b>(Unaudited)</b>	2023 (Unaudited)
Decrease/(increase) in finance lease receivables and receivables arising from sale and leaseback arrangements	<b>7,929,212</b>	(1,764,185)
Decrease in financial assets at fair value through profit or loss and derivative financial assets	<b>9,514,823</b>	1,898,180
Decrease/(increase) in financial assets held under resale agreements	<b>3,890,238</b>	(8,513,832)
(Increase)/decrease in other loans and receivables	<b>(99,886)</b>	295,092
Decrease/(increase) in loans and advances	<b>4,048</b>	(1,041,152)
Decrease in advances to customers on margin financing	<b>4,352,119</b>	1,094,424
Decrease in accounts receivable and other current assets	<b>3,275,355</b>	732,451
(Increase)/decrease in placements to banks and other financial institutions	<b>(501,474)</b>	209,258
Decrease in deposits with exchanges	<b>2,757,312</b>	1,197,090
Increase in deposits with central banks	<b>(12,338)</b>	(957)
Decrease in restricted bank deposits	<b>341,133</b>	142,643
Decrease/(increase) in cash held on behalf of clients	<b>6,441,273</b>	(2,564,217)
(Decrease)/increase in accounts payable to brokerage clients and other payables and accruals	<b>(4,661,826)</b>	4,357,816
Increase in customer accounts	<b>1,433,234</b>	143,888
Increase in contract liabilities	<b>–</b>	81,727
(Decrease)/increase in provisions	<b>(35,385)</b>	7,792
Decrease in financial liabilities at fair value through profit or loss and derivative financial liabilities	<b>(8,166,382)</b>	(1,333,813)
Decrease in financial assets sold under repurchase agreements	<b>(12,320,976)</b>	(18,627,712)
Increase in placements from banks and other financial institutions	<b>4,809,257</b>	2,746,791
Decrease in deposits from central banks	<b>(566)</b>	(1,543,939)
Increase in deposits from other banks	<b>24</b>	34,911
<b>Cash from operations</b>	<b>28,988,942</b>	(8,794,334)
Income taxes paid	<b>(578,119)</b>	(2,219,039)
Interest paid	<b>(2,719,021)</b>	(2,293,038)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>25,691,802</b>	(13,306,411)



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

(All amounts in RMB'000 unless otherwise stated)

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
<b>INVESTING ACTIVITIES</b>		
Dividends received from associates and other investments	341,353	1,462
Dividends received from equity instruments at fair value through other comprehensive income	333,353	67,285
Interest from the debt instruments at fair value through other comprehensive income and amortised cost	882,593	991,078
Purchases of property and equipment and other intangible assets	(301,618)	(344,626)
Proceeds on disposal of property and equipment	116,543	2,850
Cash paid for investments accounted for using equity method	–	(135,000)
Proceeds from partial disposal of associates	143,135	42,251
Purchases of		
Equity instruments at fair value through other comprehensive income	(2,809,969)	(1,722,347)
Debt instruments at fair value through other comprehensive income	(26,712,620)	(9,992,525)
Debt instruments measured at amortised cost	(357,284)	(1,770,546)
Financial assets at fair value through profit or loss	(30,630)	(1,059,768)
Proceeds from disposal or redemption of		
Equity instruments at fair value through other comprehensive income	5,596	516,237
Debt instruments at fair value through other comprehensive income	31,573,525	17,514,961
Debt instruments measured at amortised cost	2,471,560	355,999
Financial assets at fair value through profit or loss	127,017	931,613
<b>Net cash inflow from investing activities</b>	<b>5,782,554</b>	<b>5,398,924</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024  
(All amounts in RMB'000 unless otherwise stated)

	<b>Six months ended 30 June</b>	
	<b>2024</b> <b>(Unaudited)</b>	2023 (Unaudited)
<b>FINANCING ACTIVITIES</b>		
Dividends paid and interest paid for borrowings and bonds	<b>(5,506,269)</b>	(5,400,176)
Proceeds from issuance of subsidiaries' shares	<b>3,010</b>	64,302
Payments on capital returned to non-controlling shareholders	<b>(2,932,662)</b>	–
Borrowings raised	<b>39,645,189</b>	42,526,736
Interest paid for perpetual notes	<b>(86,642)</b>	(60,279)
Issuance cost paid for short-term bonds, non-convertible bonds and others	<b>(79,916)</b>	(90,033)
Repayment of lease liabilities	<b>(220,108)</b>	(183,106)
Repayment of borrowings, short-term bonds, non-convertible bonds and others	<b>(95,602,337)</b>	(94,810,967)
Proceeds from non-convertible bonds, short-term financing bills payables and others	<b>45,309,376</b>	68,877,961
Acquisition of treasury shares	<b>(303,073)</b>	–
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(19,773,432)</b>	10,924,438
<b>Net increase in cash and cash equivalents</b>	<b>11,700,924</b>	3,016,951
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(15,278)</b>	772,762
<b>Cash and cash equivalents at the beginning of period</b>	<b>57,541,626</b>	67,530,100
<b>Cash and cash equivalents at the end of period (Note 33)</b>	<b>69,227,272</b>	71,319,813

The accompanying notes form part of the unaudited condensed consolidated financial information.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 1. GENERAL INFORMATION

Haitong Securities Co., Ltd. (the “Company”) was transformed from Shanghai Haitong Securities Company (上海海通證券公司), which was established in 1988, to a limited liability company upon the authorisation by the People’s Bank of China in September 1994 and changed its name to 海通證券有限公司. In December 2001, the Company was further transformed to a joint-stock company upon the approval from China Securities Regulatory Commission (the “CSRC”). In January 2002, the Company changed its name from 海通證券有限公司 to Haitong Securities Co., Ltd. (海通證券股份有限公司). In June 2007, the Company’s merger with former Shanghai Urban Agro-Business Co., Ltd. (上海市都市農商社股份有限公司) was approved by the CSRC, and was listed on the Shanghai Stock Exchange in July in the same year. After its listing, its name was changed to “Haitong Securities”. On 27 April 2012, the Company issued H shares which were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The address of the Company’s registered office is Haitong Securities Building, No. 689 Guangdong Road, Shanghai, China, while the address of the Company’s headquarter is Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai, China.

The Company is principally engaged in securities brokerage; securities proprietary trading; securities underwriting and sponsorship; securities investment consulting; financial advisory services relating to securities trading and investment activities; direct investment; securities investment fund consignment; provision of intermediary introduction business for the futures companies; margin financing and securities lending; agency sale of financial products; the stock options market making; other businesses approved by the CSRC. In addition, the Company is permitted to set up subsidiaries that are engaged in outbound investments including investments in financial products (activities subject to approval as required by laws shall be conducted upon approval by relevant authorities).

The condensed consolidated financial information is presented in Renminbi (“RMB”), which is also the functional currency of the Company.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

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

The Group adopted the going concern basis in preparing its condensed consolidated financial information.

The condensed consolidated financial information does not include all the notes of the type normally include in an annual financial statement. Accordingly, it should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) issued by IASB, and any public announcement made by the Company during the interim reporting period.

Other than additional accounting policies resulting from application of amendments to IFRS Accounting Standards, 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 financial statements for the year ended 31 December 2023.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

### *Application of amendments to IFRS Accounting Standards*

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on or after 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### *Critical accounting estimates and judgements*

The Group continually evaluates the significant accounting estimates and judgements applied based on historical experience and other factors, including reasonable expectations of future events. The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are consistent with these policies applied in preparing the financial statements for the year ended 31 December 2023.

## 3. SEGMENT REPORTING

Information reported to the chief operating decision maker (the "CODM"), being the board of directors of the Company, for the purposes of resource allocation and assessment of segment performance focuses on the nature of products sold and services provided by the Group, which is also consistent with the Group's basis of organisation, whereby the businesses are organised and managed separately as individual strategic business units that offers different products and serves different markets. The Group's business segments are classified in accordance with the requirements of IFRS Accounting Standards, and are based on the internal organisation structure, management requirements and internal reporting system. The reporting segments are determined based on business segments. A business segment is a component of the Group with all the following conditions satisfied: (1) such component is able to generate revenue and expenses in the ordinary course of the Group; (2) CODM periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance; (3) the Group has access to such component's accounting information including financial position, operating results and cash flows. If two or more business segments have similar economic characteristics or a similar business model, they may be combined as one business segment. Based on its strategic planning and internal management requirements, the Group determines six business segments: wealth management, investment banking, asset management, trading and institution, finance lease and others. Classification of reporting segments is consistent with that of business segments.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 3. SEGMENT REPORTING (continued)

Segment information is measured in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to CODM, which are consistent with the accounting and measurement criteria in the preparation of the condensed consolidated financial information.

Specifically, the Group's operating segments are as follows:

- (1) Wealth Management Segment engages in provision of a full range of financial services and investment solutions to retail and high net-worth clients. Services provided include brokering and dealing in securities and futures, investment consulting, wealth management as well as financial services such as margin financing, security lending, stock pledge, etc.;
- (2) Investment Banking Segment engages in provision of sponsoring and underwriting services to enterprises and government clients for their fund raising activities in equity and debt capital markets, and also engages in provision financial consulting services for enterprises for their corporate actions such as merger and assets restructuring services as well as provision of services related to the National Equities Exchange and Quotations;
- (3) Asset Management Segment engages in provision of investment management services on diversified and comprehensive investment products including asset management, fund management, and private equity management to individual, corporate and institutional clients;
- (4) Trading and Institution Segment engages in provision of stock sales and trading, prime brokerage, stock lending, and stock research in financial markets across the world to global institutional clients, and also engages in provision of market-making services for fixed income, currency and commodity products, futures and options, and derivatives on major exchanges around the world;
- (5) Finance Lease Segment engages in provision of innovative financial solutions, including finance lease, operating lease, factoring, entrustment loans and relevant consulting to individuals, enterprises and government clients;
- (6) Others Segment engages in provision of other comprehensive financial and information services to institutional clients, including warehouse receipts pledge service, etc.

Segment profit/loss represents the profit earned by/loss measured by each segment without allocation of income tax expenses. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 3. SEGMENT REPORTING (continued)

#### Operating and Reportable segment

For the six months ended 30 June 2024 (Unaudited)

	Wealth management	Investment banking	Asset management	Trading and institution	Finance lease	Others	Consolidated total
<b>Segment revenue and results</b>							
Revenue	6,175,677	1,208,169	1,061,259	3,948,363	3,352,480	(59,652)	15,686,296
Other income and gains	72,892	41,079	41,256	245,082	687,821	818,434	1,906,564
Segment revenue	6,248,569	1,249,248	1,102,515	4,193,445	4,040,301	758,782	17,592,860
Segment expenses	(4,931,456)	(1,187,263)	(682,822)	(4,867,865)	(3,085,522)	(860,821)	(15,615,749)
Segment results	1,317,113	61,985	419,693	(674,420)	954,779	(102,039)	1,977,111
Share of results of associates	–	–	214,844	(286,079)	–	–	(71,235)
Segment profit before income tax	1,317,113	61,985	634,537	(960,499)	954,779	(102,039)	1,905,876

For the six months ended 30 June 2023 (Unaudited)

	Wealth management	Investment banking	Asset management	Trading and institution	Finance lease	Others	Consolidated total
<b>Segment revenue and results</b>							
Revenue	6,931,239	2,359,570	987,420	5,927,118	3,637,584	8,428	19,851,359
Other income and gains	150,399	154,809	194,551	113,287	982,768	4,580,255	6,176,069
Segment revenue	7,081,638	2,514,379	1,181,971	6,040,405	4,620,352	4,588,683	26,027,428
Segment expenses	(5,345,088)	(1,606,156)	(854,274)	(5,127,930)	(3,693,041)	(4,628,986)	(21,255,475)
Segment results	1,736,550	908,223	327,697	912,475	927,311	(40,303)	4,771,953
Share of results of associates	–	–	295,915	183,856	–	–	479,771
Segment profit before income tax	1,736,550	908,223	623,612	1,096,331	927,311	(40,303)	5,251,724



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 4. COMMISSION AND FEE INCOME

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Securities and futures broking fee income	3,083,600	3,438,879
Underwriting and sponsors fee income	751,004	1,827,800
Asset management fee income (including fund management fee income)	871,475	959,640
Financial advisory and consultancy fee income	197,368	188,618
Others	38,309	47,126
	<b>4,941,756</b>	6,462,063

The major business types of commission and fee income from customers are as follows:

#### (1) Brokerage

The Group provides broking, dealing and handling services for securities and futures. Commission income is recognised at a point in time on the execution date of the trades at a certain percentage of the transaction value of the trades executed.

#### (2) Investment Banking

The Group provides placing, underwriting or sub-underwriting services to customers for their fund raising activities in equity and debt capital markets, and also structured products arrangement services. Revenue is recognised at a point in time when the relevant placing, underwriting, sub-underwriting or structured products arrangement activities are completed. The Group also provides sponsoring services to clients for their fund raising activities and corporate advisory services to corporate clients for their corporate actions. The Group considers that all the services promised in a particular contract of being a sponsor or corporate advisor are interdependent and interrelated and should therefore be accounted for as a single performance obligation.

#### (3) Asset management

The Group provides asset management and investment advisory services on diversified and comprehensive investment products to customers. The customers simultaneously receive and consumes the benefit provided by the Group, hence the revenue is recognised as a performance obligation satisfied over time. Asset management fee income is charged at a fixed percentage per month of the net asset value of the managed accounts under management of the Group. The Group is also entitled to a performance fee when there is a positive performance for the relevant performance period and it is recognised at the end of the relevant performance period, when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and when the uncertainty associated with the variable consideration is subsequently resolved.

As at 30 June 2024, the Group's most contracts with customers have original expected duration of less than one year.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 5. INTEREST INCOME

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Interest income from receivables arising from sale and leaseback arrangements	2,528,571	2,831,408
Interest income from advances to customers on margin financing	1,821,577	2,116,168
Bank interest income	1,872,960	1,977,917
Interest income from debt instruments at fair value through other comprehensive income and amortised cost	882,593	987,267
Interest income from financial assets held under resale agreements	719,700	931,069
Interest income from loans and receivable	326,271	469,824
Other interest income	36,328	6,876
	<b>8,188,000</b>	9,320,529
Finance lease income	<b>765,501</b>	781,925

### 6. INVESTMENT INCOME AND GAINS (NET)

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Net realised gains arising from financial assets/liabilities at fair value through profit or loss	1,714,585	3,031,855
Net gains arising from debt instruments at fair value through other comprehensive income	194,261	135,550
Dividend income from equity instruments at fair value through other comprehensive income	333,353	67,285
Fair value change of financial instruments at fair value through profit or loss	(470,978)	48,517
Others	19,818	3,635
	<b>1,791,039</b>	3,286,842

### 7. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Income from commodity trading	816,224	4,577,360
Government grants	490,529	729,330
Service fee income from finance lease	127,555	383,249
Rental income from operating lease	302,345	281,513
Rental income from investment properties	7,096	33,190
Foreign exchange losses	(65,963)	(205,420)
Others	228,778	376,847
	<b>1,906,564</b>	6,176,069

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 8. COMMISSION AND FEE EXPENSES

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Securities and futures broking expenses	1,316,870	1,378,266
Commission expenses	76,052	88,687
Services expenses for underwriting, financial advisory and others	44,624	54,541
	<b>1,437,546</b>	1,521,494

### 9. INTEREST EXPENSES

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Interest expenses for:		
– Borrowings	1,631,464	2,088,013
– Deposit taken from banks and other financial institutes	82,587	92,575
– Financial assets sold under repurchase agreements	1,307,753	1,406,250
– Accounts payable to brokerage clients	237,161	305,090
– Advances from China Securities Finance Corporation Ltd. (“CSFC”)	178,342	172,695
– Bonds payables and short-term financing bills payable	3,375,099	3,513,367
– Lease liabilities	20,752	23,633
– Others	349,539	316,428
	<b>7,182,697</b>	7,918,051

### 10. DEPRECIATION AND AMORTISATION

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Depreciation of property and equipment	514,105	489,477
Depreciation for right-of-use assets	210,009	208,855
Depreciation of investment properties	39,246	29,791
Amortisation of other intangible assets	123,103	111,086
	<b>886,463</b>	839,209

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 11. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
ECL in respect of:		
– Finance lease receivables	226,706	145,668
– Receivables arising from sale and leaseback arrangements	277,186	459,552
– Advances to customers on margin financing	109,944	287,492
– Financial assets held under resale agreements	56,474	54,392
– Other loans and receivables	93,103	235,336
– Debt instruments at amortised cost	(7,335)	7,283
– Debt instruments at fair value through other comprehensive income	16,506	(40,469)
– Loans and advances	(3,606)	(362)
– Other financial assets and other items	101,148	54,932
	<b>870,126</b>	<b>1,203,824</b>

### 12. OTHER EXPENSES

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Cost of commodity trading	810,890	4,565,500
Administrative expenses	1,209,272	1,368,570
Taxes and surcharges	115,478	129,064
Others	49,520	48,872
	<b>2,185,160</b>	<b>6,112,006</b>

### 13. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Current tax	369,622	1,101,737
Deferred tax	306,730	225,255
	<b>676,352</b>	<b>1,326,992</b>

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate is 25% from 1 January 2008.

The subsidiaries of the Group operated in Hong Kong are subject to Hong Kong Profits Tax, which is calculated at 16.5% on the estimated assessable profits arising in Hong Kong.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 13. INCOME TAX EXPENSE (continued)

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti-Base Erosion Proposal, or "GloBE"). According to the Pillar Two model rules, low-tax jurisdictions with effective tax rate below 15% may have a Top-up Tax impact. Some of jurisdictions where the Group's overseas operating institutions are located, had implemented Pillar Two legislation during the reporting period, the legislation in the aforementioned jurisdictions do not have a material impact on the financial position and financial performance of the Group for the six months ended 30 June 2024.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

### 14. EARNINGS PER SHARE

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Earnings for the purpose of basic earnings per share:		
Profit for the period attributable to shareholders of the Company	953,097	3,829,635
Earnings for the purpose of diluted earnings per share	953,097	3,829,635
Number of shares for basic and diluted earnings per share:		
Number of shares in issue (in thousand)	13,064,200	13,064,200
Effect of treasury stock	(60,906)	–
Weighted average number of ordinary shares in issue	13,003,294	13,064,200
Basic earnings per share (expressed in RMB per share)	0.07	0.29
Diluted earnings per share (expressed in RMB per share)	0.07	0.29

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 15. PROPERTY AND EQUIPMENT

	Land and buildings	Leasehold improvements	Electronic equipment	Transportation equipment	Furniture, fixtures and equipment	Construction in progress	Total
(Unaudited)							
<b>Cost</b>							
As at 1 January 2024	11,565,483	1,096,653	2,091,402	6,874,074	327,662	211,784	22,167,058
Additions during the period	48,863	22,377	45,812	3,643	3,638	75,002	199,335
Disposals during the period	-	(41,282)	(46,152)	(7,069)	(24,538)	-	(119,041)
Transfer during the period	-	23,416	1,732	-	957	(26,105)	-
Exchange difference	3,262	(2,091)	(752)	41,878	(975)	-	41,322
As at 30 June 2024	11,617,608	1,099,073	2,092,042	6,912,526	306,744	260,681	22,288,674
<b>Accumulated depreciation</b>							
As at 1 January 2024	1,547,476	800,349	1,407,694	1,474,652	206,590	-	5,436,761
Provided for the period	159,010	57,562	143,455	138,149	15,929	-	514,105
Eliminated on disposals	-	(31,409)	(43,531)	(6,739)	(23,493)	-	(105,172)
Exchange difference	592	(2,015)	(527)	8,768	(965)	-	5,853
As at 30 June 2024	1,707,078	824,487	1,507,091	1,614,830	198,061	-	5,851,547
<b>Allowance for impairment losses</b>							
As at 1 January 2024	30,382	-	4,490	51,391	708	-	86,971
Exchange differences	-	-	32	320	5	-	357
As at 30 June 2024	30,382	-	4,522	51,711	713	-	87,328
<b>Carrying amount</b>							
As at 30 June 2024 (Unaudited)	9,880,148	274,586	580,429	5,245,985	107,970	260,681	16,349,799
As at 31 December 2023 (Audited)	9,987,625	296,304	679,218	5,348,031	120,364	211,784	16,643,326

Transportation equipment of the Group includes aircraft held for operating lease businesses, as at 30 June 2024, the net carrying amounts of aircraft amounts to RMB5,074,624 thousand (31 December 2023: RMB5,156,559 thousand).

As at 30 June 2024, buildings amounted to RMB26,459 thousand were yet to obtain the relevant land and building certificates (31 December 2023: RMB27,059 thousand).

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### Right-of-use assets

	Leasehold land and buildings	Electronic equipment	Transportation equipment	Others	Total
(Unaudited)					
<b>Cost</b>					
As at 1 January 2024	2,894,689	804	2,180	2,187	2,899,860
Additions during the period	115,531	289	64	1,072	116,956
Decreases during the period	(182,009)	–	(133)	(1,239)	(183,381)
Exchange difference	(4,532)	(21)	(54)	44	(4,563)
As at 30 June 2024	2,823,679	1,072	2,057	2,064	2,828,872
<b>Accumulated depreciation</b>					
As at 1 January 2024	1,133,301	573	1,180	1,639	1,136,693
Provided for the period	209,442	87	240	240	210,009
Decreases during the period	(170,533)	–	(130)	(1,239)	(171,902)
Exchange difference	(2,950)	(15)	(31)	21	(2,975)
As at 30 June 2024	1,169,260	645	1,259	661	1,171,825
<b>Carrying amount</b>					
As at 30 June 2024 (Unaudited)	1,654,419	427	798	1,403	1,657,047
As at 31 December 2023 (Audited)	1,761,388	231	1,000	548	1,763,167

#### Lease liabilities

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Within 1 year	293,551	319,896
1 to 2 years	165,047	220,130
2 to 5 years	351,351	355,289
More than 5 years	193,337	201,850
	1,003,286	1,097,165
Amount due for settlement with 12 months shown under current liabilities	293,551	319,896
Amount due for settlement after 12 months shown under non-current liabilities	709,735	777,269

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

#### *Lease liabilities (continued)*

The Group leases various land and buildings, electronic equipment, transportation equipment and others for its operations. Most lease contracts are entered into for terms from 1 year to 40 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

For the period ended 30 June 2024, total cash outflow for leases amounts to RMB239,747 thousand (For the period ended 30 June 2023: RMB227,310 thousand).

For the period ended 30 June 2024, interest expenses for lease liabilities amounts to RMB20,752 thousand (For the period ended 30 June 2023: RMB23,633 thousand).

As at 30 June 2024, the lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

As at 30 June 2024, the Group did not enter into any significant lease that is not yet commenced.

### 17. INVESTMENT PROPERTIES

	Buildings
<b>Cost</b>	
As at 1 January 2024	2,773,328
Disposal during the period	(106,048)
Exchange difference	13,099
As at 30 June 2024	2,680,379
<b>Accumulated depreciation</b>	
As at 1 January 2024	132,334
Provided for the period	39,246
Decreases during the period	(4,768)
Exchange difference	2,091
As at 30 June 2024	168,903
<b>Allowance for impairment losses</b>	
As at 1 January 2024	5,153
Provided for the period	3,742
As at 30 June 2024	8,895
<b>Carrying amount</b>	
As at 30 June 2024 (Unaudited)	2,502,581
As at 31 December 2023 (Audited)	2,635,841

The fair values of the Group's investment properties as at 30 June 2024 were RMB2,714,092 thousand (31 December 2023, RMB3,315,687 thousand). The fair values have been determined by reference to recent market prices for similar properties in the same or similar locations and conditions.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 18. GOODWILL

	31 December 2023 (Audited)	Exchange adjustments	30 June 2024 (Unaudited)
Haitong Futures Co., Ltd.	5,896	–	5,896
Haitong International Securities Group Limited	711,365	5,071	716,436
Haitong UT Capital Group Co., Ltd.	2,289,746	–	2,289,746
Haitong International Holdings (UK) Limited	133,979	955	134,934
Haitong Bank, S.A.	1,056,968	7,534	1,064,502
Haitong International Financial Services (Singapore) Pte. Ltd.	5,006	36	5,042
	4,202,960	13,596	4,216,556
Less: impairment losses			
Haitong Bank, S.A.	(453,110)	(3,230)	(456,340)
Haitong International Securities Group Limited	(142,276)	(1,014)	(143,290)
Haitong International Holdings (UK) Limited	(133,979)	(955)	(134,934)
Haitong International Financial Services (Singapore) Pte. Ltd.	(5,006)	(36)	(5,042)
	3,468,589	8,361	3,476,950

### 19. OTHER INTANGIBLE ASSETS

	Trading rights	Computer software	Others	Construction in progress	Total
(Unaudited)					
<b>Cost</b>					
As at 1 January 2024	222,717	2,211,996	105,238	28,191	2,568,142
Additions during the period	–	74,784	4,254	5,017	84,055
Disposals during the period	–	(9,755)	–	–	(9,755)
Transfer during the period	–	5,349	–	(5,349)	–
Exchange difference	50	(2,472)	192	(893)	(3,123)
As at 30 June 2024	222,767	2,279,902	109,684	26,966	2,639,319
<b>Accumulated amortisation</b>					
As at 1 January 2024	115,401	1,672,733	88,563	–	1,876,697
Provided for the period	–	122,256	847	–	123,103
Eliminated on disposals	–	(7,559)	–	–	(7,559)
Exchange difference	–	(2,327)	235	–	(2,092)
As at 30 June 2024	115,401	1,785,103	89,645	–	1,990,149
<b>Carrying amount</b>					
As at 30 June 2024 (Unaudited)	107,366	494,799	20,039	26,966	649,170
As at 31 December 2023 (Audited)	107,316	539,263	16,675	28,191	691,445

Trading rights mainly comprise the trading rights in the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Hong Kong Exchanges and Clearing Limited and the Hong Kong Futures Exchange Limited which allow the Group to trade securities and futures contracts on or through these exchanges. The Group treats trading rights as intangible assets with infinite useful lives.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 20. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
Cost of unlisted investments in associates	<b>5,060,730</b>	5,203,865
Share of post-acquisition profits and other comprehensive income, net of dividends received	<b>2,499,842</b>	2,911,761
<b>Total</b>	<b>7,560,572</b>	8,115,626

Details of investments accounted for using equity method:

Fullgoal Fund Management Co., Ltd., as a major associate of the Group, is primarily engaged in provision of fund management and fund trading distribution services, and is accounted for using the equity method. The Group holds 27.775% of the shares in Fullgoal Fund Management Co., Ltd. The financial information is as follows:

	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
Total assets	<b>13,368,999</b>	13,770,413
Total liabilities	<b>5,161,075</b>	5,246,417
<b>Net assets</b>	<b>8,207,924</b>	8,523,996

	<b>Six months ended 30 June 2024 (Unaudited)</b>	Six months ended 30 June 2023 (Unaudited)
Revenue for the period	<b>2,918,321</b>	3,648,084
Profit for the period	<b>773,517</b>	1,065,400
Comprehensive income	<b>775,928</b>	1,076,152

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 21. FINANCE LEASE RECEIVABLES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Minimum finance lease receivables		
– Within one year	9,362,733	10,513,721
– In the second year	5,586,615	5,835,744
– In the third year	2,782,824	3,275,980
– In the fourth year	1,287,029	1,513,911
– In the fifth year	712,530	779,672
– After five years	1,720,380	1,967,554
Gross amount of finance lease receivables	21,452,111	23,886,582
Less: Unearned finance lease income	(2,746,505)	(3,077,166)
Present value of minimum finance lease receivables	18,705,606	20,809,416
Less: Allowance for ECL	(831,523)	(916,971)
Carrying amount of finance lease receivables	17,874,083	19,892,445
Present value of minimum finance lease receivables		
– Within one year	8,139,993	9,131,659
– In the second year	4,842,670	5,037,427
– In the third year	2,408,637	2,844,894
– In the fourth year	1,136,548	1,325,698
– In the fifth year	633,930	694,776
– After five years	1,543,828	1,774,962
Total	18,705,606	20,809,416
Analysed for reporting purpose as:		
Current assets	7,716,322	8,644,405
Non-current assets	10,157,761	11,248,040
Total	17,874,083	19,892,445

The Group entered into finance lease arrangements with leased assets for machinery equipment of transportation and logistics, advanced manufacturing industries, etc. Substantially all finance leases of the Group are denominated in RMB. The terms of finance leases entered into range from one to twelve years.

As at 30 June 2024, the Group's finance lease receivables pledged as collateral for the Group's bank borrowings amounted to RMB308,465 thousand (31 December 2023: RMB618,676 thousand).

The floating interest rates of finance lease receivables were with reference to the Loan Prime Rate ("LPR") and were adjusted periodically.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

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### 21. FINANCE LEASE RECEIVABLES (continued)

#### *Movement of allowance for ECL*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	<b>358,787</b>	<b>380,220</b>	<b>177,964</b>	<b>916,971</b>
Changes in the loss allowance:				
– ECL (reversed)/recognised	(78,431)	145,965	159,172	226,706
– Write-offs	–	–	(268,063)	(268,063)
– Transfer between stages	53,796	(140,374)	86,578	–
– Recovery of finance lease receivables previously written off	–	–	59,791	59,791
– Other derecognition	–	–	(103,882)	(103,882)
<b>As at 30 June 2024</b>	<b>334,152</b>	<b>385,811</b>	<b>111,560</b>	<b>831,523</b>

#### *Analysis of present value of minimum finance lease receivables*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>17,245,529</b>	<b>1,305,859</b>	<b>154,218</b>	<b>18,705,606</b>
<b>As at 31 December 2023 (Audited)</b>	19,138,399	1,394,427	276,590	20,809,416

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### 22. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS

The table below illustrates the gross and net amounts of receivables arising from sale and leaseback arrangements.

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
– Within one year	41,663,144	43,518,245
– In the second year	23,607,944	26,126,129
– In the third year	11,379,515	12,174,279
– In the fourth year	2,963,947	4,641,182
– In the fifth year	1,077,929	1,329,793
– After five years	1,265,726	1,076,326
Gross amount of receivables arising from sale and leaseback arrangements	81,958,205	88,865,954
Less: Interest adjustment	(6,761,329)	(7,475,895)
Present value of receivables arising from sale and leaseback arrangements	75,196,876	81,390,059
Less: Allowance for ECL	(2,095,115)	(1,873,554)
Carrying amount of receivables arising from sale and leaseback arrangements	73,101,761	79,516,505
Present value of receivables arising from sale and leaseback arrangements:		
– Within one year	38,226,048	39,882,354
– In the second year	21,660,353	23,924,378
– In the third year	10,440,736	11,143,670
– In the fourth year	2,719,429	4,245,686
– In the fifth year	989,003	1,214,360
– After five years	1,161,307	979,611
Total	75,196,876	81,390,059
Analysed as:		
Current assets	37,017,928	38,923,317
Non-current assets	36,083,833	40,593,188
Total	73,101,761	79,516,505

As at 30 June 2024, the Group's receivables arising from sale and leaseback arrangements pledged as collateral for the Group's bank borrowings amounted to RMB813,180 thousand (31 December 2023: RMB1,420,613 thousand).

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 22. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (continued)

#### Movement of allowance for ECL

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	<b>1,003,945</b>	<b>658,069</b>	<b>211,540</b>	<b>1,873,554</b>
Changes in the loss allowance:				
– ECL (reversed)/recognised	(77,346)	188,504	166,028	277,186
– Write-offs	–	–	(47,302)	(47,302)
– Transfer between stages	129,622	(133,550)	3,928	–
– Recovery of receivable arising from sale and leaseback arrangements previously written off	–	–	2,191	2,191
– Other derecognition	–	–	(10,516)	(10,516)
– Exchange difference and others	2	–	–	2
<b>As at 30 June 2024</b>	<b>1,056,223</b>	<b>713,023</b>	<b>325,869</b>	<b>2,095,115</b>

#### Analysis of present value of receivables arising from sale and leaseback arrangements

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>71,701,979</b>	<b>2,944,140</b>	<b>550,757</b>	<b>75,196,876</b>
<b>As at 31 December 2023 (Audited)</b>	77,943,627	2,953,792	492,640	81,390,059

### 23. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Other equity investments (Note i)	10,416,426	8,010,844
Analysed as:		
– Listed	9,572,231	7,107,446
– Unlisted	844,195	903,398
	<b>10,416,426</b>	<b>8,010,844</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 23. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Notes:

- (i) As at 30 June 2024, equity instruments at fair value through other comprehensive income (“FVTOCI”) include common stocks and non-traded equity instruments held by the Group. The equity instruments are not held for trading purpose, the Group has designated these investments as equity instruments at FVTOCI.

As a result of the change of investment strategies, the Group disposed certain equity instrument at FVTOCI, and the corresponding losses of RMB157,896 thousand (for the period ended 30 June 2023: corresponding losses of RMB34,235 thousand) was reclassified from revaluation reserve to retained earnings.

- (ii) As at 30 June 2024, equity instruments at FVTOCI of RMB1,244,426 thousand were collateralized for securities lending (31 December 2023: RMB1,204,014 thousand were collateralized for securities lending and refinancing).

The dividend income from equity instruments at FVTOCI was disclosed in Note 6.

### 24. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Unlisted debt securities	21,857,669	28,389,099
Listed debt securities	35,355,578	32,921,648
	<b>57,213,247</b>	61,310,747
Analysed for reporting purpose as:		
Current assets	3,279,794	8,634,537
Non-current assets	53,933,453	52,676,210
	<b>57,213,247</b>	61,310,747
ECL	<b>(145,795)</b>	(134,660)

As at 30 June 2024, debt instruments at fair value through other comprehensive income of RMB43,387 million (31 December 2023: RMB48,325 million) were collateralized for repurchase agreements, securities lending, refinancing, derivatives contracts and refinancing with Bank of Portugal.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 24. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

#### Movement of allowance for ECL

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	<b>69,370</b>	<b>47,710</b>	<b>17,580</b>	<b>134,660</b>
Changes in the loss allowance:				
– ECL recognised/(reversed)	23,534	(3,989)	(3,039)	16,506
– Transfer between stages	(157)	157	–	–
– Exchange difference and others	(2,543)	8	(2,836)	(5,371)
<b>As at 30 June 2024</b>	<b>90,204</b>	<b>43,886</b>	<b>11,705</b>	<b>145,795</b>

The table below shows the credit risk exposures of the Group's debt instruments at fair value through other comprehensive income, which are subject to ECL assessment:

#### Gross carrying amount

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>54,786,685</b>	<b>1,489,987</b>	<b>39,410</b>	<b>56,316,082</b>
<b>As at 31 December 2023 (Audited)</b>	58,922,530	1,983,749	42,567	60,948,846

### 25. DEBT INSTRUMENTS MEASURED AT AMORTISED COST

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Debt instruments	4,738,072	6,832,530
Less: Allowance for ECL	(25,078)	(34,750)
	<b>4,712,994</b>	6,797,780
Analysed for reporting purpose as:		
Current assets	1,183,043	1,762,587
Non-current assets	3,529,951	5,035,193
	<b>4,712,994</b>	6,797,780

As at 30 June 2024, debt instruments measured at amortised cost of RMB3,066 million (31 December 2023: RMB4,954 million) were mainly pledged to repurchase arrangements and refinancing with Bank of Portugal.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 25. DEBT INSTRUMENTS MEASURED AT AMORTISED COST (continued)

#### Movement of allowance for ECL:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	<b>23,376</b>	<b>255</b>	<b>11,119</b>	<b>34,750</b>
Changes in the loss allowance:				
– ECL reversed	(5,462)	(255)	(1,618)	(7,335)
– Exchange difference and others	(1,280)	–	(1,057)	(2,337)
<b>As at 30 June 2024</b>	<b>16,634</b>	<b>–</b>	<b>8,444</b>	<b>25,078</b>

The table below shows the credit risk exposures of the Group's debt instruments measured at amortised cost, which are subject to ECL assessment:

#### Gross carrying amount:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>4,720,145</b>	<b>–</b>	<b>17,927</b>	<b>4,738,072</b>
<b>As at 31 December 2023 (Audited)</b>	<b>6,745,086</b>	<b>66,139</b>	<b>21,305</b>	<b>6,832,530</b>

### 26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Debt securities	113,792,720	124,194,489
Equity securities	23,848,589	35,718,418
Funds	60,908,007	49,115,360
Others	12,848,969	12,244,823
	<b>211,398,285</b>	<b>221,273,090</b>
Analysed for reporting purpose as:		
Current assets	185,190,483	196,506,316
Non-current assets	26,207,802	24,766,774
	<b>211,398,285</b>	<b>221,273,090</b>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes:

- (i) As at 30 June 2024, financial assets at fair value through profit or loss of RMB46,243 million (31 December 2023: RMB64,197 million) were collateralized for repurchase arrangements, refinancing, securities lending and derivatives contracts.
- (ii) The restricted financial assets at fair value through profit or loss with a legally enforceable restriction that prevents the Group to dispose of within a specified period amounted to approximately RMB1,486 million as at 30 June 2024 (31 December 2023: RMB3,494 million). The fair value of these financial assets has considered the relevant features such including selling restrictions.
- (iii) For financial assets in connection with structured products with remaining maturities over one year, they are classified as non-current assets as they are not expected to be settled within one year.

### 27. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Analysed by collateral type:		
Stock (Note)	22,903,248	26,409,870
Bonds	10,653,048	11,036,664
Less: Allowance for ECL	(719,776)	(663,302)
	<b>32,836,520</b>	36,783,232
Analysed by market:		
Stock Exchange	28,486,241	33,210,608
Inter-bank market	5,070,055	4,235,926
Less: Allowance for ECL	(719,776)	(663,302)
	<b>32,836,520</b>	36,783,232
Analysed for reporting purpose as:		
Current assets	32,029,721	34,769,832
Non-current assets	806,799	2,013,400
	<b>32,836,520</b>	36,783,232

Note:

The financial assets (pledged by stock) held under resale agreements are those resale agreements which qualified investors entered into with the Group with a commitment to purchase the specified securities at a future date with an agreed price. As at 30 June 2024, for the Group, the gross carrying amount of these agreements within one year was RMB22,096,035 thousand (31 December 2023: RMB24,384,883 thousand), the gross carrying amount of these agreements over one year was RMB807,213 thousand (31 December 2023: RMB2,024,987 thousand);

As at 30 June 2024, the fair value of the collateral was RMB69,363,164 thousand (31 December 2023: RMB83,560,426 thousand).

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### 27. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS (continued)

#### Movement of allowance for ECL:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	<b>11,418</b>	<b>21,982</b>	<b>629,902</b>	<b>663,302</b>
Changes in the loss allowance:				
– ECL (reversed)/recognised	(4,815)	(6,689)	67,978	56,474
– Transfer between stages	2,912	(4,170)	1,258	–
<b>As at 30 June 2024</b>	<b>9,515</b>	<b>11,123</b>	<b>699,138</b>	<b>719,776</b>

The table below shows the credit risk exposures of the Group's financial assets held under resale agreements, which are subject to ECL assessment:

#### Gross carrying amount:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>28,902,177</b>	<b>2,820,581</b>	<b>1,833,538</b>	<b>33,556,296</b>
<b>As at 31 December 2023 (Audited)</b>	31,431,856	4,109,439	1,905,239	37,446,534

### 28. OTHER LOANS AND RECEIVABLES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Entrusted loans and others	384,141	425,919
Other loans and receivables	6,242,537	6,100,873
Gross carrying amount	6,626,678	6,526,792
Less: Allowance for ECL	(1,328,334)	(1,236,560)
	<b>5,298,344</b>	5,290,232
Analysed for reporting purpose as:		
Current assets	5,176,240	4,742,213
Non-current assets	122,104	548,019
	<b>5,298,344</b>	5,290,232

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### 28. OTHER LOANS AND RECEIVABLES (continued)

#### *Movement of allowance for ECL:*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	1,670	–	1,234,890	1,236,560
Changes in the loss allowance:				
– ECL (reversed)/recognised	(1,074)	–	94,177	93,103
– Exchange difference and others	8	–	(1,337)	(1,329)
<b>As at 30 June 2024</b>	604	–	1,327,730	1,328,334

The table below shows the credit risk exposures of the Group's other loans and receivables, which are subject to ECL assessment:

#### *Gross carrying amount:*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	1,055,517	–	5,571,161	6,626,678
<b>As at 31 December 2023 (Audited)</b>	1,015,897	–	5,510,895	6,526,792

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### 29. LOANS AND ADVANCES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Loans and advances	5,671,468	5,675,516
Less: Allowance for ECL	(53,964)	(59,856)
	<b>5,617,504</b>	5,615,660
Analysed for reporting purpose as:		
Current assets	511,385	460,278
Non-current assets	5,106,119	5,155,382
	<b>5,617,504</b>	5,615,660

#### Movement of ECL for loans and advances:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	22,689	5,926	31,241	59,856
Changes in the loss allowance:				
– ECL reversed	(2,864)	(9)	(733)	(3,606)
– Exchange difference and others	(574)	(230)	(1,482)	(2,286)
<b>As at 30 June 2024</b>	<b>19,251</b>	<b>5,687</b>	<b>29,026</b>	<b>53,964</b>

The table below shows the credit risk exposures of the Group's loans and advances, which are subject to ECL assessment:

#### Gross carrying amount:

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>5,227,680</b>	<b>383,033</b>	<b>60,755</b>	<b>5,671,468</b>
<b>As at 31 December 2023 (Audited)</b>	5,205,801	405,303	64,412	5,675,516

### 30. DEFERRED TAXATION

For the purpose of presentation in the Group's condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Deferred tax assets	3,302,174	4,187,114
Deferred tax liabilities	(546,508)	(835,048)
	<b>2,755,666</b>	3,352,066

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### 30. DEFERRED TAXATION (continued)

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

	Financial assets/ liabilities at fair value through profit or loss	Accelerated depreciation	Derivative financial instruments	Accrued but not paid expenses	Debt instrument at fair value through other comprehensive income	Equity instrument at fair value through other comprehensive income	Impairment losses	Tax losses and others	Total
(Audited)									
<b>As at 1 January 2023</b>	(1,040,446)	(86,647)	211,089	1,066,445	30,323	187,693	3,052,493	381,271	3,802,221
(Charge)/Credit to profit or loss	(18,485)	(506)	(233,865)	(493,362)	-	-	123,660	241,719	(380,839)
(Charge)/Credit to other comprehensive income	-	-	(19,299)	-	(124,646)	82,004	-	-	(61,941)
Effects of exchange rate and other change	(18)	(1,397)	352	592	1,884	(78,127)	3,056	66,283	(7,375)
<b>As at 31 December 2023</b>	(1,058,949)	(88,550)	(41,723)	573,675	(92,439)	191,570	3,179,209	689,273	3,352,066
(Unaudited)									
Credit/(Charge) to profit or loss	91,730	(6,110)	(145,920)	(115,599)	3,892	-	(201,442)	66,719	(306,730)
Charge to other comprehensive income	-	-	(6,168)	-	(135,387)	(44,825)	-	-	(186,380)
Effects of exchange rate and other change	(28)	(574)	(305)	301	(456)	(52,631)	945	(50,542)	(103,290)
<b>As at 30 June 2024</b>	(967,247)	(95,234)	(194,116)	458,377	(224,390)	94,114	2,978,712	705,450	2,755,666

At the end of the reporting period, no deferred tax liabilities have been recognised in respect of the temporary differences associated with undistributed earnings of subsidiaries because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 31. DEPOSITS WITH EXCHANGES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Deposits with stock exchanges		
– Shanghai Stock Exchange	413,961	440,626
– Shenzhen Stock Exchange	285,037	236,397
– National Equities Exchange and Quotations	3,866	2,345
– Stock Exchange of Hong Kong Limited	1,725	1,713
Subtotal	704,589	681,081
Deposits with futures and commodity exchanges		
– China Financial Futures Exchange	12,112,581	15,713,179
– Shanghai Futures Exchange	3,786,636	2,596,292
– Dalian Commodity Exchange	1,812,133	2,107,484
– Zhengzhou Commodity Exchange	1,042,767	1,200,790
– Shanghai Gold Exchange	6,510	7,074
– HKFE Clearing Corporation Limited	10,382	12,989
– Collateral deposits placed with other stock exchange and brokers	768,172	551,383
Subtotal	19,539,181	22,189,191
Trading rights and other deposits		
– Deposit with CSFC	282,943	358,195
– Deposit with Shanghai Clearing House	154,006	145,014
– Guarantee fund paid to Hong Kong Securities Clearing Company Ltd.	104,364	94,630
– Guarantee fund paid to Shanghai Stock Exchange	22,159	99,181
– Guarantee fund paid to Shenzhen Stock Exchange	23,999	21,795
– Guarantee fund paid to the Stock Exchange of Hong Kong Options Clearing House Ltd.	3,843	4,492
– Guarantee fund paid to Beijing Stock Exchange	390	200
– Others	27,032	50,043
Subtotal	618,736	773,550
Total	20,862,506	23,643,822
Analysed for reporting purpose as:		
Current assets	20,731,501	23,480,478
Non-current assets	131,005	163,344
	20,862,506	23,643,822

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### 32. BANK BALANCES AND CASH

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
General accounts	61,106,349	50,960,039
Cash held on behalf of clients (Note i)	80,750,247	87,407,094
	<b>141,856,596</b>	138,367,133
Less: non-current restricted bank deposits (Note ii)	<b>(2,052,034)</b>	(1,980,005)
	<b>139,804,562</b>	136,387,128

Bank balances and cash comprise of cash on hand and deposits which bear interest at the prevailing market rates.

Notes:

- (i) The Group received and held cash deposited by clients in the course of the conduct of the regulated activities. The Group has recognised the corresponding amount in accounts payable to brokerage clients (Note 44). The Group did not have a legally enforceable right to offset these payables and clients' deposits.
- (ii) The non-current restricted bank deposits include risk reserves and margin deposits over one year.

### 33. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Bank balances and cash – general account (excluding accrued interest)	60,995,674	50,870,676
Less: Restricted bank deposits (i)	<b>(2,790,900)</b>	(3,132,033)
Deposits with other banks (excluding accrued interest)	109,983	126,069
Deposits with central banks other than legal reserve	5,371,185	4,236,630
Clearing settlement funds – House accounts	5,541,330	5,440,284
	<b>69,227,272</b>	57,541,626

- (i) The restrictive deposits are special account deposits for risk reserves, margin deposits of notes payable and aircraft maintenance funds.

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### 34. OTHER NON-CURRENT ASSETS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Long-term receivables from government cooperation projects	1,470,717	1,460,794
Repossession of finance lease assets	56,709	57,374
Foreclosed assets	38,851	42,563
Others	825,018	861,712
	<b>2,391,295</b>	2,422,443

### 35. ADVANCES TO CUSTOMERS ON MARGIN FINANCING

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Loans to margin clients (Note)	67,531,945	71,880,338
Less: Allowance for ECL	<b>(3,587,849)</b>	(3,462,130)
	<b>63,944,096</b>	68,418,208
Analysed for reporting purpose as:		
Current assets	<b>63,944,096</b>	68,418,208

Note:

The credit facility limits for margin clients are determined by the discounted market value of the collateral securities accepted by the Group.

The majority of the loans to margin clients, which are secured by the underlying pledged securities, are interest bearing. The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio. Any excess in the lending ratio will trigger a margin call which the customers have to make up the shortfall.

Loans to margin clients as at 30 June 2024 were secured by the customers' securities to the Group as collateral with undiscounted market value of approximately RMB171,809,026 thousand (31 December 2023: RMB211,658,319 thousand).

As at 30 June 2024, cash collateral received from clients for securities lending and margin financing arrangement, included in the Group's accounts payable to brokerage clients amounted to approximately RMB4,694,502 thousand (31 December 2023: RMB6,816,255 thousand).

The directors of the Company are of the opinion that the aging analysis does not give additional value in view of the nature of the business. As a result, no aging analysis is disclosed. The Group determines the allowance for impaired debts based on the evaluation of collectability and management's judgment including the assessment of change in credit quality, collateral and the past collection history of each client. The concentration of credit risk is limited due to the customer base being large and unrelated.



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### 35. ADVANCES TO CUSTOMERS ON MARGIN FINANCING (continued)

*Movements of ECL for advances to customers on margin financing.*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
(Unaudited)				
<b>As at 1 January 2024</b>	34,620	16,480	3,411,030	3,462,130
Changes in the loss allowance:				
– ECL (reversed)/recognised	(2,866)	4,122	108,688	109,944
– Transfer between stages	(730)	(2,489)	3,219	–
– Exchange difference and others	36	49	15,690	15,775
<b>As at 30 June 2024</b>	<b>31,060</b>	<b>18,162</b>	<b>3,538,627</b>	<b>3,587,849</b>

The table below shows the credit risk exposures of the Group's advances to customers on margin financing, which are subject to ECL assessment:

#### *Gross carrying amount*

	12m ECL Stage 1	Lifetime ECL (not credit- impaired) Stage 2	Lifetime ECL (credit- impaired) Stage 3	Total
<b>As at 30 June 2024 (Unaudited)</b>	<b>52,290,165</b>	<b>8,237,075</b>	<b>7,004,705</b>	<b>67,531,945</b>
<b>As at 31 December 2023 (Audited)</b>	58,562,128	6,935,009	6,383,201	71,880,338

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### 36. ACCOUNTS RECEIVABLE

	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
Accounts receivable from:		
– Brokers, dealers and clearing house	<b>4,460,247</b>	3,395,834
– Cash clients	<b>934,043</b>	4,379,790
– Asset and fund management	<b>465,643</b>	502,724
– Advisory and financial planning	<b>177,902</b>	205,869
– Others	<b>2,772,768</b>	4,082,780
	<b>8,810,603</b>	12,566,997
Less: Allowance for ECL	<b>(490,501)</b>	(399,722)
	<b>8,320,102</b>	12,167,275

Aging analysis of accounts receivable from the trade date is as follows:

	<b>30 June 2024 (Unaudited)</b>	31 December 2023 (Audited)
Less than 3 months	<b>5,923,246</b>	9,811,009
3 to 6 months	<b>1,277,085</b>	1,009,842
6 to 12 months	<b>371,617</b>	549,875
More than 1 year	<b>748,154</b>	796,549
	<b>8,320,102</b>	12,167,275



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 37. DERIVATIVE INSTRUMENTS (continued)

Notes:

(i) Stock index futures contracts

Under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in stock index futures ("SIF") were settled daily and the corresponding payments or receipts were included in "clearing settlement funds". Accordingly, as at 30 June 2024, the net position of the SIF contracts in derivative instruments was nil at the end of reporting period. As at 30 June 2024, the contract value of the outstanding stock index futures contracts is RMB9,832,426 thousand (31 December 2023: RMB36,376,666 thousand), recognising net derivative liabilities of RMB34,400 thousand (31 December 2023: net derivative liabilities of RMB439,223 thousand) before settlement.

(ii) Treasury futures contracts

Under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in treasury futures ("TF") contracts were settled daily and the corresponding payments or receipts were included in "clearing settlement funds". Accordingly, as at 30 June 2024, the net position of the TF contracts in derivative instruments was nil at the end of reporting period (31 December 2023: nil).

	30 June 2024 (Unaudited)	
	Contractual value	Fair value
T2409	9,613,046	713
TF2409	9,082,153	11,298
TL2409	1,411,648	(11,391)
TS2409	21,626,565	(1,515)
<b>Total</b>	<b>41,733,412</b>	<b>(895)</b>
Plus: settlements		895
<b>Net position of TF contracts</b>		<b>-</b>

	31 December 2023 (Audited)	
	Contractual value	Fair value
T2403	7,502,908	(18,423)
TF2403	7,640,628	(5,860)
TS2403	17,500,335	(4,981)
TL2403	1,678,050	(1,133)
<b>Total</b>	<b>34,321,921</b>	<b>(30,397)</b>
Plus: settlements		30,397
<b>Net position of TF contracts</b>		<b>-</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 37. DERIVATIVE INSTRUMENTS (continued)

Notes: (continued)

#### (iii) Commodity futures contracts

Under the daily mark-to-market and settlement arrangement, any gains or losses of the Group's position in commodity futures were settled daily and the corresponding payments or receipts were included in "clearing settlement funds". Accordingly, as at 30 June 2024, the net position of the commodity futures contracts under the daily mark-to-market and settlement arrangement was nil (31 December 2023: nil).

	30 June 2024 (Unaudited)		31 December 2023 (Audited)	
	Contractual value	Fair value	Contractual value	Fair value
Total	5,528,323	38,816	10,224,376	8,302
Plus: settlement		(38,816)		(8,302)
Net position		–		–

#### (iv) Interest rate swap contracts

Under the daily mark-to-market and settlement arrangements, any gains or losses of the Group's position in interest rate swap ("IRS") contracts were settled daily in Shanghai Clearing House and the corresponding payments or receipts were included in "clearing settlement funds" as at 30 June 2024 and 31 December 2023. Accordingly, the net position of the IRS contracts in derivative instruments was nil at the end of reporting period.

For IRS contracts in mainland China and Hong Kong market not under the daily mark-to-market and settlement arrangement are presented gross at the end of reporting period.

	30 June 2024 (Unaudited)		
	Contractual value	Assets	Liabilities
IRS – settled in Shanghai Clearing House	236,540,000	1,007,801	1,054,668
IRS – non-centralised settlement	8,827,824	228,696	171,828
Total	245,367,824	1,236,497	1,226,496
Plus: settlements		(1,007,801)	(1,054,668)
Net position of IRS contracts		228,696	171,828

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 37. DERIVATIVE INSTRUMENTS (continued)

Notes: (continued)

(iv) Interest rate swap contracts (continued)

	31 December 2023 (Audited)		
	Contractual value	Assets	Liabilities
IRS – settled in Shanghai Clearing House	189,388,538	601,198	589,279
IRS – non-centralised settlement	1,605,687	245,196	205,162
<b>Total</b>	<b>190,994,225</b>	<b>846,394</b>	<b>794,441</b>
Plus: settlements		(601,198)	(589,279)
<b>Net position of IRS contracts</b>		<b>245,196</b>	<b>205,162</b>

(v) Options

As at 30 June 2024, the notional principal amounts of the Group's options purchased or written in Mainland China were approximately RMB50,433,933 thousand (31 December 2023: RMB134,651,609 thousand). The notional principal amounts of the Group's options purchased or written outside Mainland China were approximately RMB1,875,700 thousand (31 December 2023: RMB1,806,400 thousand).

### 38. OTHER CURRENT ASSETS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Prepayments	1,258,139	1,155,114
Dividend receivable	236,921	33,504
Inventories	664,637	143,609
Other receivables (Note i)	4,177,126	4,278,058
	<b>6,336,823</b>	5,610,285
Less: Allowance for ECL (Note ii)	(571,364)	(594,890)
	<b>5,765,459</b>	5,015,395

Notes:

- (i) The other receivables and prepayments include short-term rental deposits placed with landlords under operating leases, other prepaid expenses for daily operation and other receivable and prepayments items such as prepaid taxes. As at 30 June 2024, other receivables of RMB 618,610 thousand are government grants.
- (ii) Included in the impairment losses of the Group mainly represents a gross receivable of RMB429,994 thousand from an independent third party. In the opinion of the directors of the Company, the recoverability of the receivable is remote and a full provision was made in prior year.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 39. CLEARING SETTLEMENT FUNDS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Clearing settlement funds held with clearing houses for:		
House accounts	5,541,330	5,440,284
Customers	10,359,668	10,144,094
	<b>15,900,998</b>	15,584,378

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

### 40. DEPOSITS WITH CENTRAL BANKS AND OTHER BANKS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Deposits with central banks other than legal reserve	5,372,862	4,238,039
Legal reserve	26,231	14,161
	<b>5,399,093</b>	4,252,200
Deposits with other banks	95,272	111,445
Total	<b>5,494,365</b>	4,363,645

Deposits with central banks other than legal reserve is repayable on demand. Legal reserve deposits are non-interest bearing.

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### 41. BORROWINGS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Short-term borrowings:		
Secured borrowings (Note)	2,726,030	–
Unsecured borrowings	30,670,412	31,053,895
	<b>33,396,442</b>	31,053,895
Long-term borrowings:		
Secured borrowings (Note)	4,899,598	7,815,910
Unsecured borrowings	32,077,683	34,483,415
	<b>36,977,281</b>	42,299,325
<b>Total</b>	<b>70,373,723</b>	73,353,220
Current liabilities:		
Short-term borrowings	33,396,442	31,053,895
Long-term borrowings due within one year	18,192,495	17,888,503
	<b>51,588,937</b>	48,942,398
Non-current liabilities:		
Long-term borrowings	18,784,786	24,410,822
	<b>70,373,723</b>	73,353,220
Analysis by maturity:		
Less than 1 year	51,588,937	48,942,398
1 to 2 years	12,615,050	17,594,814
2 to 5 years	5,358,474	5,837,069
More than 5 years	811,262	978,939
	<b>70,373,723</b>	73,353,220

Note:

As at 30 June 2024, borrowings of RMB2,667 million are secured by 70% shares of Haitong International Securities Group Limited held by the Group. As at 31 December 2023, borrowings of RMB1,778 million are secured by the shares of Haitong Bank, S.A. held by the Group.



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### 41. BORROWINGS (continued)

Note: (continued)

As at 30 June 2024, borrowings of HKD64 million (RMB59 million) (31 December 2023: nil) were secured by collaterals (listed shares) acquired against the advances to customers on margin financing with the consent of the customers. The fair value of the secured collaterals is HKD1,344 million (RMB1,227 million).

As at 30 June 2024, borrowings of RMB4,900 million (31 December 2023: RMB6,038 million) are secured by finance leases receivables, receivables arising from sale and leaseback arrangements, the shares of subsidiaries, and secured aircraft and property and equipment for leasing. As at 30 June 2024, the book value of secured finance lease receivable is RMB308 million (31 December 2023: RMB619 million), the book value of receivables arising from sale and leaseback arrangements is RMB813 million (31 December 2023: RMB1,421 million), the book value of secured aircraft and property and equipment for leasing is RMB6,207 million (31 December 2023: RMB6,303 million).

### 42. SHORT-TERM FINANCING BILLS PAYABLES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Ultra-short-term bonds	3,029,606	5,043,605
Medium-term notes	–	285,947
Short-term income certification	6,444,837	7,473,086
Short-term bonds	1,012,916	1,033,166
Short-term corporate bonds	5,084,071	5,017,255
	<b>15,571,430</b>	18,853,059

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## 42. SHORT-TERM FINANCING BILLS PAYABLES (continued)

Issue Entity	Type	Currency	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Ending Balance
Haitong Securities Co., Ltd	Short-term corporate bonds	RMB	15/11/2023	25/10/2024	2.68%	5,017,255	66,816	-	5,084,071
Haitong Securities Co., Ltd	Short-term income certification	RMB	04/07/2023 to 28/06/2024	01/07/2024 to 26/06/2025	0.00%-3.00%	7,473,086	11,536,537	12,564,786	6,444,837
Haitong Unitrust International Financial Leasing Co., Ltd	Short-term bonds	RMB	10/01/2023	10/01/2024	3.41%	1,033,166	841	1,034,007	-
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	26/04/2023	19/01/2024	2.56%	1,017,490	1,211	1,018,701	-
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	22/08/2023	08/03/2024	2.40%	1,008,471	4,370	1,012,841	-
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	04/09/2023	24/05/2024	2.50%	1,007,782	9,814	1,017,596	-
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	20/09/2023	07/06/2024	2.68%	1,007,173	11,549	1,018,722	-
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	22/11/2023	16/08/2024	2.81%	1,002,689	14,304	-	1,016,993
Haitong Unitrust International Financial Leasing Co., Ltd	Short-term bonds	RMB	08/01/2024	08/01/2025	2.78%	-	1,012,916	-	1,012,916
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	17/01/2024	25/09/2024	2.65%	-	1,011,764	-	1,011,764
Haitong Unitrust International Financial Leasing Co., Ltd	Ultra-short-term bonds	RMB	05/06/2024	25/02/2025	2.15%	-	1,000,849	-	1,000,849
Haitong International Securities Group Ltd	Medium-term notes	HKD	09/02/2023	08/02/2024	4.70%	285,947	2,038	287,985	-
Total						18,853,059	14,673,009	17,954,638	15,571,430

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Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Securities Co., Ltd	Corporate bonds	RMB	800,000	14/7/2014	14/7/2024	5.85%	821,783	23,349	-	845,132
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,500,000	22/9/2017	22/9/2027	4.99%	5,566,826	137,570	-	5,704,396
Haitong Securities Co., Ltd	Corporate bonds	RMB	700,000	30/4/2020	30/4/2025	2.88%	713,194	10,166	20,160	703,200
Haitong Securities Co., Ltd	Corporate bonds	RMB	6,000,000	13/1/2021	13/1/2024	3.58%	6,207,612	7,188	6,214,800	-
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,400,000	8/2/2021	8/2/2024	3.79%	5,582,992	21,668	5,604,660	-
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	23/4/2021	23/4/2024	3.45%	5,118,251	54,249	5,172,500	-
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,800,000	27/5/2021	27/5/2024	3.35%	2,855,405	38,395	2,893,800	-
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,100,000	10/6/2021	10/6/2024	3.4%	2,139,400	32,000	2,171,400	-
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	29/7/2021	29/7/2024	3.14%	2,026,033	31,864	-	2,057,897
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,000,000	20/8/2021	20/8/2024	3.04%	3,032,174	46,303	-	3,078,477
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	30/8/2021	30/8/2024	3.1%	2,020,159	31,465	-	2,051,624
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	30/8/2021	30/8/2026	3.43%	2,021,198	34,480	-	2,055,678
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	10/11/2021	10/11/2024	3.1%	5,019,278	78,658	-	5,097,936
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	22/11/2021	22/11/2024	3.09%	5,014,037	78,408	-	5,092,445
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	20/1/2022	25/12/2024	2.84%	5,131,287	72,470	142,000	5,061,757
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,900,000	21/2/2022	21/2/2025	2.9%	2,970,238	42,765	84,100	2,928,903
Haitong Securities Co., Ltd	Corporate bonds	RMB	500,000	7/3/2022	7/3/2025	3.03%	512,041	7,704	15,150	504,595
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	26/7/2022	26/7/2025	2.75%	5,054,740	69,937	-	5,124,677
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	9/9/2022	9/9/2025	2.53%	5,034,022	64,464	-	5,098,486
Haitong Securities Co., Ltd	Corporate bonds	RMB	4,700,000	14/10/2022	14/10/2025	2.6%	4,721,031	62,231	-	4,783,262
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,000,000	10/11/2022	10/11/2025	2.61%	3,007,572	39,870	-	3,047,442
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,000,000	8/2/2023	8/2/2026	3.23%	3,082,780	49,141	96,900	3,035,021
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,500,000	8/2/2023	8/2/2025	2.95%	2,563,429	37,874	73,750	2,527,553
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,500,000	6/3/2023	6/3/2025	3.11%	2,561,124	39,910	77,750	2,523,284
Haitong Securities Co., Ltd	Corporate bonds	RMB	1,700,000	6/3/2023	6/3/2026	3.26%	1,743,216	28,132	55,420	1,715,928
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,300,000	22/3/2023	22/3/2025	2.97%	3,372,467	50,365	98,010	3,324,822
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,700,000	22/3/2023	22/3/2026	3.1%	2,761,355	42,518	83,700	2,720,173
Haitong Securities Co., Ltd	Corporate bonds	RMB	4,000,000	24/4/2023	24/4/2026	3.05%	4,078,118	61,960	122,000	4,018,078
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	24/4/2023	24/4/2025	2.89%	2,037,294	29,710	57,800	2,009,204
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,600,000	18/5/2023	18/5/2026	2.94%	3,660,496	53,772	105,840	3,608,428
Haitong Securities Co., Ltd	Corporate bonds	RMB	1,400,000	18/5/2023	18/5/2028	3.1%	1,424,700	21,845	43,399	1,403,146
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,000,000	15/6/2023	15/6/2026	2.73%	3,040,086	41,656	81,900	2,999,842

## 43. BONDS PAYABLE

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
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## 43. BONDS PAYABLE (continued)

Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	15/6/2023	15/6/2028	3.07%	2,030,161	30,895	61,400	1,999,656
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,000,000	25/7/2023	25/7/2026	2.72%	2,020,535	27,664	-	2,048,199
Haitong Securities Co., Ltd	Corporate bonds	RMB	2,700,000	25/7/2023	25/7/2028	3.05%	2,731,318	41,429	-	2,772,747
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,200,000	18/8/2023	18/8/2026	2.67%	3,226,427	43,464	-	3,269,891
Haitong Securities Co., Ltd	Corporate bonds	RMB	1,800,000	24/11/2023	24/11/2026	2.95%	1,802,211	26,878	-	1,829,089
Haitong Securities Co., Ltd	Corporate bonds	RMB	1,000,000	22/2/2024	22/2/2027	2.58%	-	1,007,491	-	1,007,491
Haitong Securities Co., Ltd	Corporate bonds	RMB	5,000,000	22/2/2024	22/2/2029	2.75%	-	5,040,028	-	5,040,028
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,300,000	5/3/2024	5/3/2029	2.7%	-	3,322,953	-	3,322,953
Haitong Securities Co., Ltd	Corporate bonds	RMB	1,700,000	5/3/2024	5/3/2027	2.5%	-	1,710,864	-	1,710,864
Haitong Securities Co., Ltd	Corporate bonds	RMB	3,000,000	20/3/2024	20/3/2029	2.69%	-	3,017,347	-	3,017,347
Haitong Securities Co., Ltd	Corporate bonds	RMB	4,100,000	20/3/2024	20/3/2027	2.55%	-	4,122,383	-	4,122,383
Haitong Securities Co., Ltd	Subordinated notes	RMB	5,000,000	12/1/2022	12/1/2025	3.18%	5,150,913	80,656	159,000	5,072,569
Haitong Securities Co., Ltd	Subordinated notes	RMB	2,000,000	25/2/2022	25/2/2025	3.15%	2,052,035	31,984	63,000	2,021,019
Haitong Securities Co., Ltd	Subordinated notes	RMB	2,480,000	9/3/2022	9/3/2025	3.29%	2,544,551	41,424	81,592	2,504,383
Haitong Securities Co., Ltd	Long-term income certificates	RMB	422,584	05/07/2022-30/05/2024	01/07/2024-05/01/2026	0.00%-3.10%	736,272	30,206	336,450	430,028
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	26/4/2021	26/4/2025	3.65%	698,539	11,767	24,820	685,486
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	800,000	18/6/2021	18/6/2025	3.36%	581,161	9,249	19,153	571,257
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	600,000	12/8/2021	12/8/2024	3.90%	608,394	12,198	-	620,592
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	24/12/2021	24/12/2024	3.70%	999,424	19,136	-	1,018,560
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,500,000	21/4/2022	21/4/2024	3.48%	1,535,324	15,732	1,551,056	-
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	500,000	5/5/2022	5/5/2025	3.57%	510,700	8,852	17,473	502,079
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	21/6/2022	21/6/2024	3.16%	1,015,506	14,804	1,030,310	-
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	600,000	7/7/2022	7/7/2025	3.44%	608,481	10,783	-	619,264
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	21/10/2022	21/10/2025	3.13%	1,003,138	16,418	-	1,019,556

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Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	17/4/2023	17/4/2026	3.90%	1,024,966	19,340	38,437	1,005,869
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	26/6/2023	26/6/2028	3.80%	1,017,090	18,948	37,503	998,535
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	25/7/2023	25/7/2028	3.63%	1,013,261	18,594	-	1,031,855
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	24/10/2023	24/10/2027	3.47%	1,004,467	17,913	-	1,022,380
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	15/1/2024	15/1/2028	3.03%	-	1,012,297	-	1,012,297
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	20/5/2024	20/5/2029	2.48%	-	999,605	-	999,605
Haitong Unitrust International Financial Leasing Co., Ltd	Corporate bonds	RMB	1,000,000	25/6/2024	25/6/2029	2.29%	-	996,462	-	996,462
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	9/12/2021	9/12/2024	3.70%	1,000,755	19,270	-	1,020,025
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	800,000	13/1/2022	13/1/2025	3.64%	826,742	14,520	28,469	812,793
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	27/5/2022	27/5/2025	3.42%	1,018,291	16,959	33,408	1,001,842
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,200,000	10/8/2022	10/8/2025	3.25%	1,212,279	20,395	-	1,232,674
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	14/12/2022	14/12/2025	4.13%	999,571	21,284	-	1,020,855
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	23/2/2023	23/2/2026	4.20%	1,033,586	20,942	41,460	1,013,068
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	6/6/2023	6/6/2026	3.81%	1,019,110	18,998	37,555	1,000,553
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	24/8/2023	24/8/2026	3.46%	1,008,993	17,910	-	1,026,903
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	6/3/2024	6/3/2027	2.80%	-	1,005,999	-	1,005,999
Haitong Unitrust International Financial Leasing Co., Ltd	Medium-term notes	RMB	1,000,000	15/4/2024	15/4/2029	2.60%	-	1,003,327	-	1,003,327

### 43. BONDS PAYABLE (continued)

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 43. BONDS PAYABLE (continued)

Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based notes	RMB	950,000	10/3/2022	27/5/2024	3.50%	57,073	374	57,447	-
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based notes	RMB	955,000	19/7/2023	18/1/2024	2.80%	966,793	1,245	968,038	-
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based notes	RMB	950,000	15/9/2023	8/3/2024	2.97%	957,336	5,179	962,515	-
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	935,000	28/4/2022	27/12/2024	0.00%	113,892	-	86,211	27,681
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	29/6/2022	26/2/2025	3.19% - 3.60%	235,482	2,883	146,606	91,759
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	943,000	7/7/2022	15/9/2025	3.50% - 4.30%	240,284	1,163	136,542	104,905
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,425,000	16/9/2022	27/9/2027	4.10%	1,405,854	29,132	24,477	1,410,509
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	21/9/2022	26/8/2025	2.98% - 3.40%	375,541	4,630	178,698	201,473
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	984,000	28/10/2022	15/8/2025	3.43% - 4.00%	278,405	1,365	143,754	136,016
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,425,000	23/12/2022	27/12/2027	4.48%	1,409,133	31,833	27,934	1,413,032
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	13/1/2023	26/8/2025	4.50% - 4.70%	512,727	9,734	198,522	323,939
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	737,000	10/3/2023	23/10/2025	3.92% - 4.80%	292,896	2,186	136,439	158,643
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	16/3/2023	28/7/2025	3.70% - 4.00%	507,708	7,075	208,127	306,656
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	24/5/2023	26/12/2025	3.48% - 3.62%	586,339	8,602	274,818	320,123
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	7/6/2023	26/3/2026	3.38% - 3.58%	573,652	9,076	152,280	430,448
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	8/8/2023	26/3/2026	3.16% - 3.30%	637,208	9,008	192,290	453,926
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	31/1/2023	27/4/2026	2.90% - 3.50%	949,168	11,052	370,166	590,054

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	15/12/2023	26/12/2025	3.09%-3.45%	947,094	12,155	475,775	483,474
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,140,000	20/12/2023	26/12/2025	2.94%-3.32%	1,134,823	14,646	523,947	625,522
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	873,000	7/2/2024	24/2/2026	3.20% - 3.85%	-	880,043	330,562	549,481
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	950,000	28/5/2024	26/11/2026	2.18%-2.39%	-	946,996	-	946,996
Haitong Unitrust International Financial Leasing Co., Ltd	Private publication notes	RMB	1,000,000	11/11/2021	11/11/2024	4.19%	1,004,496	21,638	-	1,026,134
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based notes	RMB	950,000	10/4/2023	26/5/2024	3.29%	154,282	1,272	155,554	-
Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd	Asset-based special plan	RMB	1,140,000	12/7/2022	27/5/2024	3.00% - 3.03%	113,104	521	113,625	-
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,140,000	8/9/2022	26/8/2024	2.80%	285,492	2,433	255,795	32,130
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,140,000	25/11/2022	26/11/2024	3.50% - 3.60%	407,117	4,937	291,776	120,278
Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd	Asset-based special plan	RMB	1,140,000	8/3/2023	26/1/2025	3.63% - 3.70%	503,643	5,812	298,052	211,403
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,140,000	16/5/2023	26/3/2025	3.28% - 3.43%	535,305	7,180	310,779	231,706
Haitong Unitrust International Financial Leasing Co., Ltd	Asset-based special plan	RMB	1,140,000	16/5/2023	26/3/2025	3.28% - 3.43%	535,305	7,180	310,779	231,706

### 43. BONDS PAYABLE (continued)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
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### 43. BONDS PAYABLE (continued)

Issue entity	Type	Currency	Principal amount in original currency '000	Issue date	Maturity date	Coupon Rate	Opening Balance	Increase	Decrease	Closing Balance
Haitong Unitrust International Financial Leasing Co., Ltd/ Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd	Asset-based special plan	RMB	1,140,000	27/6/2023	26/6/2025	3.18% - 3.41%	699,305	9,300	344,784	363,821
Haitong Unitrust International Financial Leasing Co., Ltd/ Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd	Asset-based special plan	RMB	1,140,000	1/9/2023	26/4/2025	2.55%-3.09%	1,146,322	9,396	687,103	468,615
Haitong Unitrust International Financial Leasing Co., Ltd/ Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd	Asset-based special plan	RMB	1,350,000	22/12/2023	26/11/2026	3.10%-3.60%	1,185,257	174,488	451,972	907,773
Haitong Unifortune Financial Leasing (Shanghai) Corporation	Medium-term notes	USD	100,000	3/6/2021	3/6/2024	3.00%	701,081	11,583	712,664	-
Haitong UT Brilliant Limited	Medium-term notes	USD	200,000	27/4/2022	27/4/2025	4.20%	1,423,922	38,656	28,689	1,433,889
Haitong UT Brilliant Limited	Medium-term notes	RMB	1,000,000	19/3/2024	19/3/2027	3.65%	-	1,006,798	-	1,006,798
Haitong International Securities Group Ltd	Corporate bonds	USD	700,000	19/7/2019	19/7/2024	3.38%	5,028,927	35,849	692	5,064,084
Haitong International Securities Group Ltd	Corporate bonds	USD	400,000	18/11/2019	18/5/2025	3.13%	2,836,152	20,543	-	2,856,695
Haitong International Securities Group Ltd	Corporate bonds	USD	300,000	20/5/2021	20/5/2026	2.13%	2,124,942	15,148	660	2,139,430
Haitong International Finance Holdings 2015 Limited	Corporate bonds	USD	670,000	12/3/2020	11/3/2025	2.11%	4,772,463	93,404	62,058	4,803,809
Haitong International Finance Holdings Limited	Corporate bonds	RMB	4,000,000	20/4/2023	20/4/2026	3.40%	4,089,037	108,993	176,044	4,021,986
Haitong International Finance Holdings Limited	Corporate bonds	RMB	2,800,000	18/5/2023	18/5/2026	3.20%	2,803,352	73,365	71,879	2,804,838
Haitong International Finance Holdings Limited	Corporate bonds	RMB	3,500,000	1/3/2024	1/3/2027	3.30%	-	3,562,762	33,757	3,529,005
Haitong Banco de Investimento do Brasil S.A.	Financial bond	BRL	1,240,368	25/06/2021-25/03/2024	10/01/2024-28/07/2026	5.28%-13.25%	2,109,546	120,395	757,507	1,472,434
Haitong Bank, S.A.	Financial bond	EUR	230,000	8/2/2022	8/2/2025	5.28%	1,818,073	1,502	45,688	1,773,887
Haitong Bank, S.A.	Financial bond	USD	150,000	23/5/2022	29/5/2027	4.00%	1,068,515	7,035	-	1,075,550
<b>Total</b>							<b>193,920,280</b>	<b>32,700,842</b>	<b>37,170,351</b>	<b>189,450,771</b>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 43. BONDS PAYABLE (continued)

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Analysed for reporting purpose as:		
Current liabilities	79,895,931	78,301,231
Non-current liabilities	109,554,840	115,619,049
	<b>189,450,771</b>	193,920,280

### 44. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Accounts payable to brokerage clients	<b>106,526,337</b>	106,538,717

The majority of the accounts payable balance is repayable on demand except where certain accounts payable to brokerage clients represent margin deposits received from clients for their trading activities under normal course of business. Only the excess amounts over the required margin deposits stipulated are repayable on demand.

Accounts payable mainly include cash held on behalf of clients at the banks and at the clearing houses by the Group. Interest payable on accounts payable to brokerage clients shall be accrued according to the prevailing benchmark interest rate.

### 45. CUSTOMER ACCOUNTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Demand deposits – corporate	215,414	241,613
Time deposits – corporate	3,223,640	3,164,475
Demand deposits – individual	12,606	10,662
Time deposits – individual	4,391,489	2,993,165
	<b>7,843,149</b>	6,409,915
Analysed for reporting purpose as:		
Current liabilities	5,664,040	4,828,712
Non-current liabilities	2,179,109	1,581,203
	<b>7,843,149</b>	6,409,915

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 46. OTHER PAYABLES AND ACCRUALS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Payable to employees (Note i)	2,322,489	2,583,857
Dividends payable	1,466,314	206,184
Short term finance lease guarantee deposits	1,752,290	1,754,578
Settlement payables	2,467,190	1,247,727
Notes payable	1,538,066	2,027,861
Amounts due to brokers	1,294,112	790,103
Risk reserve	766,998	751,353
Other tax payable	286,145	400,380
Commission and fee payables	41,911	99,492
Pending payable to clearing house	23,410	241,834
Others (Note ii)	8,887,030	13,677,411
	<b>20,845,955</b>	23,780,780
Analysed for reporting purpose as:		
Current liabilities	19,352,470	22,538,352
Non-current liabilities (Note i)	1,493,485	1,242,428
	<b>20,845,955</b>	23,780,780

Notes:

- (i) The Group sets up a detailed plan for the payment of accrued employees' bonuses. According to the plan, a balance of RMB499,064 thousand is expected to be settled after one year (31 December 2023: RMB499,064 thousand) and therefore classified as non-current liabilities.
- (ii) Others mainly represent payables received in advance of the Group which are non-interest bearing and are settled within one year.

### 47. PROVISIONS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Pending litigation and others	141,507	178,334
External guarantee	17,072	15,630
	<b>158,579</b>	193,964

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

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### 48. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Financial liabilities held for trading	2,167,233	2,169,332
Liabilities arising from consolidation of structured entities	1,757,571	1,930,670
Designated as financial liabilities at fair value through profit or loss (FVTPL) (Note)		
– Structured products	5,940,858	11,925,444
– Gold option	955,314	1,333,762
– Income certificates	1,426,325	3,094,197
	<b>12,247,301</b>	20,453,405
Analysed for reporting purpose as:		
Current liabilities	10,230,741	13,130,414
Non-current liabilities	2,016,560	7,322,991
	<b>12,247,301</b>	20,453,405

Note:

As at 30 June 2024 and 31 December 2023, the difference between the fair values of the Group's financial liabilities designated at FVTPL and the contractual payables at maturity is not significant. The amounts of changes in the fair value that are attributable to changes in the Group's own credit risk are not significant during the six months ended 30 June 2024 and year ended 31 December 2023.

As at 30 June 2024 and 31 December 2023, included in the Group's financial liabilities designated at FVTPL are structured notes issued by the Group, income certificates and non-controlling interests of consolidation of structured entities.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 49. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Analysed by collateral type:		
Stock	1,676,740	2,172,630
Bonds	90,102,317	100,738,908
Gold	7,946,622	9,653,255
	<b>99,725,679</b>	112,564,793
Analysed by market:		
Stock exchanges	50,078,843	33,916,235
Inter-bank market	41,587,204	68,860,072
OTC	8,059,632	9,788,486
	<b>99,725,679</b>	112,564,793
Analysed for reporting purpose as:		
Current liabilities	98,965,552	111,617,827
Non-current liabilities	760,127	946,966
	<b>99,725,679</b>	112,564,793

Sales and repurchase agreements are transactions in which the Group sells a security and simultaneously agrees to repurchase it (or an asset that is substantially the same) at a fixed price on a future date. Since the repurchase prices are fixed, the Group is still exposed to substantially all the credit risks and market risks and rewards of those securities sold. These securities are not derecognised from the financial statements but regarded as “collateral” for the liabilities because the Group retains substantially all the risks and rewards of these securities.

The following tables provide a summary of carrying amounts or fair values related to transferred financial assets of the Group and the associated liabilities:

#### As at 30 June 2024

	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Debt instruments measured at amortised cost	Financial assets held under resale agreements	Others	Total
Carrying amount of transferred assets	39,308,847	35,963,863	2,259,084	410,739	31,940,718	109,883,251
Carrying amount of associated liabilities	36,117,187	32,063,551	2,065,491	379,662	29,099,788	99,725,679
Net position	3,191,660	3,900,312	193,593	31,077	2,840,930	10,157,572

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 49. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS (Continued)

As at 31 December 2023

	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Debt instruments measured at amortised cost	Financial assets held under resale agreements	Others	Total
Carrying amount of transferred assets	54,471,311	40,566,570	3,089,912	588,448	25,739,910	124,456,151
Carrying amount of associated liabilities	49,109,515	36,736,533	2,882,554	483,010	23,353,181	112,564,793
Net position	5,361,796	3,830,037	207,358	105,438	2,386,729	11,891,358

### 50. PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Placements from banks	8,156,136	3,339,205
Placements from CSFC	11,348,861	11,373,159
	19,504,997	14,712,364
Analysed for reporting purpose as:		
Current liabilities	17,610,021	12,740,366
Non-current liabilities	1,894,976	1,971,998
	19,504,997	14,712,364

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### 51. LONG-TERM PAYABLES

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Finance lease guarantee deposits	3,533,797	3,927,541
Deferred income	317,477	360,893
Others	644,691	634,840
	<b>4,495,965</b>	4,923,274

Long-term payables are mainly due to the guaranteed fund received by the Group through finance lease business. These amounts will expire beyond one year upon contract agreement and are classified as non-current liabilities.

### 52. SHARE CAPITAL

	Listed A shares		Listed H shares		Total	
	Number of shares '000	Amount	Number of shares '000	Amount	Number of shares '000	Amount
Registered, issued and fully paid at RMB1.0 per share:						
As at 31 December 2023 (Audited)	9,654,631	9,654,631	3,409,569	3,409,569	13,064,200	13,064,200
As at 30 June 2024 (Unaudited)	<b>9,654,631</b>	<b>9,654,631</b>	<b>3,409,569</b>	<b>3,409,569</b>	<b>13,064,200</b>	<b>13,064,200</b>

As at 30 June 2024, the total share capital of the Company is 13,064,200 thousand shares, of which 781,250 thousand shares are subject to disposal restrictions (31 December 2023: 781,250 thousand shares).

### 53. TREASURY SHARES

During the six months ended 30 June 2024, the Company repurchased 35,567,000 (year ended 31 December 2023: 41,507,467) of its own ordinary shares through Shanghai Stock Exchange with an aggregate consideration of RMB303,072,674 (year ended 31 December 2023: RMB414,335,029) paid. At 30 June 2024, the Company had outstanding treasury shares of 77,074,467 shares (31 December 2023: 41,507,467 shares).

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(Expressed in thousands of Renminbi, unless otherwise stated)

### 54. REVALUATION RESERVE

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
As at the beginning of the period/year	(401,324)	(624,143)
Debt instrument measured at fair value through other comprehensive income		
– Net fair value changes during the year	694,923	605,479
– Reclassification adjustment to profit or loss on disposal	(162,018)	(127,474)
– Reclassification adjustment to profit or loss for ECL	16,506	(72,156)
– Income tax impact	(136,165)	(103,168)
Equity instrument measured at fair value through other comprehensive income		
– Net fair value changes during the period	93,482	(418,303)
– Transfer to retained earnings	210,529	342,727
– Income tax impact	(97,457)	3,877
Share of other comprehensive income of associates and joint ventures	670	1,362
Actuarial gains/(losses) on defined benefit obligations	10,627	(34,915)
Fair value gains on hedging instrument designated in cash flow hedges	10,859	25,390
As at the end of the period/year	240,632	(401,324)

### 55. RESERVES AND RETAINED EARNINGS

The amounts of the Group's reserves and the movements therein during the period are presented in the consolidated statement of changes in equity.

#### (a) Capital reserve

The balance of capital reserve mainly includes share premium arising from the issuance of new shares at prices in excess of par value attributable to shareholders of the Company and other capital reserve arising from equity transactions.

#### (b) Revaluation reserve

It mainly represents the fair value changes of debt instruments measured at FVTOCI and equity instruments measured at FVTOCI.

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### 55. RESERVES AND RETAINED EARNINGS (continued)

#### (c) General reserves

The general reserves comprise statutory reserve, general risk reserve and transaction risk reserve.

Pursuant to the Company Law of the PRC, 10% of the net profit of the Company, as determined under the PRC accounting regulations and before distribution to shareholders, is required to be transferred to a statutory reserve until such time when this reserve represents 50% of the share capital of the Company. The reserve appropriated can be used for loss-covering, expansion of production scale and capitalisation, in accordance with the Company's articles of association or approved by the shareholders in a shareholders' general meeting.

In accordance with the Financial Rules for Financial Enterprises, the Company is required to appropriate 10% of net profit derived in accordance with the relevant accounting rules in the PRC before distribution to shareholders as general risk reserve from retained earnings.

In accordance with the requirements of Provisional Measures on Supervision and Administration of Risk Provision of Public Offering of Securities Investment Funds (Order of the CSRC No. 94) issued on 24 September 2013, the Group appropriates 10% of fund management fee to the general risk reserve.

Pursuant to the Securities Law of the PRC, the Company is required to appropriate 10% of the net profit derived in accordance with the relevant accounting rules in the PRC before distribution to shareholders as transaction risk reserve from retained earnings and cannot be distributed or transferred to share capital.

#### (d) Retained earnings

In accordance with the relevant regulations, the distributable profits of the Company is deemed to be the lower of (i) the retained earnings determined in accordance with PRC GAAP and (ii) the retained earnings determined in accordance with IFRS Accounting Standards.

### 56. CREDIT COMMITMENTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Contingent Liabilities:		
– Guarantees and standby letters of credit income	1,063,696	1,082,706
Commitments:		
– Irrevocable credit commitments	577,464	592,350

Guarantees and standby letters of credits are banking operations that may imply out-flow by the Group only at default condition.

Irrevocable commitments represent contractual agreements to extend credit to the Haitong Bank's customers (e.g. unused credit lines). These agreements are, generally, contracted for fixed periods of time or with other expiration requisites, and usually require the payment of a commission. Substantially, all credit commitments require that clients maintain certain conditions verified at the time when the credit was granted.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

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### 57. OPERATING LEASE ARRANGEMENTS

#### *The Group as lessor*

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Within one year	567,482	563,118
In the second year	520,105	543,308
In the third year	511,397	502,161
In the fourth year	322,606	374,266
In the fifth year	184,867	227,145
Over five years	592,962	626,378
	<b>2,699,419</b>	<b>2,836,376</b>

### 58. CAPITAL COMMITMENTS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Capital expenditure in respect of acquisition of property and equipment:		
– Contracted but not provided	392,702	555,423

### 59. DIVIDENDS

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Dividends recognised as distribution	1,298,713	2,743,482

According to the approval of Haitong Securities' 2023 Annual General Meeting held on 12 June 2024, the Company declared a cash dividend of RMB1.00 per 10 shares (including tax) for the year 2023 to all shareholders, with a total declared amount of RMB1,299 million (including tax). As at 8 August 2024, the cash dividend was paid.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 60. INVESTMENT IN SUBSIDIARIES

Principal subsidiaries acquired through establishment or investment

Details of the principal subsidiaries:

Name of subsidiaries	Type of legal entity registered under PRC law	Place of Incorporation/ establishment	Equity interest held by the Group		Registered capital	Principal activities
			As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)		
海富通基金管理有限公司 HFT Investment Management Co., Ltd.*	有限責任公司(中外合資) Limited liability company (equity joint venture)	Shanghai	51%	51%	RMB 300,000,000	Fund management
海通開元投資有限公司 Haitong Capital Investment Co., Ltd.*	有限責任公司(法人獨資) Limited liability company (wholly owned)	Shanghai	100%	100%	RMB 5,500,000,000	Private Equity investment management
海通國際控股有限公司 Haitong International Holdings Limited	不適用 N/A	Hong Kong	100%	100%	HKD 11,179,726,140	Investment holding
海通期貨股份有限公司 Haitong Futures Co., Ltd.*	股份有限公司(新三板上市) Joint stock limited company (listed on NEEQ)	Shanghai	83%	83%	RMB 1,301,500,000	Futures brokerage
海通國際證券集團有限公司 Haitong International Securities Group Limited **	不適用 N/A	Bermuda	100%	73%	HKD 843,819,160	Investment holding
海通創新證券投資有限公司 Haitong Innovation Securities Investment Company Limited*	有限責任公司(法人獨資) Limited liability company (wholly owned)	Shanghai	100%	100%	RMB 11,500,000,000	Financial products investment, equity investment and securities investment
上海海通證券資產管理有限公司 Shanghai Haitong Securities Asset Management Company Limited*	有限責任公司(法人獨資) Limited liability company (wholly owned)	Shanghai	100%	100%	RMB 2,200,000,000	Securities asset management
海通恆信金融集團有限公司 Haitong UT Capital Group Co., Limited	不適用 N/A	Hong Kong	100%	100%	HKD 4,146,162,881	Investment holding
海通恆信國際融資租賃股份有限公司 Haitong UniTrust International Financial Leasing Co., Ltd.*	股份有限公司(上市) Joint stock limited company (listed)	Shanghai	85%	85%	RMB 8,235,300,000	Leasing
海通銀行 Haitong Bank, S.A.	不適用 N/A	Portugal	100%	100%	EUR 871,277,660	Banking
上海惟泰置業管理有限公司 Shanghai Weitai Properties Management Co., Ltd.*	有限責任公司(法人獨資) Limited liability company (wholly owned)	Shanghai	100%	100%	RMB 10,000,000	Real estate development, property management and catering management

Note:

\* English translated names are for identification only.

\*\* On 26 September 2023, the Resolution on the Privatization of Haitong International Securities Group Limited by Haitong International Holdings Limited was approved by the Board of the Company. On 11 January 2024, Haitong International Securities was officially delisted. The consideration paid by the Group was RMB2,932,662 thousand.

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### 61. INTERESTS IN CONSOLIDATED STRUCTURED ENTITIES

The Group had consolidated certain structured entities including asset management products. For the asset management products where the Group acts as manager or invested in, the Group assesses whether the combination of investments it held, if any, together with its remuneration and other interests creates exposure to variability of returns from the activities of the asset management products that is of such significance that it indicates that the Group is a principal.

The financial impact of these asset management products on the Group's financial position as at 30 June 2024 and 31 December 2023, and the results and cash flows for the six months ended 30 June 2024 and the year ended 2023, though consolidated, are not individually significant to the Group. Therefore, the financial information of these consolidated structured entities is not disclosed individually.

As at 30 June 2024, the aggregated assets of all consolidated structured entities directly held by the Group amounted to RMB50,847,631 thousand (31 December 2023: RMB57,960,317 thousand). As at 30 June 2024, interests in all consolidated structured entities directly held by the Group amounted to fair value of RMB44,931,493 thousand (31 December 2023: RMB50,450,512 thousand). As at 30 June 2024 and 31 December 2023, the Group does not held interests in the subordinated tranche of structured products.

### 62. INTEREST IN UNCONSOLIDATED STRUCTURED ENTITIES

Except for the structured entities the Group has consolidated as detailed in Note 61, in the opinion of the directors of the Company, the variable returns the Group exposed to over the structured entities that the Group acts as manager are not significant or does not have power over them. Therefore, the Group did not consolidate these structured entities.

As at 30 June 2024, the carrying amount of unconsolidated structured entities in which the Group acted as investment manager and held financial interests (excluding those classified as investments in associates) and its maximum exposure to loss in relation to those interests amounted to RMB8,571,094 thousand (31 December 2023: RMB5,443,534 thousand). For the six months ended 30 June 2024, total management income from all structured entities in which the Group acted as investment manager is RMB845,491 thousand (for the six months ended 30 June 2023: RMB799,614 thousand).

In addition to those interests in unconsolidated structured entities managed by the Group as disclosed above, the Group also has interests in unconsolidated structured entities in which the Group did not act as investment manager. The total maximum exposure to loss in relation to the Group's interests in structured products is close to their respective carrying amounts.

### 63. RELATED PARTY TRANSACTIONS

The name and the relationship of related parties with shareholdings of 5% or above in the Company or have significant influence over the Company are set out as below:

<b>Name of the related party</b>	<b>Relationship of the related party</b>
Shanghai Guosheng (Group) Co., Ltd.	Shareholders with shareholdings of 5% or above in the Company
Bright Foods (Group) Co., Ltd.	Significant influence
Shanghai Electric Holding Group Co., Ltd.	Significant influence

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### 63. RELATED PARTY TRANSACTIONS (continued)

The name and the relationship of other related parties that have major transactions at 30 June 2024 or for the six months ended 30 June 2024 are set out as below.

<u>Name of the related party</u>	<u>Relationship of the related party</u>
– Fullgoal Fund Management Co., Ltd.	Associate
– Jilin Modern Agricultural and Emerging Markets Investment Fund Limited	Associate
– Shanghai Equity Investment Fund (Limited Partnership)	Associate
– Guangdong South Media Integration Fund (Limited Partnership)	Associate
– Xi'an Civil-Military Integration Satellite Investment Fund Co., Ltd	Associate
– Shanghai Equity Investment Fund II (Limited Partnership)	Associate
– Liaoning China-Germany Industrial Equity Investment Fund (Limited Partnership)	Associate
– Liaoning Haitong New Drivers Equity Investment Fund (Limited Partnership)	Associate
– Xuchang Haitong Innovation Equity Investment Fund (Limited Partnership)	Associate
– CCTV Financial Media Industry Investment Fund (Limited Partnership)	Associate
– Anhui Wanneng Haitong Dual Carbon Industry M & A Investment Fund Partnership (Limited Partnership)	Associate
– Shanghai Haitong Huanxin Private Investment Fund Partnership (Limited Partnership)	Associate
– Hefei Haitong SME Fund Partnership (Limited Partnership)	Associate
– Jilin Haichuang Changxin Investment Center (Limited Partnership)	Associate
– Jinhua Haitong Key Industry Development Investment Promotion M & A Investment Partnership (Limited Partnership)	Associate
– Jilin Haitong Innovation Satellite Investment Center (Limited Partnership)	Associate
– Xi'an Aerospace and New Energy Industry Fund	Associate
– Shanghai Cultural Industries Investment Fund (Limited Partnership)	Associate
– Jiaxing Haitong Xuchu Equity Investment Fund (Limited Partnership)	Associate
– Shanghai Pudong Leading Zone Haitong Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	Associate
– Liaoning Haitong New Energy Low-carbon Industry Equity Investment Co., Ltd.	Associate
– Hubei Haitong High Quality Transformation and Upgrading M&A Investment Fund Partnership Enterprise (Limited Partnership)	Associate
– Haitong Xing Tai (Anhui) Emerging Industrial Investment Fund (Limited Partnership)	Associate
– Haitong (Jilin) Modern Service Industry Entrepreneurship Investment Fund Partnership Enterprise (Limited Partnership)	Associate
– Haitong Qidong (Weihai) Equity Investment Fund (Limited Partnership)	Associate
– Nanchang Zhengtong Equity Investment Fund Partnership Enterprise (Limited Partnership)	Associate

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 63. RELATED PARTY TRANSACTIONS (continued)

The Group's major transactions with related parties are as follows:

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Commission and fee income from:		
– CCTV Financial Media Industry Investment Fund (Limited Partnership)	34,397	40,305
– Fullgoal Fund Management Co., Ltd.	27,809	71,699
– Liaoning Haitong New Drivers Equity Investment Fund (Limited Partnership)	12,736	12,736
– Hefei Haitong SME Fund Partnership (Limited Partnership)	9,561	5,868
– Shanghai Haitong Huanxin Private Investment Fund Partnership (Limited Partnership)	8,585	8,416
– Liaoning China-Germany Industrial Equity Investment Fund (Limited Partnership)	8,491	8,526
– Shanghai Equity Investment Fund II (Limited Partnership)	7,916	7,500
– Xi'an Civil-Military Integration Satellite Investment Fund Co., Ltd.	5,492	3,774
– Liaoning Haitong New Energy Low-carbon Industry Equity Investment Co., Ltd.	5,000	22
– Shanghai Electric Holding Group Co., Ltd.	4,522	23
– Anhui Wanneng Haitong Dual Carbon Industry M & A Investment Fund Partnership (Limited Partnership)	3,518	2,423
– Shanghai Pudong Leading Zone Haitong Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	3,119	–
– Jilin Haichuang Changxin Investment Center (Limited Partnership)	2,475	1,403
– Hubei Haitong High Quality Transformation and Upgrading M&A Investment Fund Partnership Enterprise (Limited Partnership)	1,970	–
– Haitong Xing Tai(Anhui)Emerging Industrial Investment Fund (Limited Partnership)	1,666	–
– Xuchang Haitong Innovation Equity Investment Fund Limited Partnership	1,509	1,509
– Guangdong South Media Integration Fund (Limited Partnership)	1,231	1,960
– Xi'an Aerospace and New Energy Industry Fund	943	2
– Jinhua Haitong Key Industry Development Investment Promotion M & A Investment Partnership (Limited Partnership)	753	824
– Shanghai Guosheng(Group) Co., Ltd.	712	1,138
– Nanchang Zhengtong Equity Investment Fund Partnership Enterprise (Limited Partnership)	703	–
– Jilin Haitong Innovation Satellite Investment Center (Limited Partnership)	637	702
– Jilin Modern Agricultural and Emerging Markets Investment Fund Limited	59	1,925
– Bright Foods(Group) Co., Ltd.	–	1,415
– Others	7	323
Net interest income from		
– Liaoning China-Germany Industrial Equity Investment Fund (Limited Partnership)	2,021	183
– Shanghai Guosheng(Group) Co., Ltd.	954	345
– Liaoning Haitong New Energy Low-carbon Industry Equity Investment Co., Ltd.	638	57
– Shanghai Cultural Industries Investment Fund (Limited Partnership)	145	–
– Xi'an Aerospace and New Energy Industry Fund	97	89
– Jiaying Haitong Xuchu Equity Investment Fund (Limited Partnership)	71	166
– Bright Foods(Group) Co., Ltd.	69	141
– Shanghai Electric Holding Group Co., Ltd.	7	98
– Others	112	91
Investment income and gains(net)		
– Shanghai Guosheng (Group) Co., Ltd.	482	(2,659)

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### 63. RELATED PARTY TRANSACTIONS (continued)

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Accounts receivables from:		
– Xi'an Aerospace and New Energy Industry Fund	38,574	38,574
– Liaoning Haitong New Energy Low-carbon Industry Equity Investment Co., Ltd.	26,089	31,389
– Liaoning Haitong New Drivers Equity Investment Fund (Limited Partnership)	13,560	60
– Hefei Haitong SME Fund Partnership (Limited Partnership)	10,456	20,270
– Shanghai Haitong Huanxin Private Investment Fund Partnership (Limited Partnership)	9,100	–
– Shanghai Equity Investment Fund II (Limited Partnership)	4,625	–
– Anhui Wanneng Haitong Dual Carbon Industry M & A Investment Fund Partnership (Limited Partnership)	3,730	–
– Shanghai Pudong Leading Zone Haitong Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	3,306	–
– Hubei Haitong High Quality Transformation and Upgrading M&A Investment Fund Partnership Enterprise (Limited Partnership)	2,088	–
– Jinhua Haitong Key Industry Development Investment Promotion M & A Investment Partnership (Limited Partnership)	798	–
– Shanghai Guosheng(Group) Co., Ltd.	75	495
– Liaoning China-Germany Industrial Equity Investment Fund (Limited Partnership)	60	60
– Jiaxing Haitong Xuchu Equity Investment Fund (Limited Partnership)	–	934
– Xuchang Haitong Innovation Equity Investment Fund (Limited Partnership)	–	100

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(Expressed in thousands of Renminbi, unless otherwise stated)

### 63. RELATED PARTY TRANSACTIONS (continued)

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Accounts payable to brokerage clients		
– Guangdong South Media Integration Fund (Limited Partnership)	(10,136)	(11)
– Haitong Qidong (Weihai) Equity Investment Fund (Limited Partnership)	(8,194)	(35,993)
– Xi'an Aerospace and New Energy Industry Fund	(3,169)	(36,115)
– Shanghai Equity Investment Fund II (Limited Partnership)	(2,510)	(196)
– Shanghai Guosheng(Group) Co., Ltd.	(1,815)	–
– Xi'an Civil-Military Integration Satellite Investment Fund Co., Ltd	(728)	–
– Shanghai Electric Holding Group Co., Ltd.	(652)	(294)
– Liaoning China-Germany Industrial Equity Investment Fund (Limited Partnership)	(304)	(339,075)
– Haitong (Jilin) Modern Service Industry Entrepreneurship Investment Fund Partnership Enterprise (Limited Partnership)	(268)	(267)
– Jilin Modern Agricultural and Emerging Markets Investment Fund Limited	(203)	(797)
– Bright Foods(Group) Co., Ltd.	(14)	(39,949)
– Jiaxing Haitong Xuchu Equity Investment Fund (Limited Partnership)	(3)	(43,756)
– Shanghai Cultural Industries Investment Fund (Limited Partnership)	–	(149,995)
– Liaoning Haitong New Energy Low-carbon Industry Equity Investment Co., Ltd.	–	(106,941)
– Others	(6)	(6)
Accounts payable to		
– Shanghai Guosheng(Group) Co., Ltd.	(51,033)	(51,614)
Derivative financial assets		
– Shanghai Guosheng(Group) Co., Ltd.	1,525	1,591

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 63. RELATED PARTY TRANSACTIONS (continued)

The remuneration of the key management personnel of the Group was as follows

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Short-term benefits:		
– Fees, salaries, commission and bonuses	8,347	12,475
Post-employment benefits:		
– Employer’s contribution to pension schemes/annuity plans	392	432

### 64. FINANCIAL RISK MANAGEMENT

The Group’s major financial instruments include equity instruments and debt instruments at fair value through other comprehensive income, debt instruments measured at amortised cost, financial instruments at fair value through profit or loss, derivative instruments, financial assets held under resale agreements, other loans and receivables, loans and advances, advances to customers on margin financing, accounts receivable, other receivables, placements to banks and other financial institutions, deposits with exchanges, clearing settlement funds, restricted bank deposits, bank balances and cash, receivables arising from sale and leaseback arrangements, borrowings, short-term financing bills payables, bonds payable, financial assets sold under repurchase agreements, accounts payable to brokerage clients and other payables and accruals. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and finance lease receivables include market risk (price risk, currency risk and interest rate risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

During the six months ended 30 June 2024, there has been no material changes in the risk management policies. The condensed consolidated financial information does not include all financial risk management information and disclosure and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 65. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Some of the Group's financial assets and liabilities are measured at fair value for financial reporting purposes. The board of directors of the Group has set up certain process to determine the appropriate valuation techniques and inputs for fair value measurements. The appropriateness of the process and the determination of fair value are reviewed by the board of directors periodically.

#### 65.1 Financial instruments not measured at fair value

The table below summarises the carrying amounts and expected fair values with obvious variances of those financial assets and liabilities not presented on the Group's consolidated statement of financial position at their fair values.

	As at 30 June 2024 (Unaudited)		As at 31 December 2023 (Audited)	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Debt instruments at amortised cost	4,712,994	4,644,757	6,797,780	6,712,823
<b>Financial liabilities</b>				
Non-convertible bonds payable	189,450,771	191,357,425	193,920,280	194,829,867

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Except for the above, the directors of the Group consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the Group's statements of financial position approximate their fair values.

#### 65.2 Financial instruments measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3.

For Level 1 financial instruments, fair values are unadjusted quotes in active markets for identical assets or liabilities.

For Level 2 financial instruments, valuations are generally calculated based on the fair value of the underlying investments which are debt securities or publicly traded equity instruments in each portfolio or obtained from third party pricing services agent such as China Central Depository & Clearing Co., Ltd. which are based on the discounted cash flow models, recent transaction prices or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

For Level 3 financial instruments, the management obtains valuation quotations from counterparties or uses valuation techniques to determine the fair value, including discounted cash flow analysis, net asset value, market comparison approach and option pricing model, etc. The fair value of these financial instruments may be based on unobservable inputs which may have significant impact on the valuation of these financial instruments, and therefore, these assets and liabilities have been classified by the Group as level 3. The unobservable inputs which may have impact on the valuation include weighted average cost of capital, liquidity discount, price to book ratio, etc.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

### 65. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

#### 65.2 Financial instruments measured at fair value on a recurring basis (continued)

The following table presents financial assets and financial liabilities measured at fair value as at 30 June 2024 and 31 December 2023.

	Level 1	Level 2	Level 3	Total
(Unaudited)				
<b>As at 30 June 2024</b>				
Financial assets at fair value through profit or loss				
– Debt securities	461,238	99,831,886	13,499,596	113,792,720
– Equity securities	9,012,901	177,572	14,658,116	23,848,589
– Funds	2,847,688	51,557,609	6,502,710	60,908,007
– Others	–	8,075,509	4,773,460	12,848,969
Debt instruments at fair value through other comprehensive income	1,377,949	55,278,515	556,783	57,213,247
Equity instruments at fair value through other comprehensive income	9,572,231	–	844,195	10,416,426
Derivative financial assets	180,727	615,796	1,283,319	2,079,842
	<b>23,452,734</b>	<b>215,536,887</b>	<b>42,118,179</b>	<b>281,107,800</b>
Financial liabilities at fair value through profit or loss				
– Financial liabilities held for trading	945,626	1,221,607	–	2,167,233
– Designated as financial liabilities at fair value through profit or loss	47,556	4,755,082	5,277,430	10,080,068
Derivative financial liabilities	16,706	735,731	478,230	1,230,667
	<b>1,009,888</b>	<b>6,712,420</b>	<b>5,755,660</b>	<b>13,477,968</b>

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For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

### 65. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

#### 65.2 Financial instruments measured at fair value on a recurring basis (continued)

The following table presents financial assets and financial liabilities measured at fair value as at 30 June 2024 and 31 December 2023.(continued)

	Level 1	Level 2	Level 3	Total
(Audited)				
As at 31 December 2023				
Financial assets at fair value through profit or loss				
– Debt securities	614,516	110,063,862	13,516,111	124,194,489
– Equity securities	17,976,267	506,311	17,235,840	35,718,418
– Funds	12,252,818	30,414,864	6,447,678	49,115,360
– Others	5	6,668,791	5,576,027	12,244,823
Debt instruments at fair value through other comprehensive income	936,773	59,865,736	508,238	61,310,747
Equity instruments at fair value through other comprehensive income	7,107,446	–	903,398	8,010,844
Derivative financial assets	141,099	381,115	1,756,341	2,278,555
	39,028,924	207,900,679	45,943,633	292,873,236
Financial liabilities at fair value through profit or loss				
– Financial liabilities held for trading	1,630,647	538,685	–	2,169,332
– Designated as financial liabilities at fair value through profit or loss	27,718	7,754,226	10,502,129	18,284,073
Derivative financial liabilities	2,899	514,796	673,250	1,190,945
	1,661,264	8,807,707	11,175,379	21,644,350

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024  
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### 65. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

#### 65.2 Financial instruments measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities.

##### 30 June 2024 (Unaudited)

	Financial assets at fair value through profit or loss	Equity instruments at FVTOCI	Debt instruments at FVTOCI	Financial liabilities at fair value through profit or loss	Derivative instruments
As at 1 January 2024	42,775,656	903,398	508,238	(10,502,129)	1,083,091
Transfer in	674,121	–	9,104	–	135,730
(Disposal)/Purchase	(386,599)	–	37,055	2,789,467	(1,135,780)
Transfer out	(1,462,536)	–	–	–	(1,269)
Other gains and losses	(2,166,760)	(59,203)	2,386	2,435,232	723,317
As at 30 June 2024	39,433,882	844,195	556,783	(5,277,430)	805,089

##### 31 December 2023 (Audited)

	Financial assets at fair value through profit or loss	Equity instruments at FVTOCI	Debt instruments at FVTOCI	Financial liabilities at fair value through profit or loss	Derivative instruments
As at 1 January 2023	46,172,573	994,827	842,892	(18,864,214)	422,853
Transfer in	2,948,735	562	4,345	–	14,944
Purchase/(Disposal)	1,806,459	1,400	(294,127)	8,661,820	585,118
Transfer out	(2,892,258)	–	(137,106)	–	–
Other losses and gains	(5,259,853)	(93,391)	92,234	(299,735)	60,176
As at 31 December 2023	42,775,656	903,398	508,238	(10,502,129)	1,083,091

For the six months ended 30 June 2024, the Group transferred a portion of its equity investment from level 3 to level 1 as the fair values of these securities were determined using quoted prices instead of valuation techniques, due to expiration of lock-up period. In addition, the Group transferred some financial instruments into level 3 as the valuation method for these instruments changed to that based on significant unobservable inputs (Year ended 31 December 2023: same).

During the period ended 30 June 2024 and the year ended 31 December 2023, the amounts of financial instruments measured at fair value transferred between level 1 and level 2 were not significant.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 66. TRANSFER OF FINANCIAL ASSETS

#### *Asset-backed securities*

The Group enters into securitization transactions in the normal course of business by which it transfers advances to customers on finance lease receivables and receivables arising from sale and leaseback arrangements to structured entities which issue asset-backed securities to investors. As the Group holds all the junior tranches asset-backed securities, substantially all the risks and rewards of ownership of the transferred assets are retained, so the Group continues to recognise the transferred asset in its entirety and recognises bonds payable for the consideration received.

As at 30 June 2024, the carrying amount of finance lease receivables and receivables arising from sale and leaseback arrangements that have been transferred but not derecognised was RMB11,223 million (31 December 2023: RMB13,642 million).

#### *Asset-backed notes*

The Group enters into securitization transactions in the normal course of business by which it transfers finance lease receivables and receivables arising from sale and leaseback arrangements to structured entities which issue asset-backed notes in China Inter-bank market to investors. As the Group holds all the junior tranches asset-backed notes, substantially all the risks and rewards of ownership of the transferred assets are retained, so the Group continues to recognise the transferred asset in its entirety and recognises bonds payable for the consideration received.

As at 30 June 2024, the carrying amount of finance lease receivables and receivables arising from sale and leaseback arrangements that have been transferred but not derecognised was nil (31 December 2023: RMB1,862 million).

#### *Securities lending*

The Group enters into securities lending transactions with the customers' securities or deposits as collateral. As the Group retains all the risks and rewards of such financial assets, it does not derecognize such financial assets in the balance sheet. As at 30 June 2024, the carrying amount of securities that have been transferred but not derecognised was RMB2,077 million (31 December 2023: RMB2,197 million).

### 67. SUBSEQUENT EVENTS

On August 29, 2024, the 12th meeting of the 8th board of directors of the Company approved the 2024 mid-term profit distribution plan and agreed to distribute the 2024 mid-term dividend to shareholders in cash, with a distribution of RMB 0.3 (including tax) per 10 shares, and a total distribution of RMB389 million (tax included). According to the authorization granted by the general meeting of shareholders for year 2023 regarding the distribution of mid-term profits for year 2024, the profit distribution plan does not need to be submitted for review by the general meeting of shareholders.

Except for the above disclosures, no other material events have occurred with the Company from 30 June 2024 to the date of this report.