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China International Capital Corporation Limited

中國國際金融股份有限公司

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

(Stock Code: 03908)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2024

The board of directors of China International Capital Corporation Limited (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2024. This announcement, containing the main 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 preliminary announcements of interim results. The Company’s 2024 interim report will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.cicc.com in due course.

By order of the Board
China International Capital Corporation Limited
Secretary to the Board
Sun Nan

Beijing, the PRC
August 30, 2024

As at the date of this announcement, the Executive Director of the Company is Mr. Chen Liang; the Non-executive Directors are Ms. Zhang Wei, Mr. Kong Lingyan and Mr. Deng Xingbin; and the Independent Non-executive Directors are Mr. Ng Kong Ping Albert, Mr. Lu Zhengfei, Mr. Peter Hugh Nolan and Mr. Zhou Yu.

OUR CULTURE

MISSION

BY THE PEOPLE AND FOR THE NATION
CHINESE ROOTS AND INTERNATIONAL REACH

VISION


TO BE A RESPECTED, INNOVATION-DRIVEN,
LEADING GLOBAL INVESTMENT BANK





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DEFINITIONS

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

“Company”, “our Company”, or “CICC”	China International Capital Corporation Limited* (中國國際金融股份有限公司), a joint stock company with limited liability converted from China International Capital Corporation Limited* (中國國際金融有限公司), a Chinese-foreign equity joint venture, on June 1, 2015, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 03908) and A Shares are listed on the Shanghai Stock Exchange (Stock Code: 601995)
“Group”, “our Group” or “we”	our Company and its subsidiaries (or with reference to the context, our Company and anyone or more of its subsidiaries)
“Articles of Association”	the <i>Articles of Association of China International Capital Corporation Limited</i>
“Ministry of Finance” or “MOF”	the Ministry of Finance of the PRC* (中華人民共和國財政部)
“CSRC”	the China Securities Regulatory Commission* (中國證券監督管理委員會)
“SSE”	the Shanghai Stock Exchange* (上海證券交易所)
“Beijing Stock Exchange”	the Beijing Stock Exchange* (北京證券交易所)
“Hong Kong Stock Exchange” or “HKEX”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Central Bank” or “People’s Bank of China”	the People’s Bank of China* (中國人民銀行), the central bank of the PRC
“CICC Capital”	CICC Capital Management Co., Ltd.* (中金資本運營有限公司), a company incorporated in the PRC in March 2017 and a wholly-owned subsidiary of our Company
“CICC Fund Management”	CICC Fund Management Co., Ltd.* (中金基金管理有限公司), a company incorporated in the PRC in February 2014 and a wholly-owned subsidiary of our Company
“CICC Private Equity”	CICC Private Equity Management Co., Ltd.* (中金私募股權投資管理有限公司), a company incorporated in the PRC in October 2020 and a wholly-owned subsidiary of our Company

“CICC Futures”	CICC Futures Co., Ltd.* (中金期貨有限公司), a company incorporated in the PRC in July 2004 and a wholly-owned subsidiary of our Company
“CICC Wealth Management” or “CICC Wealth Management Securities”	China CICC Wealth Management Securities Company Limited* (中國中金財富證券有限公司), formerly known as China Investment Securities Company Limited* (中國中投證券有限責任公司), a company incorporated in the PRC in September 2005, which was renamed as China CICC Wealth Management Securities Company Limited in August 2019, and a wholly-owned subsidiary of our Company
“CICC Pucheng”	CICC Pucheng Investment Co., Ltd.* (中金浦成投資有限公司), a company incorporated in the PRC in April 2012 and a wholly-owned subsidiary of our Company
“CICC International”	China International Capital Corporation (International) Limited* (中國國際金融(國際)有限公司), formerly known as China International Capital Corporation (Hong Kong) Limited* (中國國際金融(香港)有限公司), a company incorporated in Hong Kong in April 1997, which was renamed as China International Capital Corporation (International) Limited in June 2022, and a wholly-owned subsidiary of our Company
“A Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in RMB and listed on the SSE
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
“A Share Offering and Listing”	the initial public offering of RMB ordinary shares (A Shares) and listing on the SSE of the Company
“Main Board”	the Main Board of the Shanghai Stock Exchange or the Shenzhen Stock Exchange
“ChiNext board”	the ChiNext board of the Shenzhen Stock Exchange
“STAR Market”	Sci-Tech innovation board of the Shanghai Stock Exchange
“Securities Law”	the <i>Securities Law of the PRC</i> * (中華人民共和國證券法)

Definitions

"SFO"	the <i>Securities and Futures Ordinance</i> (Chapter 571 of the Laws of Hong Kong)
"Company Law"	the <i>Company Law of the PRC*</i> (中華人民共和國公司法)
"IFRSs"	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC)
"CASs"	Chinese Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and other relevant requirements
"Model Code"	the <i>Model Code for Securities Transactions by Directors of Listed Issuers</i> set out in Appendix C3 to the <i>Listing Rules of the Stock Exchange</i>
"Corporate Governance Code"	the <i>Corporate Governance Code</i> set out in Appendix C1 to the <i>Listing Rules of the Stock Exchange</i>
"Shareholder(s)"	holder(s) of the Share(s)
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
"Listing Rules of the Stock Exchange"	the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i>
"Listing Rules of the SSE"	the <i>Rules Governing the Listing of Stocks on the Shanghai Stock Exchange</i> , together with the <i>Listing Rules of the Stock Exchange</i> , are referred to as the "Listing Rules"
"Net capital"	net capital refers to net assets after risk adjustments on certain types of assets as defined in the <i>Provisions on the Calculation Basis for Risk Control Indicators of Securities Companies</i>
"FICC"	fixed income, commodities and currency
"ETF(s)"	exchange-traded fund(s)
"FoF"	Fund of Fund

“REIT(s)”	real estate investment trust(s)
“NSSF”	the National Council for Social Security Fund of the PRC* (中國全國社會保障基金理事會)
“CSDC”	China Securities Depository and Clearing Corporation Limited* (中國證券登記結算有限責任公司)
“Huijin”, “Huijin Company” or “Central Huijin”	Central Huijin Investment Ltd.* (中央匯金投資有限責任公司), a wholly state-owned company ultimately owned by the PRC Government and a Shareholder of our Company
“Jiayin Investment”	China Jiayin Investment Limited* (中國建銀投資有限責任公司), a company incorporated in the PRC in June 1986 and a wholly-owned subsidiary of Huijin and a Shareholder of our Company
“JIC Investment”	JIC Investment Co., Ltd.* (建投投資有限責任公司), a company incorporated in the PRC in October 2012 and a wholly-owned subsidiary of Jiayin Investment and a Shareholder of our Company
“China Investment Consulting”	China Investment Consulting Co., Ltd.* (中國投資諮詢有限責任公司), a company incorporated in the PRC in March 1986 and a wholly-owned subsidiary of Jiayin Investment and a Shareholder of our Company
“Haier Jinying”	Haier Group (Qingdao) Jinying Holding Co., Ltd.* (海爾集團(青島)金盈控股有限公司), formerly known as Haier Group (Qingdao) Financial Holdings Ltd.* (海爾集團(青島)金融控股有限公司), a company incorporated in the PRC in February 2014 and a Shareholder of our Company
“Tencent Holdings”	Tencent Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Hong Kong Stock Exchange (Stock Code: 00700 (HKD counter) and 80700 (RMB counter))
“Treasury Share(s)”	has the same meaning ascribed to it under the <i>Listing Rules of the Stock Exchange</i>
“Tencent Mobility Limited”	Tencent Mobility Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Tencent Holdings and a Shareholder of our Company
“PRC” or “China”	the People’s Republic of China

Definitions

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"HK\$", "HKD" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"US\$" or "USD"	United States dollars, the lawful currency of the United States
"Latest Practicable Date"	August 30, 2024
"Reporting Period"	the period from January 1, 2024 to June 30, 2024

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in the report in both Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are marked with "*" and are provided for identification purposes only.

IMPORTANT NOTES

- I. The Board of Directors, the Supervisory Committee and all Directors, Supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents contained in this interim report, and that there are no misstatements, misleading representations or material omission in the contents contained herein, and severally and jointly bear legal responsibilities thereof.
- II. This report was considered and approved by the Board of Directors of the Company with the attendance of all Directors apart from the Directors set as below in person. None of the Directors raised any objection to this report.

Name	Position	Reason of Not Attending in Person	Name of Proxy
Deng Xingbin	Non-executive Director	Other Work Arrangement	Zhang Wei

- III. The interim report was unaudited. The interim condensed consolidated financial statements for 2024 were prepared by our Company according to the IFRSs, which have been reviewed by Ernst & Young.
- IV. The Company intends to distribute the 2024 interim dividend to its Shareholders by way of cash dividend. The total proposed cash dividends are RMB434,453,118.12 (tax-inclusive). On the basis of 4,827,256,868 Shares in issue of the Company as at the Latest Practicable Date, the cash dividends of RMB0.90 (tax-inclusive) per 10 Shares will be distributed. In case of any changes in the total share capital of the Company before the record date to distribute profit, the amount of cash dividend per Share will be adjusted within the total amount of RMB434,453,118.12 (tax-inclusive). The above profit distribution plan shall be submitted to the Shareholders' General Meeting for consideration and approval.
- V. Statement for the risks involved in the forward-looking statement

The forward-looking statements such as future plans, development strategies contained in this report do not constitute substantive undertakings by our Company to investors who are advised to be cautious about investment risks.

- VI. No appropriation of funds on a non-operating basis by the Company's controlling shareholder or other related parties has occurred.
- VII. The Company did not provide any external guarantee in violation of the decision-making procedures.
- VIII. The business operations of our Company are closely related to the macro economy, monetary policy and market conditions in China and other jurisdictions where our businesses are operated. Any fluctuation in China's and international capital markets will affect the Company's business performance.

The risks faced by our Company mainly include: market risk, credit risk, liquidity risk, operational risk, IT risk, compliance risk, legal risk, money laundering risk and reputational risk, etc.

Our Company will work on its organizational structure, management mechanism, IT system, risk indicator framework, talents cultivation and risks response mechanism, etc., to prevent and manage the above-mentioned risks. For detailed analysis and measures taken by our Company in respect of the risks, please refer to the content in "Management Discussion and Analysis – Risk Management".

- IX. Certain amounts and percentage figures included in this report have been subject to rounding. Any discrepancies in any table or chart between the arithmetic sum shown and the total of the figures listed preceding them are due to rounding. Unless otherwise stated, the amounts in this report are presented in RMB.

COMPANY PROFILE

I. BASIC CORPORATE INFORMATION

Chinese name	中國國際金融股份有限公司
Abbreviation of Chinese name	中金公司
English name	China International Capital Corporation Limited
Abbreviation of English name	CICC
Legal representative	Chen Liang
Chairman	Chen Liang (performing duties in place of the President)
Authorized representatives	Chen Liang, Zhou Jiaying
Joint company secretaries	Sun Nan, Zhou Jiaying
Registered and office address	27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC
Historical changes in registered address	On March 16, 2015, registered address of the Company was changed from “27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Beijing” to “27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing”
Postcode	100004
Place of business in Hong Kong	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong, China
Company website	www.cicc.com
E-mail	Investorrelations@cicc.com.cn
Contacted telephone	(010)65051166
Registered capital	RMB4,827,256,868
Net capital	RMB46,437,183,230

Business scope and each individual business qualification of the Company

The Company's business scope covers: securities business; foreign exchange business; public securities investment fund sales; intermediary introduction business provided by securities companies to futures companies; custodian business for securities investment funds.

Please refer to Appendix I in this report for the main business qualifications of the Company.

II. CONTACT

Contact	Secretary to the Board: Sun Nan Securities Affairs Representative: Zhou Cen
Address	27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC
Telephone	(010)65057590
Facsimile	(010)65051156
E-mail	Investorrelations@cicc.com.cn

III. INFORMATION DISCLOSURE AND PLACE AVAILABLE FOR INSPECTION

Names and websites of the medium where the interim report is disclosed	China Securities Journal (www.cs.com.cn) Shanghai Securities News (www.cnstock.com) Securities Times (www.stcn.com) Securities Daily (www.zqrb.cn)
The stock exchange websites where the interim report is disclosed	Website of the SSE: www.sse.com.cn The HKEXnews website of HKEX: www.hkexnews.hk
Place available for inspection of the interim report	27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC 29th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong

IV. OVERVIEW OF COMPANY STOCK

Class of shares	Stock exchange of listing	Stock abbreviation	Stock code
A Shares	SSE	CICC	601995
H Shares	HKEX	CICC	03908

SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	% of change
Operating results			
Total revenue and other income	14,892.4	18,606.7	(20.0%)
Total expenses	12,448.8	14,478.8	(14.0%)
Profit before income tax	2,456.7	4,129.9	(40.5%)
Profit attributable to shareholders of the parent company	2,228.1	3,560.6	(37.4%)
Net cash generated from/(used in) operating activities	10,653.3	(10,791.4)	N/A
Basic earnings per share (RMB/share)	0.394	0.670	(41.2%)
Weighted average return on net assets	2.1%	3.8%	Decreased by 1.7 percentage points

Items	June 30, 2024	December 31, 2023	% of change
Financial position			
Total assets	599,104.4	624,306.6	(4.0%)
Total liabilities	493,177.8	519,409.2	(5.1%)
Total equity attributable to shareholders of the parent company	105,631.5	104,603.3	1.0%
Accounts payable to brokerage clients and to underwriting clients	82,032.0	82,311.0	(0.3%)
Total share capital (in million shares)	4,827.3	4,827.3	–
Net assets per share attributable to shareholders of the parent company (RMB/share) ⁽¹⁾	18.5	18.3	1.2%
Gearing ratio ⁽²⁾	79.5%	80.6%	Decreased by 1.1 percentage points

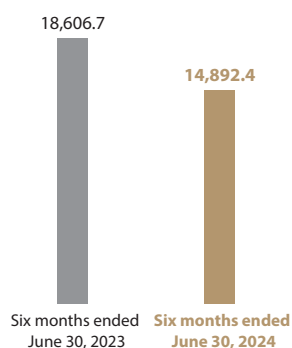
⁽¹⁾ Net assets per share attributable to shareholders of the parent company is calculated based on total equity attributable to shareholders of the parent company less other equity instruments.

⁽²⁾ Gearing ratio = (total liabilities – accounts payable to brokerage clients and to underwriting clients)/(total assets – accounts payable to brokerage clients and to underwriting clients).

Summary of Accounting Data and Financial Indicators

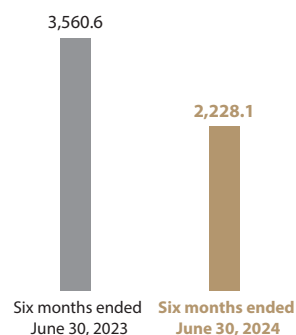
Total revenue and other income

RMB in million

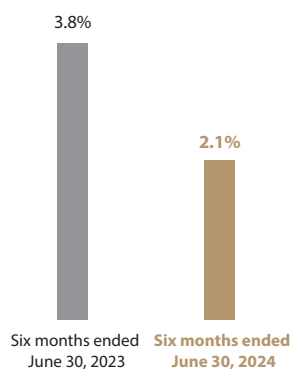


Profit attributable to shareholders of the parent company

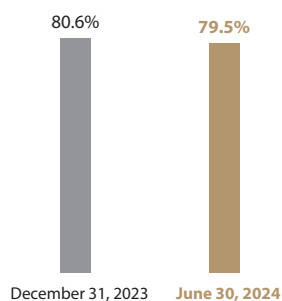
RMB in million



Weighted average return on net assets

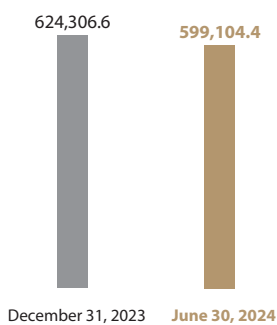


Gearing ratio



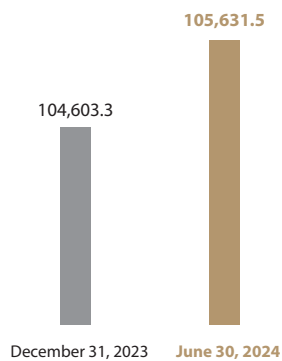
Total assets

RMB in million



Total equity attributable to shareholders of the parent company

RMB in million



II. DIFFERENCES OF ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

In terms of our Group's profit attributable to shareholders of the parent company for the six months ended June 30, 2024 and the six months ended June 30, 2023 and the net assets attributable to shareholders of the parent company as of June 30, 2024 and December 31, 2023, there's no difference between the numbers presented in the interim condensed consolidated financial statements prepared in accordance with IFRSs and those presented in the consolidated financial statements prepared in accordance with CASs.

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

As of June 30, 2024, the net capital of the parent company amounted to RMB46,437.2 million, representing an increase of 5.2% as compared with RMB44,125.9 million as of December 31, 2023. During the Reporting Period, our parent company's net capital and other risk control indicators all met regulatory requirements.

Unit: RMB in million

Items	June 30, 2024	December 31, 2023
Core net capital	31,257.2	29,417.3
Supplementary net capital	15,180.0	14,708.6
Net capital	46,437.2	44,125.9
Net assets	79,973.9	78,137.3
Total risk capital reserves	23,059.4	22,943.6
Total on-and-off-balance-sheet assets	249,058.0	257,117.9
Risk coverage ratio	201.4%	192.3%
Capital leverage ratio	12.6%	11.4%
Liquidity coverage ratio	268.2%	201.1%
Net stable funding ratio	144.1%	132.4%
Net capital/net assets	58.1%	56.5%
Net capital/liabilities	20.6%	18.8%
Net assets/liabilities	35.5%	33.3%
Equity securities and related derivatives held/net capital	42.1%	62.0%
Non-equity securities and related derivatives held/net capital	348.5%	348.5%

I. CORPORATE STRATEGIES AND OPERATIONS

Market Environment

Bolstered by recovering external demand, China's economy remained largely stable in the first half of 2024. The complexity, severity, and uncertainty in the external environment have increased significantly since the beginning of the year. Meanwhile, the economy has faced both opportunities and challenges from ongoing domestic structural adjustments in the second half of the financial cycle. That said, China's economic growth has received some support from factors such as the recovery in external demand, the lasting effects of macroeconomic policies, and the accelerated development of new quality productive forces. Exports have played a remarkable role in supporting the economy. In the first half of 2024, the total value of renminbi-denominated goods imports and exports grew 6.1% year-on-year, hitting a record high. In particular, the value of goods exports rose 6.9% year-on-year. Overall, China's economy remained largely stable in the first half of 2024, with GDP growing by 5.0% year-on-year at constant prices to RMB61.7 trillion.

Innovation-driven development gained momentum; industrial transformation and upgrading made steady progress. In the second quarter of 2024, high-tech manufacturing enterprises above the designated size accounted for 15.8% of the total value added of industrial enterprises above the designated size, up 0.6 percentage point from the first quarter. The output of integrated circuits, service robots, new energy vehicles (NEVs), and solar cells maintained double-digit growth. In the first half of 2024, online retail sales of physical goods grew 8.8% year-on-year, as new technologies such as big data and artificial intelligence created new consumption scenarios, and new consumption models such as live streaming marketing and express on-demand delivery continued to emerge. As new technologies continued to empower green development, the contribution of green industries to economic development increased. In the first half of 2024, the sum of hydropower, nuclear power, wind power, and solar power generated by industrial enterprises above the designated size grew 13.4% year-on-year, accounting for an increased proportion of total power generation by industrial enterprises above the designated size. Energy consumption per unit of GDP continued to decline.

China's capital market fell then rebounded in the first half of 2024. The capital market fluctuated sharply in early 2024 due to weak market expectations for economic growth and low market liquidity resulting from poor market performance. This was followed by gradual market stabilization and rebound thanks to stronger-than-expected domestic economic growth data and the solid progress in capital market reforms. The Chinese government issued the third "Nine Guidelines" document on the capital market, which calls for the establishment of an overall framework within five years for the high-quality development of the capital market. The document provides important guidance for medium- to long-term reforms, e.g., imposing strict regulation on securities issuance and listing, improving regulation to enforce delisting rules more strictly, and enhancing the investment value of listed firms. We believe these guidelines will help improve the capital market's capability to serve the real economy. Various institutional investors continued to grow larger. A total of 643.4 billion mutual fund units were issued in the first half of 2024, and the net asset value of mutual funds exceeded RMB30 trillion. The balance of insurance companies' equity and securities investments hit a record high. Northbound trading recorded a net fund inflow of RMB38.58 billion in the first half of 2024, marking an improvement from the outflow recorded in the second half of 2023. The valuation of the Chinese market remains attractive compared with global peers. Considering the issuance and implementation of pro-growth policies and the progress of medium- to long-term reforms, we believe opportunities will outweigh risks in the capital market in the medium term.

Supply-side structural reforms continued in the financial industry. Since the beginning of 2024, the People's Bank of China (PBoC) has maintained a prudent monetary policy that is flexible, moderate, precise, and effective. The central bank further strengthened counter-cyclical adjustments but reduced the emphasis on quantitative targets for monetary aggregates. In addition, the PBoC provided guidance for the balanced supply of credit, and endeavored to prevent the circulation of money in the financial system alone without reaching the real economy. Meanwhile, the PBoC further stepped up its support for major national strategies, key fields of development, as well as weak spots that have yet to be strengthened. The central bank has worked hard to support the development of the "five priorities" of technology finance, green finance, inclusive finance, pension finance, and digital finance. In the first half of 2024, the PBoC lowered the required reserve ratio by 0.5 percentage point and the 5-year loan prime rate (LPR) by 25 basis points to 3.95%. In addition, the PBoC launched a re-lending facility to provide greater financial support for sci-tech innovation, technological renovation and equipment upgrading. Various existing structural monetary policy tools have been put to effective use. While the interest rate differential between China and the US remained wide, the market continued to play a decisive role in determining the renminbi's exchange rate, and the PBoC strengthened its guidance of expectations to prevent the risk of exchange rate overshooting. In response to the latest changes in supply and demand conditions in the real estate market, the PBoC has been issuing policy packages since the second quarter of 2024 to support the real estate industry. These include lowering the minimum down payment ratio for personal housing mortgage loans, abolishing the lower limit on interest rates of these loans, and reducing the interest rates of personal housing provident fund loans. The PBoC also launched a re-lending facility for government-subsidized housing to accelerate the reduction of housing inventory.

Landscape of Securities Industry

Earnings of the securities industry declined year-on-year in the first half of 2024, and business operations still faced challenges.

Major stock indexes were under downward pressure in the first half of 2024, while the rise in bond indexes widened. The average daily turnover of the A-share market fell 8% year-on-year to RMB862.7 billion in the first half of 2024, and the ending balance of margin financing and securities lending declined 10% from the beginning of 2024 to RMB1.48 trillion. Against such a backdrop, securities firms' fee income declined year-on-year in the first half of 2024, and investment income was also under downward pressure given the high base in the same period of last year. Therefore, we estimate that the industry's overall earnings declined year-on-year in the first half of 2024. Among various business lines, we estimate that the industry's brokerage revenue declined year-on-year in the first half of 2024, as market turnover dropped, commission rates declined marginally, while agency sales of financial products faced difficulties. Meanwhile, the industry's investment banking revenue was under downward pressure in the first half of 2024, as A-share IPO fundraising and follow-on offering decreased significantly year-on-year, although credit bond issuance increased by 5% year-on-year to RMB8.96 trillion. While securities firms' assets under management (AUM) remained stable and mutual funds' AUM increased year-on-year, further fee reforms in the mutual fund industry impacted the securities industry's revenue from the asset management business in the first half of 2024. We estimate that the industry's investment income declined year-on-year in the first half of 2024 due to a high base in the same period of last year and sharp fluctuations in the equity market, although the bond market performed well.

Market reforms made steady progress, and the capital market entered a new stage of high-quality development.

In early March 2024, the Chinese government issued a work report that calls for the enhancement of "underlying stability of the capital market". In response, the China Securities Regulatory Commission (CSRC) laid out a regulatory framework encompassing "one cornerstone" and "five pillars". As one of the five pillars, the demand for "better professional services" requires financial institutions, notably securities firms, to build stronger service capabilities. In the same month, the CSRC issued four policy documents to cover key areas of regulation, spanning regulation of IPOs, listing, and intermediary institutions. These documents include pilot guidelines to strictly regulate IPOs and listing so as to improve the quality of listed companies from the very beginning of the listing process, as well as interim frameworks to strengthen the regulation of securities firms and mutual funds in a bid to foster the accelerated growth of first-class investment banks and investment institutions. The documents outline the key direction of ongoing capital market reforms, i.e., laying a solid groundwork and tightening regulation to foster high-quality development of the capital market. In April 2024, the State Council issued a new document containing nine guidelines for the capital market (國九條). The document calls for strengthened regulation, effective risk prevention, and high-quality development of the capital market so as to build a strong financial industry to serve the country's modernization programs. In addition, the document stresses the need to strengthen the regulation of securities firms and fund management companies, urging them to refocus on their original main businesses, build competitive strengths and enhance the quality of business development.

The regulator urges and guides securities firms to refocus on their original functions and services so as to grow into first-class investment banks. Supply-side reforms are likely to accelerate in the securities industry. The CSRC set forth the medium- and long-term development plan for the securities industry in its document on the interim frameworks to strengthen the regulation of securities firms and mutual funds so as to foster the accelerated growth of first-class investment banks and investment institutions. In addition to stressing that securities firms should give top priority to their functionality, the plan indicates that high-quality institutions can be allowed to expand their business scale to an appropriate extent without an increase in capital. The regulator also said that it supports leading institutions to grow stronger through M&A, restructuring, and organizational innovation. In terms of development philosophy, the regulator has required securities firms to take a people-centered approach to financial services and further improve the quality and efficiency of their services for the real economy. For example, securities firms are required to further enhance their capabilities to serve new quality productive forces and support high-quality economic growth by providing services in technology finance, green finance, inclusive finance, pension finance, and digital finance. As for the industry's competitive landscape, it is important to note that compliance with laws and regulations will remain crucial for the development of securities firms. High-quality firms with better corporate governance structures, stricter internal controls, and more rigorous risk management standards will likely show stronger growth potential under tight industry regulation. In addition, it is also important to note the government's top-down policy guidance, the regulator's requirement that financial institutions should cut fees and partially relinquish profits to support the real economy, as well as regulation rules that categorize securities firms based on their relative strengths and favor stronger firms. We believe that high-quality firms with strong economies of scale, outstanding professional expertise, and superior internal coordination mechanisms can better cope with these new requirements by expanding business volume to offset impacts from lower prices of financial services and products. Meanwhile, high-quality securities firms are taking the lead to transform various business lines, which helps enhance their business competitiveness and earnings stability. Through both organic growth and M&A, supply-side reforms will likely gain speed in the securities industry and raise its concentration ratio.

Development Strategies

CICC's strategic vision is to focus on serving the priorities of the national development, innovating to support the real economy, actively facilitating capital market reform, and effectively promoting financial risk mitigation. CICC attaches importance to medium and long-term development, and will clarify the direction, and capture the opportunities to accelerate growth for quality and capabilities, strengthen core competitiveness, and strive to become a first-class investment bank with international competitiveness.

Business Plans

In 2024, our Company will uphold the original aspiration of “For the Nation”, continue to deepen our roots in China and consolidate our global footprint. We will act as a bridge between the real economy and the capital market, contributing to the “five priorities” of technology finance, green finance, inclusive finance, pension finance, and digital finance, and making new breakthroughs and achievements on the path of high-quality development; maintain strategic focus, strengthen the strategic guidance and empowerment of business development, and fully execute the “Three + One” strategic blueprint; actively seize market opportunities, consolidate core competitive advantages and business strengths, and accelerate to become a first-class investment bank with international competitiveness.

II. ANALYSIS OF CORE COMPETITIVENESS

(I) Premier Brand

Our Company has established a premier brand in the financial services industry. Since the inception, our Company has drawn on the best practices of market in China, and has always adhered to the business philosophy of “By the People and For the Nation, Chinese Roots and International Reach”, which won us a market reputation at home and abroad. For years, while maintaining high-standard practices, our Company has actively participated in reforms and system construction of the capital market to stimulate business innovation. Our Company maintained leading positions in many businesses for years, and was honored numerous awards as the best player in China.

Our Company regarded the brand cultivation and cultural building as key measures to continuously enhance our market leading position. Leveraging our franchise and core values of professionalism, entrepreneurship and pursuing excellence, our Company continued to attract outstanding talents and new clients, expand our business scope and capture important business opportunities while maintaining the stability of existing employees and clients.

(II) High-quality Client Base

Our Company has explored an extensive and profound client base with high quality. Relying on our excellent service quality and professional service capabilities, our Company has formed a profound client base covering a wide range of large-sized enterprises, high-quality emerging growth companies, professional institutional investors and growing wealth management clients that play important roles in the national economy and capital market. Our Company can provide our clients with complicated, diversified and high-quality business services through our integrated and customized cross-border platform. Our Company has developed long-term cooperation with clients and are dedicated to providing them with a comprehensive suite of products and services.

(III) Balanced Business Structure

Our Company has established our business structure from a forward-looking prospective based on our insight into development trends of global capital markets. With the accelerating process of internationalization and institutionalization of the capital market in recent years, a large number of traditional channel businesses are facing tremendous pressure. As such, in line with the trend of “institutionalization”, “internationalization” and “product sophistication”, our Company continues to enhance the overall capabilities, and has embarked on a new track with focus on key national deployment areas such as technological innovation and green development. Our Company continues to consolidate strengths in traditional businesses such as investment banking, equities and FICC, and promote the sustainable development of emerging businesses relating to asset management, private equity and wealth management.

(IV) Outstanding Cross-border Capability

Capitalizing on our first mover advantage in pursuing international strategy, our Company has formed outstanding cross-border business capabilities with a leading position in the cross-border arena, thus proactively playing our role in serving cross-border capital transactions and promoting the mutual opening of financial markets.

In terms of international presence, our Company has established overseas operations and business activities in seven financial centers across Hong Kong of the PRC, New York, London, Singapore, San Francisco, Frankfurt and Tokyo, and fully mobilizes domestic and overseas resources including research, people and products, to provide one-stop cross-border services for our clients. The seamless connection among our domestic and overseas businesses enables our teams to be equipped with both domestic and overseas business experience and qualifications for domestic businesses and businesses in several overseas regions.

In terms of cross-border business, our Company has been serving the “bringing in” and “going global” needs of industrial capital and financial capital, which enabled us to enjoy certain advantages in businesses such as overseas IPOs for PRC-based companies, offshore bond offerings, and cross-border mergers and acquisitions, to sustain strong growth in emerging businesses such as cross-border transactions and the Connect business, thereby obtaining more bargaining and pricing power in the international capital markets.

(V) Leading and Influential Research

Research is an important foundation for our business. Our talented, experienced and international research team has provided objective, independent, prudent and professional research services for domestic and overseas clients through our research platform covering the global markets. With in-depth understanding, thorough analysis and unique insights into Chinese companies and industries, our research team has won the Company a reputation as the “China Expert”.

Our research capabilities have been widely recognized by influential international institutions. These included the “No. 1 Overall Country Research for China” in the *Asiamoney Brokers Poll*, which marked the 18th consecutive year of our championship in this poll from 2006 to 2023. We were also named the “No.1 The All-China Best Research Team” by *Institutional Investor* for twelve consecutive years from 2012 to 2023. In 2020, our Company established the CICC Global Institute (CGI), which focuses on public policy research and is committed to building a new think tank in the new era. The CGI and CICC Research are committed to working side by side to provide all-round research support for the economic and social development.

(VI) Experienced Management and High-quality Workforce

Our Company has a senior management team with global perspectives and entrepreneurship, and a high-quality workforce with full licenses at home and abroad.

Most members of our senior management team have work experience in domestic and overseas financial institutions with global perspectives. In the meantime, they have experienced the main development course and multiple cycles of China’s securities industry, and are equipped with rich experience and profound understanding regarding domestic and overseas capital markets and the securities industry. Riding on the concept of “Chinese Roots and International Reach”, our senior management team has constantly combined advanced management experience with the practices of China’s financial reform, and took the lead in developing new products and vigorously exploring new markets.

Our premier brand and high-quality platforms enable us to recruit the best graduates from top domestic and overseas universities, as a stable source of high-quality talents for our domestic and overseas branches. Our sound staff development and training system has provided comprehensive and systematic training for employees at different levels and positions, thereby continuously enhancing professional capabilities of our workforce and equipping them with full-license practice capabilities. Through the above measures, we have developed high-quality workforce to support our rapid, healthy and sustainable development.

(VII) Efficient Management Model and Prudent Risk Management Mechanism

Our Company has established an efficient and sound management model and a comprehensive and prudent risk management mechanism. The Company has adhered to the “Two Consistencies”, gradually improved the modern state-owned enterprise system with Chinese characteristics, and established corresponding business models and management processes in line with the experience of mature international markets to ensure efficient and effective management. At the same time, our Company has always adhered to and continuously strengthened the “all staff, whole process, full coverage and looking through” risk control compliance system and operating mechanism, through which the parent company can conduct integrated vertical management over domestic and overseas subsidiaries and branches, and the same business and the same client can be subject to unified risk management. Therefore, our Company has formed centralized and effective business management and risk control, and unified decision-making, management and resources allocation, thus ensuring the smooth and orderly development of our business and the stable operation of our risk control system.

(VIII) Advanced Information Technology Capabilities

We consider information technology as a core component of our competitiveness. We have a sound IT governance structure and the industry-leading independent research and development capabilities. Our Company has developed three basic technology systems regarding basic transactions, products and services, and risk control and operation management, to provide complicated whole-process and end-to-end financial products and services for clients and various business units as well as global support of comprehensive business operation and management capabilities. Our Company has adopted self-developed and industry-leading core business systems and platforms with stable operation.

The Company will continue to promote our business development with information technologies as a key driver. With the continuous advancement of information technologies in recent years, our Company has also increased capital investment in and attached importance to talent training and capacity building, continued to optimize our organizational structure and operating model, and proactively researched and explored the application of new technologies in various business areas, so as to promote the integration of businesses and technologies. Capitalizing on the advantages brought by the booming development of China’s financial technologies, we have actively carried out strategic cooperation with China’s leading technology companies to develop new products, businesses and models by leveraging data and technology.

III. ANALYSIS OF PRINCIPAL BUSINESS

The Company’s investment banking business mainly provides investment banking services such as equity financing, debt financing and asset securitization and financial advisory for domestic and foreign corporate and institutional customers, including sponsorship and underwriting of initial public offerings and listings at home and abroad, sponsorship and underwriting for refinancings of domestic and foreign listed companies, underwriting of various domestic and overseas fixed income financing instruments, financial advisory services for transactions such as corporate mergers and acquisitions, strategic acquisitions of shares, privatizations, spin-offs and debt restructurings of listed companies.

The Company's equities business mainly provides domestic and overseas professional investors with one-stop comprehensive financial services covering "investment research, sales and trading, derivatives products and cross-border business", including institutional trading services and capital business. Capital business mainly includes providing professional investors with various innovative products and capital services such as prime brokerage, over-the-counter derivatives, capital introduction and market-making services. Our extensive geographical coverage is supported by a large global equities sales and trading network across major Chinese cities and key international financial centers, through which we materialize synergies among different teams, customers and business lines in the exchange and OTC markets at home and abroad.

The Company's FICC business mainly provides domestic and foreign enterprises and institutional customers with integrated and comprehensive services covering sales, trading, research, advisory and structuring of fixed income, commodity and foreign exchange securities and derivatives. Specifically, FICC operates in interest rate business, credit business, structured business (including securitized products and non-standard products), foreign exchange business and commodity business (including futures business).

The Company has full licenses in asset management, and a diversified portfolio of asset management products. With reference to international industry standards and domestic regulatory requirements, the Company has established a unified asset management business platform covering domestic and overseas markets, which mainly designs and provides diversified asset management products and services, including investment management for social security and annuity plans, institutional entrusted investment management, offshore asset management, retail and mutual fund products and services for domestic and foreign investors.

The Company's private equity business serves domestic and foreign investors by designing and providing integrated private equity investment fund products and services, mainly including corporate equity investment fund, FoF, USD fund, real asset fund, and infrastructure fund. The Company carries out unified management of domestic and overseas private equity investment fund business through our private equity fund management subsidiaries, which invest in high-quality enterprises with long-term growth potential, core competitiveness and strong management teams.

The wealth management business of the Company mainly provides a wide range of wealth management products and services to individuals, families and corporate customers to meet their trading, investment and asset allocation demand, including trading services, capital services such as margin financing, securities lending and stock-pledged repo, and product allocation services.

The research business of the Company mainly supports various business lines of the Company by providing objective, independent, rigorous and professional research services to domestic and foreign customers. In 2020, the Company established the CICC Global Institute, which focuses on public policy research and is committed to building a featured think tank in the new era.

(I) Investment Banking

Equity Financing¹

Market Environment

In the first half of 2024, a total of 44 A-share IPOs were completed, with an aggregate financing size of RMB32,493 million, representing a year-on-year decrease of 84.5%; a total of 77 A-share follow-on offerings were completed, with an aggregate financing size of RMB75,904 million, representing a year-on-year decrease of 73.4%.

In the Hong Kong primary market, a total of 30 Hong Kong IPOs were completed, with an aggregate financing size of US\$1,721 million, representing a year-on-year decrease of 24.5%; in terms of follow-on offerings and sell-downs, a total of 112 transactions were completed with an aggregate amount of US\$3,387 million, representing a year-on-year decrease of 63.5%.

In the US primary market, a total of 13 US IPOs of PRC-based companies were completed, with an aggregate financing size of US\$2,210 million, representing a year-on-year increase of 374.4%. A total of 4 US follow-on offerings and sell-downs of PRC-based companies were completed, with an aggregate size of US\$936 million, representing a year-on-year decrease of 45.6%.

Actions and Achievements

In the first half of 2024, CICC closed a total of 4 A-share IPOs acting as the lead underwriter, with an aggregate lead underwriting amount of RMB1,571 million, ranking 8th in the market, and led the completion of A-share IPOs including those of NewTechWood, SigmaStar and Omat. The Company closed a total of 9 A-share follow-on offering projects acting as the lead underwriter, with an aggregate lead underwriting amount of RMB8,655 million, ranking 2nd in the market.

In the first half of 2024, the Company sponsored a total of 9 Hong Kong IPOs, including those of ChaPanda, RoboSense, Lianlian DigiTech and Concord Healthcare, with an aggregate lead underwriting amount of US\$564 million, ranking 1st in the market; the Company closed a total of 11 Hong Kong IPOs acting as the global coordinator, with an aggregate lead underwriting amount of US\$362 million, ranking 1st in the market; and the Company also closed a total of 11 Hong Kong IPOs acting as the bookrunner, with an aggregate lead underwriting amount of US\$101 million. The Company closed 4 follow-on offerings and sell-downs for Hong Kong stocks acting as the bookrunner, with an aggregate lead underwriting amount of US\$850 million, ranking 1st in the market.

¹ Source: Company statistics; Wind for A-share market, Dealogic for offshore markets, all based on data on the listing date.

Data base: A-share follow-on offerings include private placements, public placements and rights issues; follow-on offerings for Hong Kong and US stock markets including placements, rights issues and block trade sell-downs. US IPOs of PRC-based companies include US IPOs of PRC-based companies and their offshore subsidiaries.

In the first half of 2024, the Company closed 2 US IPOs of PRC-based companies acting as the bookrunner, with an aggregate lead underwriting amount of US\$147 million; and 1 US follow-on offering of a PRC-based company acting as the bookrunner, with a lead underwriting amount of US\$250 million.

In the first half of 2024, the Company fully implemented the major decisions and arrangements of the Party Central Committee and the State Council, put into place the guiding principles of the Central Financial Work Conference and the Central Economic Work Conference, actively practiced the new guideline document on the capital market from the State Council, and stayed true to the fundamental purpose of finance serving the real economy. In terms of serving technology finance, we completed benchmark projects including the IPO of Wafer Works (Shanghai) on STAR Market, the IPO of SigmaStar on ChiNext Board, and the IPO of Mobvoi on Hong Kong stock market. In terms of serving green finance, we completed projects including the US IPO of ZEEKR and the A-share follow-on offering of Deye. In terms of serving the domestic and international dual circulation, we completed the US IPO of Amer Sports and the secondary public offering of old shares in Saudi Aramco.

Items	In the first half of 2024		In the first half of 2023	
	Lead underwriting amount (RMB in million)	Number of offerings	Lead underwriting amount (RMB in million)	Number of offerings
A-share equity offerings				
IPOs	1,571	4	22,671	9
Follow-on offerings	8,655	9	50,035	17
Preferred shares	-	-	2,500	1

Items	In the first half of 2024		In the first half of 2023	
	Lead underwriting amount (USD in million)	Number of offerings	Lead underwriting amount (USD in million)	Number of offerings
Hong Kong equity offerings				
IPOs	101	11	258	9
Follow-on offerings	850	4	483	7

Items	In the first half of 2024		In the first half of 2023	
	Lead underwriting amount (USD in million)	Number of offerings	Lead underwriting amount (USD in million)	Number of offerings
US equity offerings of PRC-based companies				
IPOs	147	2	14	1
Follow-on offerings	250	1	-	-

Note: Data for Hong Kong equity offerings is based on lead underwriting amount as the bookrunner

Outlook for the Second Half of 2024

In the second half of 2024, the Company will continue to implement the guiding principles of the Central Financial Work Conference and the Central Economic Work Conference and make more active contributions to support the “five priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance and support the self-reliance and strength in science and technology. We will comprehensively strengthen capacity building and improve project pipeline, project quality and market share. We will proactively upgrade our product portfolio, improve the coverage of listed companies with comprehensive services and cater to the demand for block trades, transfers through book building and follow-on offerings. We will vigorously develop private placement business and set up a dedicated team to serve various capital and business needs of “Specialized, Refined, Differentiated, and Innovative” enterprises. We will consolidate our leading edge and contribute to the modernization of the industrial system, accelerating the development of new quality productive forces and the construction of a financial powerhouse.

Debt Financing and Asset Securitization

Market Environment

In the first half of 2024, China’s bond market was strong but volatile as a whole. Credit bonds and asset securitization products issued amounted to approximately RMB9.73 trillion in total, representing a year-on-year increase of 3.9%, among which the asset securitization products issued amounted to RMB0.77 trillion, representing a year-on-year decrease of 11.0%. Local government bonds issued amounted to RMB3.49 trillion, representing a year-on-year decrease of 20.0%.

As the Federal Reserve’s interest rate hikes peaked and the interest rate differential between China and the United States stabilized, in the first half of 2024, medium-and long-term offshore bonds issued by Chinese issuers amounted to US\$64.3 billion, representing a year-on-year increase of 38.5%.

Actions and Achievements

In the first half of 2024, the onshore bond underwriting amount² of CICC was RMB312,479 million, representing a year-on-year increase of 1.7%; the offshore bond underwriting amount³ was US\$2,199 million, representing a year-on-year increase of 24.2%.

² The onshore bond underwriting amount excludes local government bonds, the same below.

³ The offshore bond underwriting amount excludes certificate of deposit transactions.

In the first half of 2024, the debt financing and asset securitization business of the Company adhered to the principle of finance for the people, fully served the real economy, and made contributions to ensuring the high-quality development of bond market and promoting high-level two-way financial opening-up. In the first half of 2024, the Company ranked No. 4 in terms of onshore bond underwriting amount, No. 3 in terms of non-policy bank financial bond underwriting amount, and No. 3 in terms of onshore green bond underwriting amount in the industry. In the field of infrastructure public REITs, the Company ranked first in the market in terms of number of listed projects under management, and continued to lead the market in terms of scale expansion, market making, strategic investment and research coverage. In terms of offshore bonds, the Company maintained its leading position as No. 1 among PRC-based securities companies in terms of offshore bond underwriting amount by Chinese issuers.

In the first half of 2024, the Company completed the following milestone products and projects. In the field of onshore fixed income products, we assisted CCB Housing Rental Fund (建信住房租賃基金) in completing the first property rights holding real estate ABS (產權類持有型不動產ABS) in the market, supported the development of the rental housing market with financial services, and injected innovative impetus into the market for asset revitalization. In terms of financing for science and technology innovation, we assisted Guangzhou Digital Technology Group (廣州數字科技集團) in completing the issuance of the first exchangeable corporate bond of science and technology innovation in Guangdong Province. In terms of supporting the development of private enterprises, we assisted Shanghai Yuyuan Tourist Mart Co., Ltd. (上海豫園旅遊商城股份) in completing the first batch of Covered Bond (民企資產擔保債務融資工具) in the NAFMII (National Association of Financial Market Institutional Investors) bond market. In terms of supporting high-quality opening-up, we assisted CapitaMalls Asset Management (凱德商用產業財資) in completing the issuance of the first ASEAN corporate panda bond since the RCEP agreement came into effect, and the first sustainability-linked panda bond of Singapore corporates. In terms of infrastructure public REITs, we completed the issuance of the first CICC-SCPG REIT (中金印力消費REIT), making it one of the first batch of consumer infrastructure REITs in the market. In terms of offshore bonds, we actively served the internationalization and “Belt and Road” projects by assisting the Hong Kong Mortgage Corporation Limited (香港按揭證券) in the issuance of multi-year HKD bonds, and China Development Bank Hong Kong Branch (國家開發銀行香港分行) in the issuance of “Belt and Road” themed offshore bonds. We were deeply involved in assisting state-owned enterprises to issue offshore bonds by leading the issuance of USD bonds by China Cinda HK (信達香港), China Great Wal AMC (International) (長城國際) and China Orient Asset Management (International) (東方資產國際), and assisting China National Petroleum Corporation (中石油) in the issuance of dim sum bonds and China Huaneng (中國華能) in the issuance of subordinated perpetual USD bonds. In terms of serving private enterprises in the industry, we assisted Trip.com Group (攜程集團) in the issuance of offshore convertible bonds and New Hope Group (新希望集團) in the issuance of sustainability-linked offshore RMB bonds. We supported high-quality local state-owned enterprises in financing through ESG bonds by assisting Chengdu Tianfu New Area Investment Group (成都天投集團) in the issuance of USD green bonds, and assisting Shaoxing Shangyu State-owned Capital Investment and Operation (紹興上虞國投) and Zhongyuan Yuzi Investment Holding Group (中原豫資) in the issuance of USD sustainable bonds. In the field of debt restructuring, we assisted several real estate enterprises to restructure their outstanding bonds.

Outlook for the Second Half of 2024

In the second half of 2024, the Company will continue to make serving the development of the real economy its goal, invest more resources in the policy-supported areas, and grasp the opportunities from the emergence of new products. The Company will leverage the opportunity of regional business consolidation to generate synergies among different product lines and enhance the comprehensive service capabilities and regional competitiveness; invest more resources in underwriting special products such as technology innovation bonds, rural revitalization bonds, green and ESG bonds; continue to maintain our first-mover advantage and leading position in the REITs market; actively grasp the business opportunities of corporate debt management and credit repair, and broaden the application scenarios of debt restructuring business; take advantage of CICC's cross-border platform, to provide domestic and foreign enterprises with multi-currency debt financing and risk management solutions; enhance overseas business capabilities, expand overseas customer base, and continue to contribute to the development of Renminbi internationalization. In addition, the Company will further strengthen risk awareness, strictly control the admission of projects, enhance the management of entrusted bonds, and actively prevent and resolve credit risks.

Financial Advisory Services

Market Environment

In the first half of 2024, according to Dealogic, 1,286 mergers and acquisitions ("M&A") transactions in the PRC Market were announced with an aggregate volume of US\$108,325 million, representing a year-on-year decrease of 28.1%, among which, 1,117 transactions were domestic with a total volume of US\$94,858 million, representing a year-on-year decrease of 20.3%; and 169 transactions were cross-border with a total volume of US\$13,466 million, representing a year-on-year decrease of 57.3%.

Actions and Achievements

In the first half of 2024, according to Dealogic, CICC maintained our leading position and continued to rank No. 1 in the PRC M&A market. In the first half of 2024, according to Dealogic, CICC announced 29 transactions, involving an aggregate volume of US\$23,424 million. Among these transactions, 25 were domestic with a total volume of US\$23,231 million, and 4 were cross-border or offshore with a total volume of US\$193 million.

In the first half of 2024, CICC served the national strategies and helped the strategic restructuring of central and local state-owned enterprises. We announced a number of deals, including the transfer of Guangdong Rare Earth Industry Group (廣東稀土) to China Rare Earth Group from Guangdong Rising Holdings Group (廣晟控股集團) at nil consideration, the establishment of Sichuan Rural Credit Union Bank (四川農商聯合銀行), and the private placement of Bank of Weifang. We led a number of A-share benchmark transactions, including the acquisition of a controlling stake in JCET Group (長電科技) by China Resources Group, the sale of control of APT Medical to Mindray, the acquisition of AsialInfo Technologies by AsialInfo Security Technologies. We continued to play the role of a “dealmaker” for arms length transactions to promote industry consolidation and upgrading, and announced the sale of control of Redray (紅瑞生物) to FountainVest, the sale of control of Xiamen Huate Group (廈門華特) to Hainan Development Holdings, the sale of control of Source Photonics Holdings (索爾思光電) to Vantone Neo Development Group (萬通發展), and IM Motor’s Series B Financing. We continued to take the lead in the Hong Kong SAR market and cross-capital market, and announced the privatization of SciClone, the privatization of Yichang HEC Changjiang Pharmaceutical (東陽光長江藥業) by Sunshine Lake Pharma (廣東東陽光) by way of merger by absorption and the listing of Sunshine Lake Pharma by way of introduction, the privatization of Bank of Jinzhou, the privatization of Henlius, the acquisition of SMT Scharf AG (德國沙爾夫公司) by Yankuang Energy Group, and the acquisition of GE’s Brazil manufacturing plant by Goldwind Science & Technology. In addition, we continued to help the government and enterprises resolve risks and ensure the security of jobs by advising on a number of debt restructuring transactions, for example, the debt restructuring of Guangdong Rongtai (廣東榕泰).

Milestone transactions announced in the first half of 2024 include:

Project	Size	Highlights
Establishment of Sichuan Rural Credit Union Bank	US\$3.1 billion	It helped Sichuan become the first province in the western China and the fourth province in the country to establish a rural commercial united bank, and promoted the construction of a financial center in the western region
Acquisition of a controlling stake in JCET Group by China Resources Group	US\$1.6 billion	The largest equity transfer transaction of an A-share semiconductor company since 2024
IM Motor's Series B Financing	US\$1.1 billion	The largest private financing in China's new energy vehicle sector since 2023
Privatization of SciClone	US\$1.1 billion	The largest HK privatization in the biopharmaceutical field in the past 10 years and the largest PE-led M&A in China's biopharmaceutical field in the past 3 years
Sale of control of APT Medical to Mindray	US\$0.9 billion	The first transfer of controlling stake through cash acquisition on the STAR Market between two A-share companies and the first acquisition of controlling stake of a STAR Market listco by a ChiNext listco
Privatization of Bank of Jinzhou	US\$0.9 billion	The first H-share privatization of a Chinese bank
Private placement of Bank of Weifang	US\$0.7 billion	The largest Chinese commercial bank's equity financing project since 2024

Outlook for the Second Half of 2024

In the second half of 2024, the Company will continue to proactively capture M&A opportunities arising from key industries, promote industry consolidation and upgrading, and leverage domestic and overseas franchise to firmly support the high-quality development of the real economy. We will build on our strengths, strive for innovation and endeavour to steadily increase market share. In terms of debt restructuring, we will continue to prevent and resolve risks in key areas, support the bailout of enterprises, strengthen value identification, and empower the transformation of old and new drivers to serve the high-quality development of the regional economy.

(II) Equities Business

Market Environment

In the first half of 2024, global stock markets were affected by geopolitical tensions and the continuous adjustment of the pace of Federal Reserve's interest rate cuts, and the performance of different markets diverged. Trading volume in the A-share market also declined.

As of the end of the first half of 2024, performance of the A-share market can be illustrated by the following indexes: -0.3% in SSE Composite Index, -7.1% in SZSE Component Index, +0.9% in Shanghai & Shenzhen 300 Index, -9.0% in China Securities Index 500, -11.0% in ChiNext Price Index, +3.9% in Hang Seng Index, +9.8% in Hang Seng China Enterprises Index and -5.6% in Hang Seng Tech Index. In the first half of 2024, the average daily turnover of A shares reached RMB862,749 million, representing a year-on-year decrease of 8.5%; the average daily turnover in the Hong Kong stock market was HK\$110,400 million, representing a year-on-year decrease of 4.4%. The net northbound flow under the Stock Connect Scheme was RMB38,578 million, and the net southbound flow reached HK\$371,437 million.

Actions and Achievements

In the first half of 2024, CICC actively implemented the overall deployment of the Central Financial Work Conference. The Company gave full play to the characteristics of the equities business, and provided domestic and foreign institutional investors with one-stop financial services covering investment research, sales and trading, product structuring, and cross-border business through our equities business platform. We focused on serving important national strategies such as innovation-driven development, technological self-improvement, green development, and inclusive finance; and played the role of a bridge to introduce high-quality investors and long-term patient capital to the capital market, making due contributions to promoting the reform and opening up of the capital market.

We made new achievements in institutional services. We have consolidated the advantages of institutional client groups and upgraded our global trading capabilities. We followed the business concept of Client First and continued to diversify our clientele. Since 2024, the number of new client accounts have achieved solid growth. The market share of QFII clients has ranked first in the market for 20 consecutive years, and investment research services for a number of QFII and global long-only funds ranked top. The market share of Hong Kong stock trading continued to lead among Chinese securities companies. The Company continued to be in the first echelon in terms of investment research services for mutual fund clients and key insurance institutions. We increased coverage of hedge funds. We also made progress in the expansion of bank customers, and remained a leading position in the investment research services for NSSF. We provided comprehensive financial services such as increase or sell-down of shareholding for a number of large central and state-owned enterprises.

We improved product capabilities. We actively implemented regulatory requirements, and strengthened the building of a comprehensive customer service capability system to safeguard the interests of investors. We continued to improve product and service capabilities throughout the whole life cycle for domestic businesses and maintained our market advantages. We diversified asset allocation options and institutional investment channels. We actively carried out domestic market-making on the STAR Market and the Beijing Stock Exchange and other license businesses to facilitate the building of a multi-layered capital market and serve the development of high-tech enterprises. In terms of offshore product business, we continuously diversified the customer structure and product categories, as a way to further enhance our international competitiveness, and ranked among the top of overseas Chinese securities companies in terms of comprehensive strengths.

We explored a new model for international expansion. We strengthened our international setup to improve our influence in cross-border business, and provided customers with first-class global capital market services. We assisted regulators, government agencies and key clients to carry out international roadshows, and contributed to telling the stories of China and China's capital market. Our market share of Stock Connect transactions remained at the forefront of the market. As one of the first batch of "HKD-RMB Dual Counter Model" market makers, we won the "Top Market Maker in RMB Counter" awarded by the Hong Kong Stock Exchange to help boost the internationalization of RMB. The overseas team cooperated in a number of primary and secondary market financing projects to introduce overseas strategic and cornerstone investors for listed companies, and actively attracted long-term funds into the market. We focused on expanding customers in emerging markets and countries involved in the "Belt and Road" Initiative, to expand international business exposures and improve the level of comprehensive customer services.

Outlook for the Second Half of 2024

In the second half of 2024, the Company will always adhere to the goal of serving national strategies, practice the customer-oriented business concept, and strengthen the all-round customer service capabilities. We will strive to build a global equities business platform that provides leading solutions so as to continuously improve the construction of equity ecological chain and create a customer ecosystem. The Company will deeply cultivate various institutional customer groups, comprehensively strengthen product capabilities, enhance two-way cross-border capabilities, and improve the digital level of investment research and transaction services. The Company will manage and prevent risks in an all-round way, adhere to the general principle of making progress while maintaining stability, and actively contribute to the construction of a modern capital market with Chinese characteristics and the promotion of Chinese modernization.

(III) FICC

Market Environment

In the first half of 2024, monetary policy adjustments in major economies, geopolitical tensions, and volatility of commodity prices all had a significant impact on the market. The overall performance of the onshore bond market was relatively stable, while the offshore market was affected by events such as the Federal Reserve's policy and geopolitics, showing greater volatility. In the first half of 2024, according to the data from China Bond, the total bond transaction amount in the inter-bank market was RMB133.9 trillion.

Actions and Achievements

In the first half of 2024, the Company continued to promote the development of FICC business. We improved the quality and efficiency of traditional businesses, and actively expanded market presence of emerging businesses with focus on customer service. Our bond underwriting and trading volume continued to lead the market. We ranked No. 1 among PRC-based securities companies in terms of offshore bonds underwriting amount by Chinese issuers. We further enhanced the coverage of international customers and trading service capabilities, and established a global sales network covering New York, London, Singapore and Tokyo with Chinese mainland and Hong Kong as centers, with cross-border settlement amount continuing to increase.

In order to actively capture opportunities, we enhanced our product innovation and customer services and continued to develop derivatives business. We continued to capture market opportunities from publicly-offered REITs, carbon trade, green finance, specialized, refined, differential and innovative industries, and non-equity ETFs. In order to develop the capacity to provide customized services, we enhanced the innovation of domestic and foreign products and launched a number of innovative product lines. We expanded the interest rate, credit and foreign exchange businesses, thereby rallying among leading market makers in terms of key categories of commodities.

In the meantime, we continued to promote the integration of business and technology, and actively explored the innovation of cutting-edge fin-tech.

Outlook for the Second Half of 2024

In the second half of 2024, the Company will continue to promote the high quality development of FICC business, enhance comprehensive customer service capabilities, develop a global market-making platform with full time zones, multiple currencies and markets, thus constantly expanding our influence; continue to maintain our dominant position in the traditional FICC market and expand the scale of emerging businesses. We will further strengthen capabilities in customized products, continuously promote product innovation, and improve the capacity to serve the real economy, with an aim to build an one-stop customer service platform covering all products. We will improve onshore and offshore business capabilities, support high-level opening-up, and steadily implement the international setup. In the meantime, we will continue to promote the digital transformation, step up the development of digital economy and enhance system building for global business development to build a first-class FICC fin-tech platform.

(IV) Asset Management

1. Asset Management

Market Environment

In the first half of 2024, the State Council issued a new guideline document on the capital market with an aim to establish a new order for the capital market for the next 10 years. The asset management industry lowered its fees and relinquished part of the profits, and put the interests of investors first to optimize the industry ecology. Against the backdrop of high-quality development of the industry, higher requirements have been put forward for asset management institutions to serve national strategies and household wealth management. Facing increasingly fierce competition, asset management institutions still need to improve their professional capabilities and strive to create long-term value returns for investors.

Actions and Achievements

In the first half of 2024, the Company adhered to the principle of finance for the people, and was committed to creating long-term value. Meanwhile, the Company constantly promoted capacity building in investment and research, compliance and risk control, and comprehensive operation. The Company adhered to expanding capacity, strengthening organizational management and the interaction between investment and research, and took multiple measures to improve investment performance. The Company strengthened the comprehensive service ability and explored customer needs. The Company continued to expand customer coverage, and provided a variety of solutions to match their needs. The Company adhered to cultivating both internal and external channels, and actively promoted cooperation with distribution channels. The Company continued to empower business and improve efficiency and management quality through fintech development.

As of June 30, 2024, the AUM of the Asset Management Department of the Company was RMB545,866 million. By product line, the AUM of collective asset management products and segregated asset management products (including NSSF, corporate annuities, occupational annuities and pensions) were RMB159,802 million and RMB386,064 million, respectively. We had altogether 765 products under management.

Outlook for the Second Half of 2024

In the second half of 2024, the Company will continue to fully implement the guiding principles of the 20th CPC National Congress and the Central Financial Work Conference, practice the development concept of finance serving the nation and the people, constantly build the core competitiveness of investment research, enhance the depth of our research, diversify our strategies, and improve investment performance. The Company will further create a comprehensive product line with diversified strategies and investment styles. The Company will continue to enhance our ability to serve the diverse needs of customers, strengthen the application of financial technology, and further expand our comprehensive operation and customer service capabilities. The Company will continue to hold the bottom line of compliance and risk control, strengthen institutional construction, promote high-quality business development, and strive to forge ahead towards the goal of establishing a world-class investment bank with Chinese characteristics.

2. CICC Fund Management

Market Environment

In the first half of 2024, the bond market was bullish, and the A-share markets fluctuated downward with obvious structural features. The scale of new issuance of mutual funds amounted RMB0.68 trillion while the pace of new issuance slowed down. Structurally, the issuance of bond funds was the main force of issuance, and the new issuance of equity funds was relatively sluggish. Driven by the growth of low-risk products such as money market funds and bond funds, the scale of the mutual fund industry increased by 12.6% from the end of the previous year to RMB31.08 trillion⁴, standing at the RMB30 trillion and hitting a record high.

⁴ Source: Data from the Asset Management Association of China as of the end of June 2024

Actions and Achievements

In the first half of 2024, CICC Fund Management closely followed the requirements of high-quality development, focused on mutual fund businesses, and strictly observed requirements of compliance and risk control to maintain steady business growth. In terms of traditional mutual fund business, CICC Fund Management paid equal attention to new issuance and continuous marketing. We successfully issued the CICC Jincheng Bond Fund (中金金辰債券型證券投資基金) with an initial offering scale of RMB4.15 billion and continued to promote the setup of equity seed funds. We strengthened cooperation in core sales channels. The scale of well performing funds increased significantly and the overall performance of products improved constantly. In terms of publicly-offered REITs business, we successfully completed the issuance of CICC SCPG Consumer Infrastructure REIT, which is one of the first batch of approved consumer infrastructure C-REITs. We continuously improved and optimized the operation and management process of existing products, and maintained the largest cumulative issuance scale of publicly-offered REITs in the industry. Meanwhile, CICC Fund Management continued to promote business synergy with various business departments within the Group, and fully mobilized internal resources to empower business development based on business characteristics. Efforts were made to strengthen investment research capabilities, enrich strategies, and improve and accumulate long-term performance. We continued to improve our sales capabilities and develop institutional customers and retail channels. In the first half of 2024, the overall business of CICC Fund Management was running smoothly, with no major violations of laws and regulations and major potential compliance risks.

As of June 30, 2024, the AUM of CICC Fund Management increased by RMB34,309 million compared with the end of 2023 to RMB172,786 million. The AUM of mutual funds increased to RMB163,127 million, representing an increase of 28.2% compared with the end of 2023.

Outlook for the Second Half of 2024

In the second half of 2024, CICC Fund Management will keep practicing high-quality development, and improve scale through both improving performance and marketing. We will continue to focus on capacity building of the investment and research team, and improve product performance and customer experience. Continued efforts will be made to strengthen product management, diversify product lines, and create key products. We will strengthen the marketing system, actively carry out investor education, and improve customer service capabilities. We will continue to complete the new issuance and follow-on offerings of C-REITs with high quality, optimize the operation and management of existing projects, and strive to maintain a leading position in the industry. CICC Fund Management will continue to strengthen comprehensive capacity building, actively explore industry innovation, empower business development through digitalization, strengthen compliance and risk control management, and safeguard the bottom line of no major risks.

(V) Private Equity Investment

Market Environment

In the first half of 2024, the landscape of the private equity market was still facing headwinds of global macro uncertainties, geopolitics and capital market volatility. In June 2024, the General Office of the State Council issued the *Several Policies and Measures to Promote the High-quality Development of Venture Capital* (《促進創業投資高質量發展的若干政策措施》), which provides support for the entire business process of venture capital funds, from fundraising and investment to post-investment management and exit. This is a milestone for the private equity industry and is expected to promote the high-quality development of the private equity market.

In terms of fundraising, in the first half of 2024, Chinese economic rebound faced a more complex and severe situation and superimposed the impact of public market fluctuations, fund managers were facing a longer and harder fundraising process. Meanwhile, due to the prevailing high interest rate environment in the United States and the influence of geopolitical factors, the activity of domestic USD funds reached a historical low. The market expects a more diverse LP (“Limited Partner”) structure, including the government, corporates, financial institutions, social security fund, and other stakeholders to foster the growth of “Patient Capital”.

In terms of investment, in the first half of 2024, private equity managers were more cautious due to pressure on the fundraising side and market valuation restructuring, which led to a decline in their investment. Besides, technological innovation remains the primary investment theme of Chinese private equity market, with semiconductors, IT and biological medicine representing as key sectors.

The pace of exit in China’s private equity market decelerated in the first half of 2024, largely due to equity market volatility and more stringent IPO policies. In addition, M&A and transfer of PE interests draw a lot of attention from investors who were seeking to explore differentiated exit strategies.

Actions and Achievements

As of June 30, 2024, the AUM of the Company’s private equity business reached RMB422.9 billion. In the first half of 2024, the Company raised several direct investment funds and fund of funds (FoFs), and cooperated with local governments, domestic and foreign corporates, financial institutions, etc., to fuel the innovative sector with long-term capital and boost the regional economy. We have leveraged the advantages of our resources and experience to support our portfolio companies. Thus, we have accumulated knowledge and deep insights in key areas such as digital technology, advanced manufacturing, renewable energy, new materials, and medical and healthcare. We have empowered investors and portfolio companies with comprehensive support of finance, business development, human resources and overseas expansion. Under our persistent efforts, a number of portfolio companies have gone public.

Outlook for the Second Half of 2024

In the second half of 2024, the Company will adhere to the fundamental principle of finance serving the real economy, support the “five priorities” of technology finance, green finance, inclusive finance, pension finance, and digital finance, continue to pursue decent returns for our investors, and increase support for our portfolio companies. The Company’s private equity business will further consolidate the advantages of direct investment funds and FoFs, strengthen cooperation with local governments and corporates, and mobilize Patient Capital to support development of new quality productive forces. We will continue to refine our investment model, enhance our core competitiveness, and seize investment opportunities in strategic emerging industries. We will further enhance the ability of diversified empowerment to help the development and growth of the portfolio companies. Based on the advantages of CICC’s platform resources, we will strengthen collaboration with investment banking and other business lines to improve cross-departmental cooperation. Furthermore, we will improve risk management and corporate governance system, and continuously enhance our competitive advantages.

THE ASSETS UNDER MANAGEMENT OF THE GROUP

As of June 30, 2024, the size of total assets managed by different business divisions and subsidiaries of our Group is set forth as follows:

Unit: RMB in million

Items	June 30, 2024	December 31, 2023	% of change
AUM in relation to fee and commission income (wholly-owned)			
Collective asset management plans	160,859	139,907	15%
Segregated asset management plans	429,527	460,245	-7%
Special asset management plans	159,722	172,542	-7%
Mutual funds	179,243	143,412	25%
Private equity investment funds	317,040	296,781	7%
Subtotal	1,246,390	1,212,886	3%
AUM in relation to share of profits of associates and joint ventures (jointly invested)			
Private equity investment funds	119,333	118,569	1%
Non-private equity investment funds	57,917	61,717	-6%
Subtotal	177,250	180,286	-2%
Total	1,423,640	1,393,172	2%

Note: Mutual funds mainly include public securities investment funds and private asset management plans under the management of CICC Fund Management.

(VI) Wealth Management

Market Environment

In the first half of 2024, the trading turnover of Shanghai and Shenzhen markets altogether was RMB100.94 trillion, representing a month-on-month decrease of approximately 0.11% in the first half of the year and a year-on-year decrease of approximately 9.25%⁵. Wealth management has stepped into the NAV-based era. The scale of mutual funds amounted to RMB31 trillion, representing an increase of approximately 12.62%⁶ over the end of the previous year. In a volatile market environment, wealth management institutions need to continuously improve the capabilities of asset allocation and value creation for customers, so as to meet the needs of residents' wealth management transformation towards diversification and specialization.

Actions and Achievements

With the concept of advisory-based investment services, we provided more inclusive solutions for residents. Financial product AUM of the Company's wealth management business remained stable at over RMB340 billion. Among them, the AUM of advisory-based products composed of "China 50" (中國50), "Mini 50" (微50), "Mutual Fund 50" (公募50) and other products stabilized at the level of nearly RMB80 billion. The Company continued to increase the promotion of inclusive financial products, with the AUM of "Mutual Fund 50" exceeding RMB10 billion, and the penetration rate of innovative personal trading services such as "Stock 50" (股票50), "ETF50" and "Stock T0" (股票T0) continued to increase. These innovative personal trading services cumulatively covered more than 300,000 customers, with signed customer assets exceeding RMB300 billion.

Always putting customer first, we constantly broadened and deepened the interaction and service with customers. The Company served a wider customer base through an omni-channel and multi-scenario customer acquisition model. As of the end of June 2024, the total number of CICC wealth management customers was over 7.73 million, and the total asset value of customer accounts was RMB2.76 trillion. The Company continued to strengthen investor education, and was once again awarded the "A" grade in the 2023-2024 investor education evaluation announced by the Securities Association of China. We continued to build a high-quality "online + offline" brand activity matrix, carried out offline activities of nine major brands, with more than 2,000 offline events. More than 8 million people watched the live broadcasting.

⁵ Source: Wind

⁶ Source: the Asset Management Association of China

We promoted the realization of value driven by digital intelligence, and explored AI-enabled wealth management scenarios. The Company focused on consolidating the “second growth curve” of wealth management business, and further increased the AUM of online wealth management products. The App trading tool system was further enriched, enabling one-stop wealth allocation by customers and cross-border allocation through the wealth management connect. For the investment advisory platform “E-Space”, we continued to optimize the four-stage service experience so as to empower investment advisors to continuously create value for customers. The RITAS platform continued to improve the digital solutions and service experience of advisory-based investment services. We explored to create new quality productive forces through AI capabilities, and realized application to multiple scenarios from infrastructure to application.

Outlook for the Second Half of 2024

In the second half of 2024, for wealth management business, the Company will continue to implement the guiding principle of the Central Financial Work Conference, deepen the transformation of wealth management, and pursue high-quality development. In terms of customer experience, we will continuously strengthen “omni-channel and multi-scenario” customer acquisition, and gather CICC strength to achieve one-stop, long-term and diversified customer service. In terms of products and solutions, we will maintain strategic focus, continue to follow the trend of mutual funds, indexation and globalization, while excelling in asset allocation business with advisory-based investment services. We will also explore innovative businesses to enrich the “toolbox” of wealth management allocation. We will keep increasing the trading business for individual customers, and especially improving service tools with trading advantages such as Stock 50, ETF50 and Stock T0. In terms of international business, we will strengthen overseas fintech construction to improve the efficiency of business operation. In terms of technology and digitalization, we will work on digital finance, continue to promote the “digital intelligent” transformation, and improve quality and efficiency.

(VII) Research

Our research team covers global markets and serves clients both at home and abroad through our offices and platforms across the world. The scope of our research products and investment analysis spans not just macro economy and market strategy, but also fixed income, financial engineering, asset allocation, equities, commodities, and foreign exchange. As of June 30, 2024, our research team consisted of nearly 400 highly experienced professionals, covering more than 40 sectors and over 1,800 companies listed on stock exchanges in Chinese mainland, Hong Kong SAR, New York, Singapore, Frankfurt, London, and Paris.

CICC Research has won recognition from domestic and international investors for its independent, unbiased, and insightful research products. In the first half of 2024, we issued more than 8,000 research reports in Chinese and/or foreign languages. On top of numerous sector and company reports, we also published multiple thematic reports, including *Alconomics: A Perspective of Scale* (AI經濟學, Chinese version), and reports on new macro and strategy research (新宏觀策略研究, Chinese version), consumer-related sectors (數說消費, Chinese version), as well as REITs research (中金REITs研究, Chinese version). These research products have showcased our profound understanding of China. The superior depth and extensive coverage of our research reports have earned us the reputation as the “China Expert”. In the first half of 2024, the Company hosted multiple forums and conferences to analyze hot topics in the capital market and macro policy trends, which gained extensive attention and unanimous praise from institutional clients. These events include *CICC Global Investment Conference, The New Paradigm and New Macroeconomy: CICC Investment Strategy Conference 2H24, New Quality Productivity: Closed-door Meeting of Listed Companies (Chengdu, 2024), Innovation and Global Expansion: Keys to Success in Industry Reshaping (The Fourth CICC Healthcare Industry Summit), and Financial Market Outlook Strategy Conference 2Q24*.

CICC Global Institute (CGI) has worked diligently to improve its social influence and build a strong, comprehensive brand name for public policy research. In the first half of 2024, the CGI held quarterly macro forums titled *Evolving Labour Market Dynamics: Employment in a New Age and China-India New Economy Dialogue: Digital and Green Development*. In addition, the CGI published three English books for readers across the world: *The Rise of China’s Innovation Economy, Building an Olive-Shaped Society: Economic Growth, Income Distribution and Public Policies in China*, and *The Reshaping of China’s Industry Chains*. The CGI also engaged in collaboration and communication on green finance with international organizations such as G20, China Council for International Cooperation on Environment and Development, and Asia Pacific Energy Research Centre. Meanwhile, the CGI continued to conduct many public policy research projects and provide relevant services.

(VIII) OTHER EXPLANATIONS

Please refer to “Corporate Strategies and Operations” of this section in this report for the details of industry operation information.

There was no major change in the Company’s operation and no matter that had or expected to have a significant impact on the Company’s principal operations during the Reporting Period. There is no significant change in the composition of profits or the source of profits due to non-core business.

IV. ANALYSIS ON PRINCIPAL OPERATIONS AND FINANCIAL STATEMENTS

(I) Profitability Analysis of Our Group

In the first half of 2024, the complexity, severity and uncertainty of the external environment increased significantly, and the economy has faced both opportunities and challenges from deepening domestic structural adjustments in the second half of the financial cycle. Amid heightened financial market volatility in early 2024 under a combined effect of weak market expectations and low market liquidity resulting from poor market performance, the business operations of the securities industry faced challenges. As a result, the Group's revenue presented a certain degree of decline due to the decrease in income from equities business and investment banking business.

In the first half of 2024, the Group realized total revenue and other income of RMB14,892.4 million, representing a decrease of RMB3,714.2 million or 20.0% compared with that in the first half of 2023. In the first half of 2024, the Group realized profit attributable to shareholders of the parent company of RMB2,228.1 million, representing a decrease of RMB1,332.6 million or 37.4% compared with that in the first half of 2023. The Group realized earnings per share of RMB0.394 in the first half of 2024, representing a decrease of 41.2% compared with that in the first half of 2023. The weighted average return on net assets was 2.1%, representing a decrease of 1.7 percentage points compared with that in the first half of 2023.

(II) Asset Structure and Quality

As of June 30, 2024, total assets of the Group amounted to RMB599,104.4 million, representing a decrease of RMB25,202.2 million or 4.0% compared with that at the end of 2023. Total liabilities of the Group amounted to RMB493,177.8 million, representing a decrease of RMB26,231.4 million or 5.1% compared with that at the end of 2023. The Group's total equity attributable to shareholders of the parent company amounted to RMB105,631.5 million, representing an increase of RMB1,028.2 million or 1.0% compared with that at the end of 2023. After deducting accounts payable to brokerage clients and to underwriting clients of RMB82,032.0 million, the adjusted total assets of the Group amounted to RMB517,072.4 million; the adjusted total liabilities amounted to RMB411,145.8 million; the gearing ratio was 79.5%, decreased by 1.1 percentage points from 80.6% at the end of 2023; the operating leverage ratio⁷ was 4.9 times, representing a decrease of 0.3 time compared with 5.2 times at the end of 2023.

As of June 30, 2024, the Group's financial assets at fair value through profit or loss and derivative financial assets totalled RMB259,956.2 million, accounting for 43.4% of the total assets; financial assets at fair value through other comprehensive income amounted to RMB80,230.0 million, accounting for 13.4% of the total assets; cash and bank balances and cash held on behalf of clients totalled RMB137,382.1 million, accounting for 22.9% of the total assets; receivable from margin clients and reverse REPOs totalled RMB61,977.7 million, accounting for 10.3% of the total assets; investments in associates and joint ventures amounted to RMB1,088.1 million, accounting for 0.2% of the total assets; other assets amounted to RMB58,470.2 million, accounting for 9.8% of the total assets.

⁷ Operating leverage ratio = (total assets – accounts payable to brokerage clients and to underwriting clients)/total equity attributable to shareholders of the parent company.

As of June 30, 2024, most of the Group's liabilities were current liabilities. Accounts payable to brokerage clients and to underwriting clients totally amounted to RMB82,032.0 million, accounting for 16.6% of the total liabilities; REPOs amounted to RMB68,580.2 million, accounting for 13.9% of the total liabilities; placements from financial institutions, short-term debt securities issued and long-term debt securities issued due within one year totalled RMB74,690.7 million, accounting for 15.1% of the total liabilities; financial liabilities at fair value through profit or loss and derivative financial liabilities totalled RMB44,748.1 million, accounting for 9.1% of the total liabilities; long-term debt securities issued amounted to RMB119,797.6 million, accounting for 24.3% of the total liabilities; other liabilities amounted to RMB103,329.1 million, accounting for 21.0% of the total liabilities.

(III) Cash Flows

In the first half of 2024, excluding the impacts of changes in cash held on behalf of clients, a net decrease in cash and cash equivalents of the Group amounted to RMB9,313.7 million, representing a decrease of RMB4,346.5 million or 31.8% compared with a net decrease in cash and cash equivalents of RMB13,660.2 million in the first half of 2023. The net changes in cash and cash equivalents are mainly generated from the following daily activities:

- net cash generated from operating activities amounted to RMB10,653.3 million, representing a change from net cash used of RMB10,791.4 million in the first half of 2023. The change was mainly attributable to an increase in the net cash inflow from investments in financial instruments at fair value through profit or loss as compared with that in the first half of 2023, which, together with a decline of the net decrease in placements from financial institutions, led to an increase in the net cash inflows. The above increase in net cash inflows was partially offset by the change from a net cash inflow resulted from a drop in scale of reverse repurchase business in the first half of 2023 to a net cash outflow resulted from a rise in scale of reverse repurchase business in the first half of 2024 as well as an increase in net cash outflows associated with trade payables for derivative transactions;
- net cash used in investing activities amounted to RMB13,345.9 million, representing a change from net cash generated of RMB10,507.8 million in the first half of 2023. The change was mainly attributable to an increase in the cash outflow associated with purchase of investments, which was partially offset by an increase in cash receipts from disposal of investments;
- net cash used in financing activities amounted to RMB6,621.2 million, representing a decrease of RMB6,755.5 million or 50.5% as compared with the net cash used of RMB13,376.7 million in the first half of 2023. The decrease was mainly attributable to a decrease in redemption of debt securities issued, which was partially offset by a reduction in proceeds from issuing debt securities.

(IV) Operating Revenue and Profit Analysis

1. Analysis of Items in Statement of Profit or Loss

Summary of Financial Performance

In the first half of 2024, the Group realized a profit of RMB2,229.1 million, representing a decrease of 37.8% compared with that in the first half of 2023. The financial performance of the Group is summarized as follows:

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Revenue				
Fee and commission income	5,461.7	7,253.1	(1,791.3)	(24.7%)
Interest income	4,425.1	4,914.3	(489.2)	(10.0%)
Investment income	4,249.4	4,426.6	(177.2)	(4.0%)
Total revenue	14,136.3	16,594.0	(2,457.7)	(14.8%)
Other income, net	756.2	2,012.7	(1,256.5)	(62.4%)
Total revenue and other income	14,892.4	18,606.7	(3,714.2)	(20.0%)
Total expenses	12,448.8	14,478.8	(2,030.0)	(14.0%)
Share of profits of associates and joint ventures	13.1	2.0	11.1	540.4%
Profit before income tax	2,456.7	4,129.9	(1,673.2)	(40.5%)
Income tax expense	227.6	548.2	(320.6)	(58.5%)
Profit for the year	2,229.1	3,581.7	(1,352.6)	(37.8%)
Profit attributable to shareholders of the parent company	2,228.1	3,560.6	(1,332.6)	(37.4%)

Revenue Breakdown

In the first half of 2024, the Group's revenue decreased by 14.8% to RMB14,136.3 million compared with that in the first half of 2023. Fee and commission income accounted for 38.6% of total revenue, representing a decrease of 5.1 percentage points compared with that in the first half of 2023; interest income accounted for 31.3%, representing an increase of 1.7 percentage points compared with that in the first half of 2023; investment income accounted for 30.1%, representing an increase of 3.4 percentage points compared with that in the first half of 2023. A breakdown of the Group's revenue is presented as follows:

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change
Fee and commission income	38.6%	43.7%	Decreased by 5.1 percentage points
Interest income	31.3%	29.6%	Increased by 1.7 percentage points
Investment income	30.1%	26.7%	Increased by 3.4 percentage points
Total	100.0%	100.0%	

In the first half of 2024, the Group's fee and commission income decreased at a rate greater than that of interest income and investment income compared with that in the first half of 2023, resulting in a relatively decrease in the proportion of fee and commission income.

Fee and Commission Income and Expenses

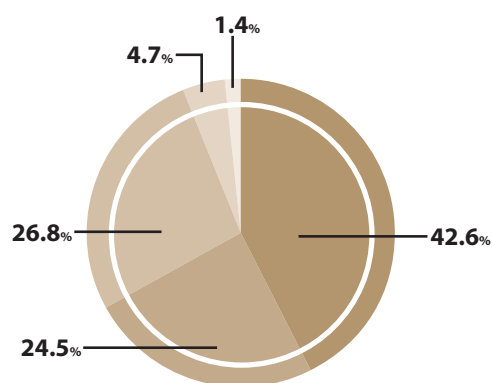
In the first half of 2024, the Group realized a net fee and commission income of RMB4,708.2 million, representing a decrease of RMB1,692.8 million or 26.4% compared with that in the first half of 2023. A breakdown of the Group's fee and commission income and expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Fee and commission income				
Brokerage commission income	2,325.0	3,092.8	(767.8)	(24.8%)
Investment banking income	1,338.5	2,112.3	(773.8)	(36.6%)
Underwriting and sponsoring fees from equity financing	467.7	1,327.1	(859.4)	(64.8%)
Underwriting and sponsoring fees from debt and structured financing	424.0	546.9	(122.8)	(22.5%)
Financial advisory fees	446.7	238.4	208.4	87.4%
Asset management fees	1,463.1	1,586.7	(123.6)	(7.8%)
Asset management and mutual funds	748.8	816.2	(67.4)	(8.3%)
Private equity investment funds	714.3	770.5	(56.2)	(7.3%)
Investment advisory fees	257.8	355.5	(97.7)	(27.5%)
Others	77.4	105.8	(28.4)	(26.8%)
Total fee and commission income	5,461.7	7,253.1	(1,791.3)	(24.7%)
Fee and commission expenses	753.5	852.1	(98.6)	(11.6%)
Net fee and commission income	4,708.2	6,401.0	(1,692.8)	(26.4%)

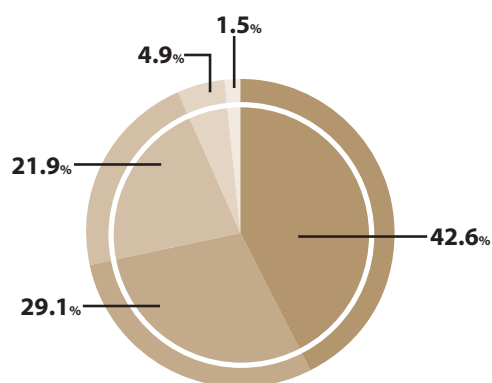
The charts below set forth the composition of the Group's fee and commission income:

Six months ended June 30, 2024



- Brokerage commission income
- Investment banking income
- Asset management fees

Six months ended June 30, 2023



- Investment advisory fees
- Others

The structure of the Group's fee and commission income is presented as follows:

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change
Brokerage commission income	42.6%	42.6%	Decreased by 0.1 percentage point
Investment banking income	24.5%	29.1%	Decreased by 4.6 percentage points
Asset management fees	26.8%	21.9%	Increased by 4.9 percentage points
Investment advisory fees	4.7%	4.9%	Decreased by 0.2 percentage point
Others	1.4%	1.5%	Decreased by 0.0 percentage point
Total	100.0%	100.0%	

Brokerage commission income amounted to RMB2,325.0 million, representing a decrease of RMB767.8 million or 24.8% compared with that in the first half of 2023, mainly due to divergent performances of global stock markets in the first half of 2024 under the impacts of geopolitical tensions and continuous adjustment of the pace of Federal Reserve's interest rate cuts, among which the A-share market exhibited a decline in trading volume. The average daily turnover of A shares reached RMB862,749 million, representing a year-on-year decrease of 8.5%; the average daily turnover in the Hong Kong stock market was HK\$110,400 million, representing a year-on-year decrease of 4.4%.

Investment banking income amounted to RMB1,338.5 million, representing a decrease of RMB773.8 million or 36.6% compared with that in the first half of 2023. Investment banking income included underwriting and sponsoring fees from equity financing and from debt and structured financing and financial advisory fees. The underwriting and sponsoring fees amounted to RMB891.7 million, representing a decrease of RMB982.2 million or 52.4% compared with that in the first half of 2023; of which, underwriting and sponsoring fees from equity financing decreased by RMB859.4 million or 64.8%, mainly due to a decrease in revenue associated with equity financing transactions such as IPO on the A-share main board and on the STAR Market and follow-on offerings; underwriting and sponsoring fees from debt and structured financing decreased by RMB122.8 million, or 22.5%, mainly due to a decrease in revenue related to debt and structured financing transactions such as asset securitization products, domestic corporate bonds and overseas bonds. Financial advisory fees amounted to RMB446.7 million, representing an increase of RMB208.4 million or 87.4% compared with that in the first half of 2023, mainly due to an increase in fees from financial advisory services for debt restructuring and M&A.

Asset management fees amounted to RMB1,463.1 million, representing a decrease of RMB123.6 million or 7.8% compared with that in the first half of 2023. Asset management fees consisted of fees from asset management business, mutual fund management business and private equity investment fund management business. In addition to asset management fees, a portion of the Group's share of profits of associates and joint ventures was generated from the AUM of the fund management companies jointly-invested by the Group.

Investment advisory fees amounted to RMB257.8 million, representing a decrease of RMB97.7 million or 27.5% compared with that in the first half of 2023, mainly due to a decline in demand for research services and for investment advisory services of trusts in the first half of 2024, resulting in a corresponding decrease in investment advisory fees.

Fee and commission expenses amounted to RMB753.5 million, representing a decrease of RMB98.6 million or 11.6% compared with that in the first half of 2023, mainly due to a reduction in brokerage commission expenses and underwriting and sponsoring expenses.

Interest Income and Expenses

In the first half of 2024, the Group incurred net interest expenses of RMB813.5 million, among which interest income amounted to RMB4,425.1 million, representing a decrease of 10.0% compared with that in the first half of 2023, and interest expenses amounted to RMB5,238.7 million, representing a decrease of 1.8% compared with that in the first half of 2023. A breakdown of the Group's interest income and expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Interest income				
Interest income from financial institutions	1,732.6	1,776.0	(43.4)	(2.4%)
Interest income from margin financing and securities lending	1,131.0	1,392.6	(261.6)	(18.8%)
Interest income from reverse REPOs	354.0	414.4	(60.4)	(14.6%)
Interest income from debt instruments at fair value through other comprehensive income	981.8	858.4	123.3	14.4%
Others	225.8	472.9	(247.1)	(52.3%)
Total interest income	4,425.1	4,914.3	(489.2)	(10.0%)
Interest expenses				
Interest expenses on accounts payable to brokerage clients	155.5	183.3	(27.8)	(15.2%)
Interest expenses on REPOs	939.4	649.8	289.6	44.6%
Interest expenses on placements from financial institutions	506.3	1,181.3	(675.0)	(57.1%)
Interest expenses on debt securities issued	2,956.7	2,732.0	224.7	8.2%
Interest expenses on lease liabilities	76.2	39.8	36.4	91.6%
Others	604.6	547.5	57.1	10.4%
Total interest expenses	5,238.7	5,333.7	(95.0)	(1.8%)
Net interest expenses	(813.5)	(419.4)	(394.1)	94.0%

Interest income from financial institutions amounted to RMB1,732.6 million, representing a decrease of RMB43.4 million or 2.4% compared with that in the first half of 2023.

Interest income from margin financing and securities lending amounted to RMB1,131.0 million, representing a decrease of RMB261.6 million or 18.8% compared with that in the first half of 2023, mainly due to a shrinkage in average scale of the Group's domestic margin financing and securities lending business compared with that in the first half of 2023, resulting in a corresponding decrease in interest income.

Interest income from reverse REPOs amounted to RMB354.0 million, representing a decrease of RMB60.4 million or 14.6% compared with that in the first half of 2023, mainly due to a drop in average scale of the Group's bond outright repurchase business compared with that in the first half of 2023 and a decrease in interest rate of the Group's stock-based lending business compared with that in the first half of 2023, resulting in a corresponding decrease in interest income.

Interest income from debt instruments at fair value through other comprehensive income amounted to RMB981.8 million, representing an increase of RMB123.3 million or 14.4% compared with that in the first half of 2023, mainly due to an expansion in average scale of the Group's position in bonds at fair value through other comprehensive income in the domestic markets.

Interest expenses amounted to RMB5,238.7 million, representing a decrease of RMB95.0 million or 1.8% compared with that in the first half of 2023.

Investment Income

In the first half of 2024, the Group realized an investment income of RMB4,249.4 million, representing a decrease of RMB177.2 million or 4.0% compared with that in the first half of 2023. A breakdown of the Group's investment income is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Investment income				
Dividend income from equity instruments at fair value through other comprehensive income	76.4	–	76.4	N/A
Net gains/(losses) from disposal of debt instruments at fair value through other comprehensive income	281.8	(156.6)	438.4	N/A
Net gains from financial instruments at fair value through profit or loss and from derivative financial instruments	3,891.2	4,583.2	(692.0)	(15.1%)
– Equity investments	1,233.8	1,879.4	(645.6)	(34.4%)
– Debt investments	2,363.8	2,234.9	128.9	5.8%
– Other investments	293.6	468.9	(175.3)	(37.4%)
Others	(0.0)	(0.0)	(0.0)	1,312.1%
Total	4,249.4	4,426.6	(177.2)	(4.0%)

Dividend income from equity instruments at fair value through other comprehensive income amounted to RMB76.4 million, mainly consisted of dividends arising from non-trading equity instruments held by the Group.

Net gains from disposal of debt instruments at fair value through other comprehensive income amounted to RMB281.8 million. Its variation from net losses in the first half of 2023 was primarily attributable to an enlarged scale of the Group's disposition of domestic bonds at fair value through other comprehensive income amid a favorable domestic bond market in the first half of 2024, resulting in a corresponding increase in the gains associated with the disposals.

Net gains from financial instruments at fair value through profit or loss and from derivative financial instruments totalled RMB3,891.2 million, representing a decrease of RMB692.0 million or 15.1% compared with that in the first half of 2023, and were from the following categories of investments:

- Net gains from equity investments decreased by RMB645.6 million or 34.4% compared with that in the first half of 2023, mainly due to the change from a net gain associated with securities held by the Group under the following-investment mechanism on STAR Market in the first half of 2023 to a net loss in the first half 2024;
- Net gains from debt investments increased by RMB128.9 million or 5.8% compared with that in the first half of 2023;
- Net gains from other investments decreased by RMB175.3 million or 37.4% compared with that in the first half of 2023, mainly due to a decline in scale of the Group's investments in mutual funds, private funds and trusts, resulting in a corresponding drop in net gains from investments.

Operating Expenses

In the first half of 2024, the Group's operating expenses (excluding fee and commission expenses and interest expenses, the same below) amounted to RMB6,456.6 million, representing a decrease of RMB1,836.4 million or 22.1% compared with that in the first half of 2023. A breakdown of the Group's operating expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Operating expenses				
Staff costs	4,134.7	5,594.1	(1,459.4)	(26.1%)
Depreciation and amortization expenses	929.6	845.2	84.4	10.0%
Tax and surcharges	33.4	48.9	(15.6)	(31.8%)
Other operating expenses and costs	1,333.3	1,812.5	(479.1)	(26.4%)
Provision for/(reversal of) impairment losses under expected credit loss model	25.6	(7.7)	33.3	N/A
Total	6,456.6	8,293.0	(1,836.4)	(22.1%)

Staff costs amounted to RMB4,134.7 million, representing a decrease of RMB1,459.4 million or 26.1% compared with that in the first half of 2023, primarily attributable to a decline in the Group's operating performance compared with that in the first half of 2023 and a corresponding decrease in staff costs as a result of the challenges faced by the securities industry in regards to its business operations amid the complex, severe and uncertain external environment as well as the fluctuated capital market.

Depreciation and amortization expenses amounted to RMB929.6 million, representing an increase of RMB84.4 million or 10.0% compared with that in the first half of 2023, mainly due to an increase in depreciation of property and equipment and amortisation of intangible assets.

Tax and surcharges amounted to RMB33.4 million, representing a decrease of RMB15.6 million or 31.8% compared with that in the first half of 2023, mainly due to a decrease in the Group's taxable revenue in connection with value-added tax, resulting in a corresponding decline in urban construction and maintenance tax, educational surtax and local educational surtax.

Other operating expenses and costs amounted to RMB1,333.3 million, representing a decrease of RMB479.1 million or 26.4% compared with that in the first half of 2023, mainly due to a decrease in business development expenses, travelling and transportation expenses, professional service fees and provisions related to outstanding litigations.

Provision for impairment losses under expected credit loss model amounted to RMB25.6 million. Its variation from a reversal of impairment losses in the first half of 2023 was primarily attributable to a variation in the impairment losses for debt instruments at fair value through other comprehensive income from a reversal in the first half of 2023 to a provision in the first half of 2024.

2. Segment Results

The Group has six principal business segments: Investment Banking, Equities, FICC, Asset Management, Private Equity and Wealth Management. The segment Others mainly comprises of other business departments, and middle and back offices.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Investment Banking				
Segment revenue and other income	700.0	2,145.1	(1,445.2)	(67.4%)
Fee and commission income	1,096.2	1,681.5	(585.2)	(34.8%)
Interest income	1.2	0.5	0.6	115.2%
Investment (losses)/income	(398.1)	461.8	(859.9)	N/A
Other income, net	0.7	1.3	(0.7)	(50.7%)
Interest expenses	(90.2)	(121.5)	31.3	(25.8%)
Revenue and other income after interest	609.8	2,023.6	(1,413.8)	(69.9%)
Non-interest expenses⁽¹⁾	1,400.0	1,889.6	(489.6)	(25.9%)
(Loss)/profit before income tax	(790.2)	134.0	(924.3)	N/A
Segment margin⁽²⁾	N/A	6.2%	N/A	

The significant increase in interest income of Investment Banking was mainly attributable to financing income from long-term receivables. The variation of the investment losses in the first half of 2024 from an investment income in the first half of 2023 was primarily attributable to a decline in market value of the securities held by the Group under the following-investment mechanism on STAR Market under the unfavorable market conditions in the first half of 2024. A change from a climb in the market value during the first half of 2023 to the drop in the first half of 2024 resulted in the corresponding swing from investment net gains to investment net losses.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Equities				
Segment revenue and other income	3,152.3	5,284.7	(2,132.4)	(40.4%)
Fee and commission income	645.3	1,007.1	(361.8)	(35.9%)
Interest income	539.5	911.9	(372.5)	(40.8%)
Investment income	1,712.6	1,670.4	42.3	2.5%
Other income, net	254.9	1,695.3	(1,440.5)	(85.0%)
Interest expenses	(1,415.1)	(2,109.4)	694.3	(32.9%)
Revenue and other income after interest	1,737.2	3,175.3	(1,438.1)	(45.3%)
Non-interest expenses⁽¹⁾	743.5	867.7	(124.2)	(14.3%)
Profit before income tax	993.7	2,307.5	(1,313.9)	(56.9%)
Segment margin⁽²⁾	31.5%	43.7%	Decreased by 12.1 percentage points	

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
FICC				
Segment revenue and other income	4,149.4	3,063.2	1,086.2	35.5%
Fee and commission income	316.5	487.3	(170.8)	(35.0%)
Interest income	873.5	925.3	(51.8)	(5.6%)
Investment income	2,610.8	1,677.7	933.1	55.6%
Other income/(losses), net	348.6	(27.1)	375.7	N/A
Interest expenses	(1,917.4)	(1,688.2)	(229.2)	13.6%
Revenue and other income after interest	2,232.0	1,375.0	857.0	62.3%
Non-interest expenses⁽¹⁾	513.8	556.6	(42.8)	(7.7%)
Profit before income tax	1,718.3	818.4	899.8	109.9%
Segment margin⁽²⁾	41.4%	26.7%	Increased by 14.7 percentage points	

The variation of other income of FICC from other losses in the first half of 2023 was primarily resulted from changes in gains and losses from foreign exchange derivative transactions for the purpose of foreign currency hedging under the effect of exchange rate fluctuations.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Asset Management				
Segment revenue and other income	583.9	652.5	(68.6)	(10.5%)
Fee and commission income	579.1	631.5	(52.5)	(8.3%)
Interest income	11.9	14.3	(2.4)	(17.0%)
Investment losses	(11.0)	(2.3)	(8.7)	380.2%
Other income, net	4.0	9.0	(5.0)	(55.3%)
Interest expenses	(56.2)	(71.4)	15.2	(21.3%)
Revenue and other income after interest	527.8	581.1	(53.4)	(9.2%)
Non-interest expenses⁽¹⁾	370.9	479.8	(108.9)	(22.7%)
Share of (losses)/profits of associates and joint ventures	(4.3)	2.9	(7.2)	N/A
Profit before income tax	152.6	104.2	48.3	46.4%
Segment margin⁽²⁾	26.1%	16.0%	Increased by 10.2 percentage points	

The significant increase in investment losses of Asset Management as compared with that in the first half of 2023 was mainly due to a decline in net gains arising from investments in asset management plans; meanwhile, a change from a net gain from investment in mutual funds in the first half of 2023 to a net loss in the first half of 2024 also contributed to the rise in investment losses; and the change from a share of profits of associates and joint ventures in the first half of 2023 to a share of losses in the first half of 2024 primarily comprised of a change in such share of profits and losses in regards to joint ventures.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Private Equity				
Segment revenue and other income	728.4	935.2	(206.9)	(22.1%)
Fee and commission income	740.8	779.1	(38.3)	(4.9%)
Interest income	0.0	0.3	(0.3)	(99.0%)
Investment (losses)/income	(15.8)	114.9	(130.7)	N/A
Other income, net	3.4	41.0	(37.6)	(91.6%)
Interest expenses	(126.4)	(124.0)	(2.4)	2.0%
Revenue and other income after interest	601.9	811.2	(209.3)	(25.8%)
Non-interest expenses⁽¹⁾	433.3	445.2	(11.9)	(2.7%)
Share of profits of associates and joint ventures	40.9	42.5	(1.7)	(4.0%)
Profit before income tax	209.4	408.6	(199.1)	(48.7%)
Segment margin⁽²⁾	28.8%	43.7%	Decreased by 14.9 percentage points	

The variation of investment losses of Private Equity from investment income in the first half of 2023 was mainly due to the change from a net gain arising from private equity investment funds in the first half of 2023 to a net loss in the first half of 2024.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Wealth Management				
Segment revenue and other income	4,463.4	4,937.9	(474.4)	(9.6%)
Fee and commission income	2,150.1	2,709.7	(559.6)	(20.7%)
Interest income	1,913.3	1,981.8	(68.5)	(3.5%)
Investment income	312.2	89.5	222.7	249.0%
Other income, net	87.8	156.9	(69.1)	(44.0%)
Interest expenses	(1,063.9)	(952.8)	(111.1)	11.7%
Revenue and other income after interest	3,399.5	3,985.1	(585.6)	(14.7%)
Non-interest expenses⁽¹⁾	2,457.5	2,623.1	(165.6)	(6.3%)
Share of losses of associates and joint ventures	(23.4)	(43.3)	19.9	(46.0%)
Profit before income tax	918.6	1,318.7	(400.1)	(30.3%)
Segment margin⁽²⁾	20.6%	26.7%	Decreased by 6.1 percentage points	

Investment income of Wealth Management grew significantly compared with that in the first half of 2023, primarily due to a growth in net gains from debt investments.

Unit: RMB in million

Items	Six months ended June 30, 2024	Six months ended June 30, 2023	Change	% of change
Others⁽³⁾				
Segment revenue and other income	1,115.1	1,588.0	(472.9)	(29.8%)
Fee and commission income	(66.3)	(43.1)	(23.2)	53.8%
Interest income	1,085.8	1,080.1	5.7	0.5%
Investment income	38.7	414.7	(376.0)	(90.7%)
Other income, net	56.9	136.3	(79.4)	(58.3%)
Segment expenses	1,860.7	2,549.5	(688.8)	(27.0%)
Share of losses of associates and joint ventures	(0.0)	(0.0)	0.0	(31.1%)
Loss before income tax	(745.6)	(961.6)	215.9	(22.5%)

- (1) Non-interest expenses include fee and commission expenses, staff costs, depreciation and amortization expenses, tax and surcharges, other operating expenses and costs, and impairment losses.
- (2) Segment margin = segment profit before income tax/segment revenue and other income.
- (3) The segment margin of Others is not presented as this segment incurred a loss before income tax in the relevant periods.

(V) Contingent Liabilities

The Group is exposed to the risk of economic benefit outflows due to litigations or arbitrations in the course of operations. The Group assessed and made provisions for any probable outflow of economic benefits in relation to the contingent liabilities in accordance with relevant accounting policies.

(VI) Pledge of Assets of the Group

The Group had no pledge of assets as of June 30, 2024.

(VII) Income Tax Policy

In accordance with the *Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》) and the *Provisions of Implementation for the Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法實施條例》), the statutory corporate income tax rate applicable to our parent company and our PRC subsidiaries is 25%. Our Hong Kong subsidiaries are subject to a tax rate of 16.5% on their assessable profit. The parent company's income tax computation and payment are governed by the *Announcement of the State Administration of Taxation on Printing and Distributing the Administrative Measures for Collection of Consolidated Payments of Enterprise Income Tax by the Enterprises with Trans-regional Operations* (《國家稅務總局關於印發〈跨地區經營匯總納稅企業所得稅徵收管理辦法〉的公告》) (Public Notice of the State Administration of Taxation [2012] No.57). During the six months ended June 30, 2024, we had fulfilled all our tax obligations and did not have any unresolved tax disputes with the relevant tax authorities in China or other jurisdictions.

V. ANALYSIS ON INVESTMENT AND FINANCING ACTIVITIES

(I) Overall analysis on external investments

During the Reporting Period, the Group did not have significant equity investments.

As of June 30, 2024, the Group's interests in associates and joint ventures amounted to RMB1,088.1 million, representing an increase of RMB12.0 million or 1.1% as compared with RMB1,076.1 million as of December 31, 2023.

No material non-equity investments by the Group were in progress during the Reporting Period. As of June 30, 2024, the Group did not have any significant investments as required to be disclosed in accordance with paragraph 32(4A) of Appendix D2 to the *Listing Rules of the Stock Exchange*.

(II) Analysis on financing activities

Our Group constantly broadens and diversifies its funding channels to optimize the liability structure. The funding instruments of our Group include corporate bonds, medium-term note program, bank loans, commercial papers, beneficiary certificates, transfer of right to income, inter-bank borrowing, REPOs, etc.

In addition, our Group may finance through follow on offerings, rights issues and other ways according to market conditions and business needs.

For information on debt financing during the Reporting Period, please refer to "Particulars of Bonds" in this report.

(III) Material assets and equity disposal

During the Reporting Period, the Company had no material disposal of assets or equity.

(IV) Major controlled and participating companies

The Company has 8 major subsidiaries, the principal information on which is as follows:

No.	Name	Shareholding	Time of establishment	Registered capital (or working capital)	Person-in-charge	Contact number	Registered address	Main business
1	CICC International	100%	1997/4/4	With issued share capital of HK\$6,000,000,000	Liu Qingchuan, XIA Xin Han, Ma Kui, Sun Nan, Wang Hanfeng	(852)28722000	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong	Overseas investment holding business
2	CICC Wealth Management Securities	100%	2005/9/28	RMB8 billion	Gao Tao	(0755)82026676	L4601-L4608, China Resources Building, No. 2666 Keyuan South Road, Haizhu Community, Yuehai Street, Nanshan District, Shenzhen, Guangdong	Securities brokerage; securities investment consulting; financial consulting relating to the securities trading and securities investment; proprietary trading of securities; securities asset management; proxy sale of securities and investment fund; margin financing and securities lending; and proxy sale of financial products
3	CICC Capital	100%	2017/3/6	RMB2 billion	Shan Junbao	(010)65051166	Units 01-08, 25th Floor, Building 16, 1 Jianguomenwai Avenue, Chaoyang District, Beijing	Asset management; investment management; project investment; and investment consulting
4	CICC Fund Management	100%	2014/2/10	RMB600 million	Li Jinze	(010)63211122	Room 05, 26th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing	Fund offering, fund sales, provision of asset management service for specific clients, asset management and other activities as approved by the CSRC
5	CICC Pucheng	100%	2012/4/10	RMB6 billion	Liu Jian	(021)58796226	Unit 2608A, 26/F, No. 1233 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone	Investment management, investment consultancy, import and export of goods and technology, domestic cargo transportation agency services, and storage (excluding hazardous articles)
6	CICC Futures	100%	2004/7/22	RMB350 million	Li Jing	(0971)8224987	No. 1811 and 1813, Sapphire Hotel, No. 21 Shengli Road, Chengxi District, Xining, Qinghai	Commodity futures brokerage, financial futures brokerage, and asset management
7	CICC Private Equity	100%	2020/10/30	RMB500 million	Long Liang	(010)65051166	Unit 03, 8/F, No. 100 South Zhongshan Road, Huangpu District, Shanghai	Equity investment management, investment management, asset management, and investment consulting
8	CICC Financial Trading Limited	Wholly owned by CICC Financial Holdings Limited	2012/04/10	With issued share capital of HK\$1	Diao Zhihai, Lin Ning, Wang Ke, Zhang Yongcheng, Yu Weijiang, Liu Qingchuan, Zhou Xuetao, Lau Tsz Wing, Wang Jin, Peng Jun, Tan Bin, Zhou Jishen, Shek Wan Sang, Chen Zhenhong, Li Nailin, Song Miao, Luo Xuan, Wang Junqi	(852)28722000	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong	Client facilitation trade, trading of listed securities, exchange-traded funds (ETFs), and derivative financial instruments

The key information on the financial position and financial performance of the Company's major subsidiaries is as follows:

CICC International:

Under the Hong Kong Financial Reporting Standards, as of June 30, 2024, the total assets amounted to HK\$151,614.2 million, the net assets amounted to HK\$28,620.0 million, and the net profit in the first half of 2024 was HK\$979.3 million.

CICC Wealth Management Securities:

As of June 30, 2024, the total assets amounted to RMB155,918.8 million, the net assets amounted to RMB18,460.8 million, and the net profit in the first half of 2024 was RMB523.4 million.

CICC Capital:

As of June 30, 2024, the total assets amounted to RMB7,126.0 million, the net assets amounted to RMB3,036.9 million, and the net profit in the first half of 2024 was RMB244.7 million.

CICC Fund Management:

As of June 30, 2024, the total assets amounted to RMB941.4 million, the net assets amounted to RMB566.9 million, and the net profit in the first half of 2024 was RMB36.5 million.

CICC Pucheng:

As of June 30, 2024, the total assets amounted to RMB6,785.2 million, the net assets amounted to RMB4,004.3 million, and the net loss in the first half of 2024 was RMB5.3 million.

CICC Futures:

As of June 30, 2024, the total assets amounted to RMB5,000.7 million, the net assets amounted to RMB794.2 million, and the net profit in the first half of 2024 was RMB17.1 million.

CICC Private Equity:

As of June 30, 2024, the total assets amounted to RMB899.5 million, the net assets amounted to RMB330.1 million, and the net loss in the first half of 2024 was RMB26.8 million.

CICC Financial Trading Limited:

Under the Hong Kong Financial Reporting Standards, as of June 30, 2024, the total assets amounted to US\$9,186.5 million, the net assets amounted to US\$1,381.3 million, and the net profit in the first half of 2024 was US\$93.4 million.

VI. RISK MANAGEMENT

(I) Overview

Our Company has always believed that risk management creates value. The risk management of our Company aims to effectively allocate risk-based capital, limit risks to a controllable level, maximize the corporate value and constantly solidify the foundation for the steady and sustainable development of our Company. Our Company has sound corporate governance, effective risk management measures and a strict internal control system.

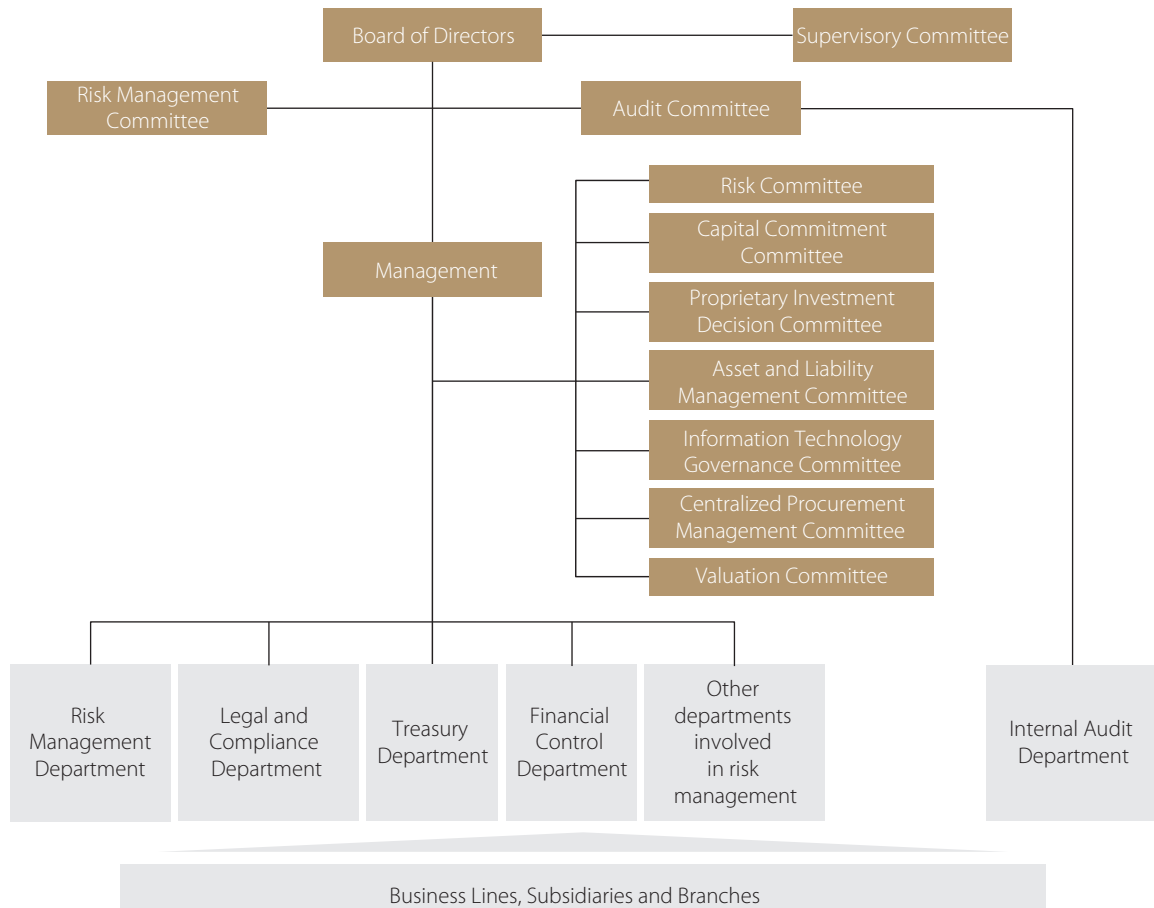
Pursuant to the relevant laws and regulations and regulatory requirements, our Company has established a sound governance structure. The Shareholders' General Meeting, the Board of Directors and the Supervisory Committee of our Company perform duties in accordance with the *Company Law*, the *Securities Law*, the *Guidance for the Internal Control of Securities Companies* (《證券公司內部控制指引》), the *Norms for the Comprehensive Risk Management of Securities Companies* (《證券公司全面風險管理規範》) and the *Articles of Association* and supervise and manage the business operations of our Company. Through enhancing and improving the internal control structure, compliance and risk management culture, the Board of Directors has made internal control and risk management an essential aspect of the business operation management of our Company.

(II) Risk Management Framework

The Company has established a multi-level risk management organizational structure which comprises the Board of Directors, the Supervisory Committee, senior management, departments performing risk management functions, business departments and branches, of which, 1) the Board of Directors is the top level of our Company's risk management and internal control governance structure and is responsible for facilitating the enforcement of the firm-wide risk management culture and reviewing and approving the overall risk management goals, risk appetite, risk tolerance, important risk limits and the risk management policy of our Company. The Board of Directors performs its risk management duties primarily through the Risk Management Committee and the Audit Committee; 2) the Supervisory Committee assumes the supervision duty on the effectiveness of the overall risk management of our Company, and supervises and inspects the fulfillment of the risk management duties performed by the Board of Directors and the management, and reviews the rectification of risk management deficiencies and findings; 3) under the Board of Directors, our Company has established the Management Committee. The Management Committee determines the risk appetite of our Company in accordance with the overall risk management goals set by the Board of Directors and assumes the major responsibility of ensuring the effectiveness of the overall risk management of our Company; 4) the Risk Committee established under the Management Committee reports risk issues to the Management Committee and significant risk matters to the Risk Management Committee under the Board of Directors. There are Capital Commitment Committee, Proprietary Investment Decision Committee, Asset and Liability Management Committee, Information Technology Governance Committee, Centralized Procurement Management Committee and Valuation Committee under the Management Committee, which perform their duties in respect of risk control of issuance and underwriting in investment banking business, management of investment decision-making process of proprietary

business, management of assets and liabilities of the Company, management of information technology, procurement management, valuation management of financial instruments and etc.; 5) departments performing risk management functions, including departments such as Risk Management Department, Legal and Compliance Department, Treasury Department, Financial Control Department, Operations Department, Information Technology Department and Public Relations Department, coordinate to manage various risks based on their respective perspectives; and 6) heads of business departments and branches take the primary responsibility for the effectiveness of risk management. During our daily business operations, all staff involved in business operations in our business departments and branches are required to perform risk management functions.

The organizational structure of our Company's risk management is shown in the following chart:



(III) Risk to Our Company's Business Activities and Management Measures

In the light of the Company's own characteristics and in accordance with the principles of relevance and materiality, the risks related to business activities of our Company mainly include market risk, credit risk, liquidity risk, operational risk, IT risk, compliance risk, legal risk, money laundering risk and reputational risk, etc. During the Reporting Period, the aforementioned risk factors did not have any significant impact on the current or future operating results of the Company. Our Company proactively responded to and managed risks through effective risk management measures, which generally prevented the occurrence of significant risk events and ensured the stable development of the business operation of our Company.

In the first half of 2024, global economic growth has been relatively weak, with inflation cooling from high levels but remaining stubbornly sticky. Spillover factors such as geopolitical conflicts and the global "super election year" have increased uncertainty. China's economy has remained generally stable and continues to make progress. However, the adverse impacts brought by changes in the external environment have increased, domestic effective demand is insufficient, the economic operation has diverged, and there are still risks and hidden dangers in key areas. Confronted with severe and complex market environment, the Company persisted in implementing the risk management and control requirements of "full coverage, looking through, and full cycle", and continuously strengthened the integrated vertical risk management system covering its subsidiaries and branches. Through joint efforts on risk management control of three lines of defense, the Company actively identified, prudently evaluated, dynamically monitored, timely reported and proactively coped with risks. The Company deeply publicized the risk management culture, continuously enhanced risk management capabilities, coordinated its business plans, considered its risk appetite, reviewed and improved the multi-dimensional and multi-level risk management system, optimized the management mechanism and processes prospectively, and continuously promoted the optimization and sustainable development of its business models. During the Reporting Period, the business operation of the Company was stable without material risk events and large losses, and the overall risks were controllable and tolerable.

During the Reporting Period, the Company continued to enhance risk management of the same business and the same client. The Company formulated identification standards for the same business to implement relatively consistent risk management standards and measures for the same business and to identify, assess, measure, monitor and aggregate risks of the same business within the Company in a unified manner. The Company also formulated identification standards for the same client to enhance standardized and regulated management of information of the same client and to aggregate and monitor the business transactions in various business lines of the Company with the same client, which will be implemented throughout all key processes of business. At the same time, the Company managed relevant risks of clients identified as related parties in a unified manner.

Market Risk

Market risk refers to risks of changes in the fair value of financial assets held by our Company resulting from the fluctuations in equity prices, interest rates, exchange rates and commodity prices, etc.

Our Company has adopted the following measures to manage market risk:

- Business departments of our Company, as the first line of defense, dynamically manage market risk of exposures by way of diversifying risk exposures, controlling the size of positions and utilizing hedging instruments;
- The Risk Management Department of our Company comprehensively assesses, monitors and manages the overall market risk of our Company. The market risk management mainly includes risk measurement, limit formulation and risk monitoring, etc.:
 - Our Company measures market risk mainly by means of Value at Risk (VaR) analysis, stress tests and sensitivity analysis, etc. VaR is a major tool for our Company to measure and monitor market risk. VaR measures the potential maximum loss to an asset portfolio by changes in market risk factors at a certain confidence level within a certain holding period. Our Company computes the single day VaR at a confidence level of 95% by adopting a historical simulation method based on three years of historical data and examines the effectiveness of the model through the method of back testing on a regular basis. Meanwhile, our Company adopts stress test to complement the VaR analysis and measures whether the investment loss of our Company is within the scope of the risk tolerance when market risk factors such as equity prices, interest rates, exchange rates and commodity prices undergo extreme changes. In addition, in respect of sensitivity factors of different assets, our Company measures the impact of changes in specific factors on the value of assets by calculating the corresponding sensitivity indicators.

- Our Company has formulated a risk limit indicator framework. Risk limit is a means for controlling risks and also represents the risk appetite and risk tolerance of our Company. Our Company sets appropriate market risk limits based on the business nature, such as notional limit, VaR limit, concentration limit, sensitivity limit, stress test limit and stop-loss limit, etc.
- Our Company monitors risk limit usage in real time or on a daily basis. The Risk Management Department prepares daily risk reports to monitor the usage of limits and submits them to the management and business departments. When the limit usage triggers the warning line, the Risk Management Department will issue a warning notice to business departments. Once the risk indicators exceed the limits, business departments shall report reasons of the breach and measures to be taken to the Chief Risk Officer or his/her authorized person and shall be responsible for reducing the risk exposure to a level within the limits in a given time frame. If this cannot be achieved, they are required to apply to the Chief Risk Officer or his/her authorized person for a temporary increase in limit. If necessary, the Chief Risk Officer will submit a request to the management.

Value at Risk (VaR)

Our Company sets the total VaR limit of our investment portfolio and VaR limits for different business lines. The Risk Management Department computes and monitors VaRs of these financial instruments on a daily basis to ensure the daily VaRs are maintained within limits. The following table sets forth the computed VaRs and diversification effect of the Company by risk categories (equity prices, interest rates, currency rates and commodity prices) as of the dates and for the periods as indicated: 1) the daily VaRs as of the end of the respective period; 2) the averages of daily VaRs during the respective period; and 3) the highest and lowest daily VaRs during the respective period.

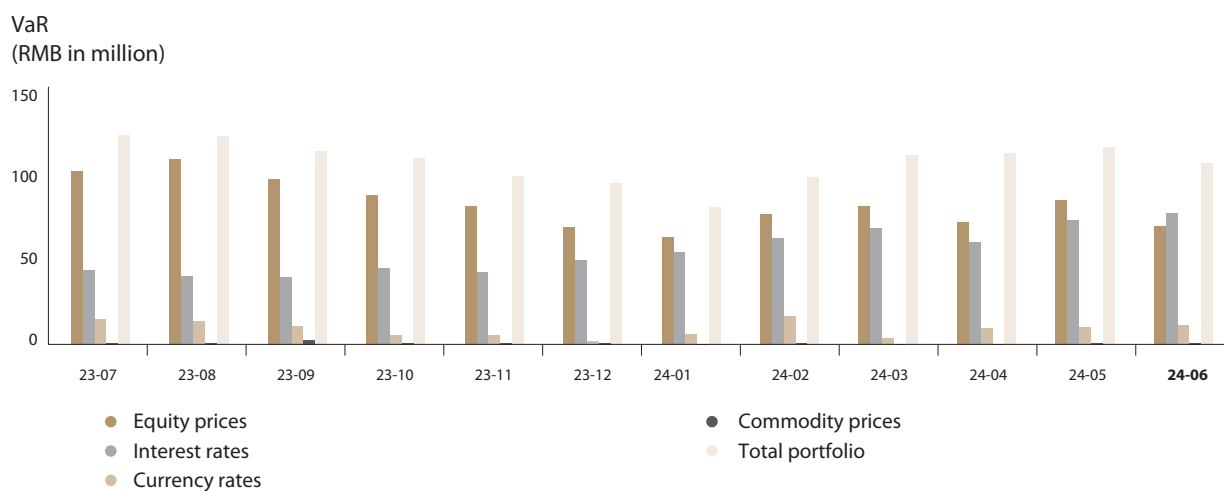
The Company (RMB in million)	June 30, 2024	December 31, 2023	Six months ended June 30, 2024			Twelve months ended December 31, 2023		
			Average	Highest	Lowest	Average	Highest	Lowest
Equity prices ¹	69.6	69.0	76.1	101.1	50.6	108.2	138.3	68.6
Interest rates ²	77.4	49.5	64.7	89.4	44.9	50.0	74.7	37.8
Currency rates ³	11.7	2.3	10.4	18.6	2.2	28.2	58.5	2.3
Commodity prices ⁴	1.0	1.0	0.6	1.5	0.1	0.9	2.5	0.5
Diversification effect	(52.9)	(27.2)	(47.4)			(55.7)		
Total portfolio	106.7	94.5	104.3	128.2	75.8	131.5	176.4	84.5

Notes:

- including equities and the price-sensitive portion of derivative products
- including fixed income products and the interest-rate sensitive portion of derivative products
- including financial products subject to exchange rate changes (including derivative products)
- including commodity and the price-sensitive portion of derivative products

The chart below sets forth the VaRs by risk categories of the Company as of the end of each month over the past year:

Monthly VaR Chart



The Company has set price-sensitive exposure limits for price-related businesses, which are measured and monitored on a daily basis. During the Reporting Period, the equity market showed a volatile trend, and the Company managed price market risks through adjusting positions, applying derivatives for hedging and controlling the concentration.

The Company closely followed the changes in interest rates and credit spreads in domestic and overseas markets, measuring risk exposures and monitoring risk limit utilizations on a daily basis. The Company hedged the interest rate risk for the fixed-income portfolio by using treasury bond futures, interest rate swaps, etc.

The Company conducted foreign exchange risk management for domestic and overseas assets, measuring risk exposures and monitoring risk limit utilizations on a daily basis. The foreign exchange risk exposures were managed by adjusting currency positions and using foreign exchange derivatives as hedging instruments.

The Company's exposure to commodity market risks was relatively low. During the Reporting Period, as the prices of some domestic and overseas commodities fluctuated sharply, the Company conducted commodity risk management by using commodity futures, options and swaps as hedging instruments.

Credit Risk

Credit risk refers to the risk caused by deterioration in creditworthiness or default losses of counterparties, borrowers and securities issuers.

Bond Investments Business

Our Company emphasizes the diversification level of the fixed income credit products and the credit products invested are those predominantly with relatively high credit ratings. Our Company controls its market risk and credit risk exposures by various initiatives, such as setting up limits on investment size, product types, credit ratings and concentrations, and carrying out forward-looking risk research, as well as closely monitors and tracks bond issuers' business performance and credit profiles so as to constantly evaluate and warn any credit deterioration.

During the Reporting Period, FICC Department closely collaborated with the Risk Management Department and identified, assessed, monitored and managed credit risk related to bond investments. As a result, the Company avoided material losses during the Reporting Period through effective risk management measures.

As of June 30, 2024 (Unit: RMB in million)

The Company	Position	DV01	Spread DV01
Overseas rating			
– AAA	933.2	0.23	–
– AA- to AA+	1,552.9	0.25	0.17
– A- to A+	15,507.8	2.74	2.74
– BBB- to BBB+	5,605.0	1.11	1.11
– below BBB-	2,241.1	0.19	0.19
– NR	5,826.7	0.97	0.97
Sub-total	31,666.6	5.50	5.19
Domestic rating			
– AAA	110,391.2	17.47	13.62
– AA- to AA+	13,194.2	2.19	2.19
– A- to A+	674.3	0.03	0.03
– below A-	311.8	0.02	0.02
Sub-total	124,571.5	19.71	15.85
– Non-rated 1	30,414.2	7.54	–
– Non-rated 2	3,629.7	0.04	0.04
Total	190,282.1	32.78	21.08

Notes: The Company uses DV01 and Spread DV01 to measure the interest rate sensitivity and credit spread sensitivity of bonds. DV01 measures the change in the value of interest rate sensitive products for each parallel movement of one basis point in a market interest rate curve. Spread DV01 measures the change in the value of credit spread sensitive products for each parallel movement of one basis point in the credit spread.

1. The Company refers the credit ratings of its debt securities to the credit ratings of the debt securities or the debt securities' issuers from Bloomberg comprehensive ratings or the local major rating agencies.
2. Non-rated 1: These non-rated financial assets mainly include government bonds and policy financial bonds.
3. Non-rated 2: These non-rated financial assets are mainly other debt securities and trading securities which are not rated by independent rating agencies.

Capital Business

For the credit risks of margin financing and securities lending business, stock-based lending business and other capital businesses, our Company has established a comprehensive and robust risk control system, including the customers' creditworthiness assessment, collateral management, underlying securities management, risk limit management, margin ratio monitoring, mandatory liquidation, etc. Our Company attaches considerable importance to customers' on-boarding and has established and implemented a strict customer selection and credit assessment mechanism, under which the branches are responsible for preliminary assessment of the customers' credit profile by collecting customers' basic information, financial status, securities investment experience, credit record and risk tolerance. The information of the customers that has passed the preliminary assessment will be submitted to the relevant business departments at the headquarters for further review, which, if qualified, will then be submitted to the Risk Management Department for formal approval, which will conduct an independent assessment of the customers' qualifications, and determine their credit ratings and credit limits.

During the Reporting Period, no significant losses were incurred in the Company's margin financing and securities lending business and stock-based lending business. Our Company primarily controlled the risks of margin financing and securities lending business and stock-based lending business by the following measures:

Margin Financing and Securities Lending Business

During the Reporting Period, our Company strictly controlled the concentrations of single customer and single underlying security, closely monitored and assessed accounts with higher collateral concentration and riskier investment portfolio, timely communicated with the customers and promptly took corresponding measures to mitigate such risks; our Company attached considerable importance to collateral management and dynamically adjusted the scope and haircuts of the collaterals; we prudently reviewed and approved business extension by considering the following factors, i.e., the concentration and risk condition of the investment portfolio, and the collateral ratio of the existing deal; our Company also conducted regular and irregular stress testing and closely monitored customers with high risks.

The following table sets forth the balance of margin financing and securities lending, market value of collaterals and collateral ratio data of the margin financing and securities lending business of the Company:

Unit: RMB in million

Items	As of June 30, 2024	As of December 31, 2023
Balance of margin financing and securities lending	36,793.9	42,425.4
Market value of collaterals	93,508.3	111,285.1
Collateral ratio	254.1%	262.3%

Note: The collateral ratio is calculated as the ratio of the client's total account assets balance (including cash and securities held) to the client's balance of margin loans and securities borrowed from our Company (i.e. the sum of margin loans extended, the securities sold short and any accrued interests and fees).

As of June 30, 2024, the collateral ratio of the margin financing and securities lending business of the Company was 254.1%. Assuming that the market value of all securities as collaterals of the Company's margin financing and securities lending business declined by 10% and 20%, respectively, and the liabilities of securities lending business increased by 10% and 20%, respectively, the collateral ratio of the Company's margin financing and securities lending business as of June 30, 2024, would have been 227.7% and 202.2%, respectively.

Stock-based Lending Business

During the Reporting Period, our Company exercised strict control over the onboarding and approval of the stock-based lending deals, and has taken effective risk control measures, including, but not limited to, strengthening deal risk assessment and management, evaluating the risks by the customers' creditworthiness and fundamentals of the pledged securities (including the pledge ratio of the large shareholder, pledge ratio of all shareholders, liquidity and trading suspension records, shareholder structure, capital status of the controlling shareholder, potential delisting risk and negative news), carefully determining the loan-to-value ratio, as well as exercising strict control over the financing amount of the customers who are subject to shareholding reduction restriction; our Company strictly controlled single security concentration, established a security blacklist mechanism, and managed the overall exposure of a single security within the Company. In addition, our Company strengthened the on-site due diligence investigation, assessment and analysis of the pledged securities and clients with large financing demand, and raised the approval requirements to ensure risks were managed at a controllable level.

Meanwhile, our Company continuously monitored the risks of the outstanding contracts, conducted regular and irregular stress testing, and classified deals into different risk status and kept key track of the deals with potential high risks; we maintained close monitoring and regular assessment of the customers' credit risk with large financing amount, and maintained dynamic monitoring of the pledged securities, continuously tracked the fundamentals and security price fluctuations of large deals, and if any abnormal circumstances identified on the pledged security, our Company will ensure the risk precautions are in place, and corresponding measures are taken promptly.

The following table sets forth the lending amount, market value of collaterals and collateral ratio data of the stock-based lending business of the Company:

Unit: RMB in million

Items	As of June 30, 2024	As of December 31, 2023
Amounts of stock-based lending	5,229.2	5,161.4
Market value of collaterals	13,098.2	13,598.8
Collateral ratio	250.5%	263.5%

Note: The collateral ratio refers to the ratio of the fair value of initial and supplement collateral, less any collateral already released, plus interests and dividends received, divided by the amount payable by the borrower.

Liquidity Risk

Liquidity risk refers to the risks arising from our Company's inability to obtain sufficient funds at reasonable costs in a timely manner to settle debts due, fulfill other payment obligations, and satisfy the funding needs in conducting normal business operations.

Our Company has adopted the following measures to manage liquidity risk:

- Closely monitoring balance sheets of our Company and its branches and subsidiaries, and managing liquidity gaps between assets and liabilities;
- Setting liquidity risk limits based on our Company's overall situation and regulatory requirements;
- Conducting cash flow forecast and liquidity risk stress test on a regular and irregular basis to analyze and assess our liquidity risk exposure;
- Maintaining adequate high-quality liquid assets and establishing a liquidity contingency plan for potential liquidity emergencies.

In order to withstand the potential liquidity risk and satisfy the short-term liquidity needs, our Company constantly holds sufficient unsecured and high-quality liquid assets as its liquidity reserves. The liquidity reserves are held by the Treasury Department and are managed independently from business departments. Our Company manages the liquidity reserves of all branches and subsidiaries vertically to ensure the allocation efficiency of the liquidity reserves. Meanwhile, due to the liquidity transfer restrictions between entities and regions, the liquidity reserves are held in various currencies and maintained within major operating subsidiaries, ensuring that the liquidity requirements of different entities are met in a timely manner. The size and composition of the liquidity reserves are actively managed by our Company based on the consideration of factors including, but not limited to, funding maturity profile, balance sheet size and composition, business and operational capital requirements, stress test results, and regulatory requirements. Our Company strictly limits the liquidity reserves to high-quality liquid assets (including cash and cash equivalents, interest rate bonds and money market funds) and sets risk limits.

Our Company constantly broadens and diversifies its funding channels to optimize the liability structure. The funding instruments of our Company include corporate bonds, medium-term note program, bank loans, commercial papers, beneficiary certificates, transfer of right to income, inter-bank borrowing, REPOs, etc. Our Company maintains a good relationship with banks and has sufficient bank credit to meet the funding requirement for business development. As of the Latest Practicable Date, as assessed by China Chengxin International Credit Rating Company Limited (中誠信國際信用評級有限責任公司), the credit rating of our Company is AAA and the rating outlook is stable. As of the Latest Practicable Date, as assessed by S&P Global Ratings, the long-term rating of the Company is BBB+, the short-term rating is A-2 and the rating outlook is stable. As assessed by Moody's, the long-term rating of the Company is Baa1, the short-term rating is P-2 and the rating outlook is stable. As assessed by Fitch Ratings, the long-term rating of the Company is BBB+, the short-term rating is F1 and the rating outlook is stable.

Our Company's liquidity risk management was sound, the liquidity reserves were sufficient, and the liquidity risk was under control.

During the Reporting Period, the regulatory liquidity risk management indicators of our Company continued to comply with the regulatory requirements. As of June 30, 2024, the liquidity coverage ratio and the net stable funding ratio of our Company were 268.2% and 144.1%, respectively.

Operational Risk

Operational risk refers to the risks arising from losses resulting from inadequate or problematic internal procedures, personnel, IT systems, and external events. Operational risk can occur in all stages of the Company's business operations and daily operations, which may eventually lead to other risks including but not limited to legal risk, compliance risk and reputational risk.

Our Company has adopted the following measures to manage operational risk:

- Fostering the concept of operational risk and improving the operational risk awareness among all employees;
- Establishing a transparent organizational structure with a proper decision-making mechanism and defining the responsibilities of the management and control of business processes;
- Optimizing and improving policies, processes and mechanisms, revising internal policies in accordance with regulatory guidelines, and promoting risk management in key areas and processes;
- Carrying out risk assessment and follow-up review of new businesses and products, and effectively managing and controlling operational risks of new businesses and products;

- Continuously strengthening the identification, assessment, monitoring and response to operational risks of the operational risk management and control tools, and strengthening the ex ante, act and ex post facto management of operational risk;
- Optimizing the communication, reporting and processing mechanism for operational risk information to prevent and control risks in a more active and forward-looking manner;
- Promoting the optimization of business continuity management systems to enhance the continuity of going concern ability.

Our Company continued to strengthen the operational risk management through institutional mechanism construction, optimization of information technology systems, and streamlining of business processes to further enhance the operational risk prevention and control capabilities.

IT Risk

IT risk refers to the operational, legal and reputational risks arising from natural factors, human factors, technology vulnerabilities and management deficiencies in the application of information technology in our Company.

The Company has mainly adopted the following measures to control and prevent IT risks:

- Establishing an effective IT governance framework to keep information technology construction consistent with business objectives;
- Clarifying the information technology risk management mechanism, and clarifying the division of responsibilities of the three lines of defense in IT risk management from the policy level, defining and regulating management strategies and methods;
- Conducting IT risk assessment, fully identifying and analyzing the risks, determining the possibility and potential impact of the risks, implementing risk prevention measures; establishing an IT key risk indicator system and monitoring mechanism; cultivating IT risk culture and improving employees' awareness of IT risk prevention and control;

- Ensuring the reliability, integrity, availability and maintainability of information system through the management process of initialization, approval and control of IT projects;
- Establishing an information security management system, formulating and implementing information security plans, monitoring information security threats;
- Establishing a data governance organizational framework to ensure unified management, sustainable controllability and storage safety of data;
- Tracking, responding to, analyzing and dealing with problems of information system and emergencies of information technology through establishing an effective process to manage problems;
- Through establishing an IT emergency management system, formulating an emergency plan, carrying out emergency drills, and continuously improving IT emergency management process, ensure that the system can support the Company's business operations in a continuous and steady manner.

Compliance Risk

Compliance risk refers to the risk of the Company being legally held accountable, subject to supervisory measures, given self-discipline penalties or suffering from loss of property or reputation because of the violation of laws, regulations, industry self-regulatory rules or our internal policies arising from our operations and management activities or employee behavior.

Our Company has mainly adopted the following measures to manage and prevent compliance risk:

- Our Company formulates and updates our compliance policies and procedures in accordance with changes in laws, regulations and industry norms;
- Our professional compliance team is responsible for examining various businesses and providing compliance advice. We implement effective compliance risk management measures at an early stage of new businesses and conduct compliance reviews and supervision during carrying out new business;

- Our Company controls the circulation of sensitive information by monitoring information flows and establishing dynamic information barrier walls, with the aim to prevent risks of insider trading and manage conflicts of interest;
- Our Company undertakes compliance supervision and reviews in accordance with applicable laws and regulations, other regulatory documents, self-regulatory rules, industry norms and our internal policies, to monitor the compliance of our business operations and employee activities and identify and prevent compliance risks in a proactive manner;
- Our Company adopts various means to cultivate a compliance culture within each business line, functional department and branch and provides compliance training to our employees to improve their compliance awareness;
- Our Company has established an internal accountability system in respect of employees' violations of laws and regulations and internal policies to impose applicable punishments on offenders.

Legal Risk

Legal risk refers to the risk of possible economic loss or damage to our Company's reputation resulting from breach of contracts, infringement-related disputes, litigation or other legal disputes.

Our Company manages, controls and prevents legal risks mainly through the following measures:

- Our Company continuously enhances our internal policies and business procedures from a legal perspective to ensure that our operations and management satisfy the requirements of applicable laws and regulations;
- Our Company formulates templates for various business contracts and requires our business departments to use our in-house templates to the fullest extent. We also review contracts drafted or provided by counterparties prior to entering into such contracts to mitigate the legal risk associated with performing such contracts;
- Our Company conducts legal training to enhance our employees' legal awareness;
- Our Company applies for trademarks, maintains and protects our existing trademarks, safeguards our goodwill and trade secrets and takes legal actions against behaviors that harm our reputation or interests;
- Our Company takes active measures to mitigate legal risks when disputes and litigation arise.

Money Laundering Risk

Money laundering risk refers to the risks of being used by money laundering, terrorist financing, proliferation financing, and related illegal and criminal activities in the course of conducting business and operating management of the Company, which may bring regulatory penalties, legal disputes, financial loss or reputation loss to the Company.

The Company mainly adopted the following measures to manage and prevent money laundering risks:

- Establishing an organizational structure for money laundering risk management and properly conducting anti-money laundering human resource assurance;
- Formulating and updating anti-money laundering policies in accordance with laws, regulations, and regulatory requirements;
- Conducting regular and irregular money laundering risk assessment;
- Integrating risk control measures into relevant business operation processes in consideration of anti-money laundering obligations, including customer identification, preservation of customer identity information and transaction records, suspicious transaction monitoring and reporting, name screening and monitoring, asset freezing;
- Continuously carrying out anti-money laundering publicity and training to promote the full transmission of money laundering risk management culture;
- Establishing and improving the anti-money laundering monitoring system and data quality control mechanism;
- Carrying out anti-money laundering inspection and internal audit work and conducting anti-money laundering performance appraisals, rewards and punishments, and emergency management work.

Reputational Risk

Reputational risk refers to the risk of negative comments from investors, issuers, regulators, disciplinary organizations, the public or the media on our Company because of our Company's actions or external events or our employees' violation of integrity rules, professional ethics, business norms, or rules and regulations of the industry, which may impair the brand value of the Company, hinder the normal operation of the Company, or even undermine the market and social stability.

Our Company has mainly adopted the following measures to manage and prevent reputational risk:

- All business departments take measures to prevent, manage and control reputational risks across important business activities and processes, and strictly follow "Know Your Customers (KYC)" principle, enhance project due diligence and quality control, as well as timely prevent and deal with potential reputational risk;
- Continuously improving and implementing the reputational risk management system and rules to specify the organizational structure and division of responsibilities for reputational risk management so as to consolidate reputational risk management work;
- Identifying and evaluating the risk information or sources that may affect the Company's reputation, conducting investigations of reputational risks and evaluation of reputational risks, adopting corresponding risk control measures based on the evaluation results, and continuously improving and implementing the mechanism for assessing, preventing, responding to and handling reputational risk events;
- Establishing of a sound public opinion monitoring and early warning system, conducting targeted monitoring, identification, early warning and evaluation of public opinions in relation to the Company, and publishing and communicating the Company's views and positions to the public in a timely manner, so as to avoid the spread and deterioration of erroneous information caused by misreading or misreporting in the public opinion environment;
- Defining the content, form, frequency and scope of reputational risk reporting to timely inform the Board and the management of the levels and management of reputational risks, and submitting reports on major reputational events as required by regulatory authorities or their branches;
- Strengthening reputational risk management, developing employees' awareness of reputational risks and good professional conduct through system construction and training mechanism, improving the reputation information registration mechanism, incorporating employee reputation into the personnel management system, and strengthening the evaluation and accountability of personnel who led to a negative impact on the reputation of the Company.

(IV) Establishment of Monitoring and Complementary Mechanism of the Company's Risk Control Indicators

Establishment of risk control indicators monitoring

The Company has established a sound monitoring and management mechanism of the risk control indicators based on the regulatory standards and early warning standards for risk control indicators of securities companies stipulated by the CSRC. By means of the limit management, daily monitoring and reporting, regular stress test, report of abnormalities, etc., we continuously optimized and improved the comprehensive risk management system of the Company, so as to ensure that the net capital, liquidity and other risk control indicators always comply with the regulatory requirements.

Complementary mechanism

For risk control indicators, the Company has established a dynamic complementary mechanism for net capital and liquidity. The Company's complementary channels of net capital include but are not limited to suspending or reducing the scale of capital-intensive business, issuing subordinated bonds, increasing equity capital, reducing or suspending profit distribution, etc. The complementary channels of liquidity include but are not limited to raising external funds (such as corporate bonds, the medium-term note program, bank loans, commercial papers, beneficiary certificates, transfer of right to income, inter-bank borrowing, REPOs etc.), suspending or reducing the scale of certain businesses, realizing the liquidity reserves held by the Company, disposing other assets of the Company, etc.

CORPORATE GOVERNANCE

I. INTRODUCTION OF THE SHAREHOLDERS' GENERAL MEETING

During the Reporting Period, our Company convened one Shareholders' General Meeting, the details and resolutions of which are as follows:

Meeting	Meeting Date	Resolutions Considered and Approved
2023 Annual General Meeting	2024/6/28	<i>Resolution on the Amendments to the Articles of Association, Resolution on the Amendments to the Rules of Procedures of Shareholders' General Meetings, Resolution on the Amendments to the Rules of Procedures of the Meeting of Board of Directors, Resolution on the Amendments to the Rules of Procedures of the Meeting of Supervisory Committee, Resolution on the 2023 Work Report of the Board of Directors, Resolution on the 2023 Work Report of the Supervisory Committee, Resolution on the 2023 Annual Report, Resolution on the 2023 Profit Distribution Plan, Resolution on the Relevant Arrangements of 2024 Interim Profit Distribution, Resolution on the Appointment of the Accounting Firms for 2024, Resolution on the 2024 Annual Estimation for Daily Related-party Transactions, Resolution on the 2023 Annual Work Report of Independent Non-executive Directors, Resolution on the Election of Members (Non-independent Directors) of the Third Session of the Board of Directors and Determination of Their Remuneration, Resolution on the Election of Members (Independent Directors) of the Third Session of the Board of Directors and Determination of Their Remuneration, Resolution on the Election of Members (Non-employee Representative Supervisors) of the Third Session of the Supervisory Committee and Determination of Relevant Supervisors' Remuneration</i>

Announcements on the resolutions of the above Shareholders' General Meeting were also published on HKEXnews website (www.hkexnews.hk), SSE website (www.sse.com.cn) and the Company's website (www.cicc.com) on the date or the next day of the meeting.

II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(I) Changes in Directors, Supervisors and Senior Management

1. Election of New Session of the Board and Changes in Directors

The third session of the Board of the Company was established and assumed its duties on June 28, 2024. As at the Latest Practicable Date, the Board of the Company consisted of 8 Directors, including one executive Director (Mr. Chen Liang), three non-executive Directors (Ms. Zhang Wei, Mr. Kong Lingyan and Mr. Deng Xingbin) and four independent non-executive Directors (Mr. Ng Kong Ping Albert, Mr. Lu Zhengfei, Mr. Peter Hugh Nolan and Mr. Zhou Yu).

From the beginning of the Reporting Period to the Latest Practicable Date, the changes in Directors of the Company and their positions are as follows:

- (1) With the approval of the 2023 annual general meeting of the Company, Mr. Deng Xingbin was appointed as a non-executive Director of the Company for a term of three years commencing on June 28, 2024. On the same day, the Board of the Company considered and approved the composition of the special committees of the third session of the Board, among which: Mr. Deng Xingbin was newly appointed as a member of the Strategy and ESG Committee and the Risk Management Committee of the Board of the Company; Mr. Kong Lingyan was newly appointed as a member of the Nomination and Corporate Governance Committee of the Board of the Company; Mr. Zhou Yu was newly appointed as a member of the Related-Party Transaction Control Committee of the Board of the Company; and Mr. Zhou Yu was no longer a member of the Strategy and ESG Committee.
- (2) With effect from June 28, 2024, Mr. Duan Wenwu ceased to be a non-executive Director of the Company and a member of the Strategy and ESG Committee and the Risk Management Committee of the Board.

2. Election of New Session of the Supervisory Committee

The third session of the Supervisory Committee of the Company was established and assumed its duties on June 28, 2024. As of the Latest Practicable Date, the Supervisory Committee of the Company consisted of three Supervisors, including one employee representative Supervisor (Mr. Gao Tao) and two non-employee representative Supervisors (Mr. Jin Lizuo and Mr. Cui Zheng).

From the beginning of the Reporting Period to the Latest Practicable Date, there was no change in the Company's Supervisors.

3. Changes in Senior Management

As of the Latest Practicable Date, the Company had a total of 11 senior management personnel, namely Chen Liang, Zhang Kejun, Xu Yicheng, Wang Jianli, Wang Shuguang, Du Pengfei, Hu Changsheng, Sun Nan, Zhang Fengwei, Cheng Long and Zhou Jiaying.

From the beginning of the Reporting Period to the Latest Practicable Date, the changes in senior management and their positions of the Company are as follows:

- (1) After consideration and approval by the Board of the Company, Mr. Sun Nan was appointed as a member of the Management Committee of the Company, with effect from January 17, 2024.
- (2) After consideration and approval by the Board of the Company, Mr. Chu Gang ceased to serve as a member of the Management Committee and the Chief Operating Officer of the Company due to reaching statutory retirement age, with effect from February 7, 2024.
- (3) Ms. Ma Kui resigned from the position of the Financial Controller of the Company due to other work engagements, with effect from February 7, 2024.
- (4) Due to work changes, after consideration and approval by the Board of the Company, Mr. Wu Bo ceased to serve as President, Chief Financial Officer and member of the Management Committee of the Company; Mr. Chen Liang, Chairman of the Board, performed duties in place of the President of the Company until a new President is appointed by the Company; Mr. Xu Yicheng, a member of the Management Committee, performed duties in place of the Chief Financial Officer until a new Chief Financial Officer is appointed by the Company. The aforesaid adjustments have taken effect from April 10, 2024.

(II) Change in Shareholdings of Directors, Supervisors and Senior Management

During the Reporting Period, there was no change in shareholdings of who currently are or used to be the Directors, Supervisors and senior management of the Company during the Reporting Period.

(III) Rights of Directors and Supervisors to Acquire Shares or Debentures

As of the end of the Reporting Period, none of the Company or any of its subsidiaries was a party to any arrangements to enable the Directors, Supervisors or their spouses or minor children under the age of 18 to acquire benefits by means of acquiring shares or debentures of the Company or any other body corporate.

(IV) Changes in Biographies of Directors and Supervisors

During the Reporting Period, there is no information of Directors and Supervisors of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the *Listing Rules of the Stock Exchange*.

III. PLAN ON PROFIT DISTRIBUTION OR ON CONVERTING CAPITAL RESERVE INTO SHARE CAPITAL

(I) Profit Distribution Plan

As of the end of the Reporting Period, the retained profits of the parent company amounted to RMB9,364,304,207. The Company intends to distribute the 2024 interim dividend to its Shareholders by way of cash dividend. The total proposed cash dividends to be distributed are RMB434,453,118.12 (tax-inclusive). On the basis of 4,827,256,868 Shares in issuance of the Company as at the Latest Practicable Date, the cash dividends of RMB0.90 (tax-inclusive) per 10 Shares will be distributed. In case of any changes in the total share capital of the Company before the record date to distribute profit, the amount of cash dividend per Share will be adjusted within the total amount of RMB434,453,118.12 (tax-inclusive). The cash dividends will be denominated and declared in RMB, and paid in RMB and in HK dollars to holders of A Shares and holders of H Shares, respectively. The actual amounts to be distributed in HK dollars shall be converted based on the average central parity of the exchange rate of RMB against HK dollars as announced by the People's Bank of China for five business days prior to the date of the Shareholders' General Meeting considering and approving the above 2024 interim profit distribution plan of the Company.

The above 2024 interim profit distribution plan had been considered and approved by the Board of Directors of the Company, and shall be subject to the consideration and approval by the Shareholders' General Meeting before implementation. The cash dividends will be paid within two months after the 2024 interim profit distribution plan is considered and approved at the Shareholders' General Meeting. The Company will make further announcement on, among others, record date and date of distribution in relation to this dividend distribution. The 2024 interim profit distribution plan and its consideration procedures are in line with the requirements of the *Articles of Association* and other regulations, and minority shareholders may express their views and aspirations through Shareholders' General Meeting and other channels, and their legitimate rights and interests have been protected.

(II) Tax Relief and Exemption Information for Holders of H Shares

The holders of H Shares of our Company shall pay relevant tax and/or enjoy tax relief and exemption in accordance with the following provisions:

According to the *Individual Income Tax Law of the People's Republic of China* (《中華人民共和國個人所得稅法》) and its implementation rules, dividends paid to individuals by PRC companies are generally subject to an individual income tax levied at a flat rate of 20%.

Pursuant to the requirements of the *Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax* (Cai Shui Zi [1994] No. 020) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)), individual foreigners are exempted from individual income tax on dividends and bonus received from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, the foreign individual Shareholders who hold the H Shares of the Company and whose names appear on the H-share register are not required to pay the individual income tax of the PRC.

Pursuant to the *Notice of the State Administration of Taxation on Issues Concerning Withholding the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to Holders of H Shares who are Overseas Non-resident Enterprises* (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 holders of H Shares who are overseas non-resident enterprises, shall withhold the enterprise income tax at a flat rate of 10%. A non-PRC resident enterprise which is entitled to a preferential tax rate under an applicable tax treaty or arrangement may, directly or through its agent, apply to the competent tax authorities for a refund of the excess amount of tax withheld.

Pursuant to the *Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets* (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)) and the *Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets* (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)) jointly promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC, for dividends derived by mainland individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, H-share companies shall withhold individual income tax at a tax rate of 20% for the investors. For mainland securities investment funds investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends derived therefrom. Dividends derived by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect shall be reported and paid by the enterprise investors themselves. H-share companies will not withhold or pay enterprise income tax on their behalf in the distribution of dividends. For dividends derived by mainland resident enterprises where the relevant H shares have been continuously held for more than 12 months, the enterprise income tax thereon may be exempt according to the tax law.

IV. THE SHARE INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVES AND THEIR IMPACTS

During the Reporting Period, the Company did not implement any share incentive scheme, employee stock ownership plan or other employee incentives, and therefore, none of the Directors, Supervisors or senior management of the Company have been granted stock options or restricted Shares.

V. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, except for code provision C.2.1 of the *Corporate Governance Code*, the Company strictly complied with the *Corporate Governance Code*, followed all code provisions and met the requirements of part of the recommended best practices set out in the *Corporate Governance Code*.

Due to work changes, after consideration and approval by the Board, Mr. Wu Bo ceased to serve as the President and other positions of the Company since April 10, 2024, and Mr. Chen Liang, Chairman of the Board, performed duties in place of the President until a new President is appointed by the Company (hereinafter referred to as the "Arrangements during the Transitional Period").

Although the above Arrangements during the Transitional Period deviates from the requirements under code provision C.2.1 as set out in the *Corporate Governance Code*, in order to ensure that the operation of the management and the daily operation of the Company are not affected, the Company considers that given that: 1) the appointment of a new President will take a certain period of time and must go through the corresponding statutory procedures; 2) Mr. Chen Liang has extensive experience in the financial industry and management; 3) the resolution of the Board must be passed by more than half of all Directors, and half of the Board members are independent non-executive Directors, and there is only one executive Director, Mr. Chen Liang, which shows sufficient balance of power; and 4) the decision-making on strategy, business, operation, finance and other material aspects shall be collectively decided after discussion of the Board and the management, the Arrangements during the Transitional Period are appropriate before the appointment of a new President of the Company and will not weaken the balance of power and delegation of authority between the Board and the management.

The Company will actively promote the appointment of a new President in order to comply with code provision C.2.1 of the *Corporate Governance Code*.

VI. COMPLIANCE WITH THE MODEL CODE

The Company has adopted a code of conduct regarding securities transactions of Directors on terms no less exacting than the required standards set out in the *Model Code* for securities transactions. The Company has made specific enquiries to all Directors and Supervisors concerning their compliance with the *Model Code*. All Directors and Supervisors confirmed that they had strictly complied with all standards set out in the Company's code of conduct regarding securities transactions of Directors during the Reporting Period.

VII. EMPLOYEES AND REMUNERATION

As of June 30, 2024, the Group had 15,081 employees⁸, among whom 13,967 employees were based in the Chinese mainland and 1,114 employees were based in Hong Kong SAR, Singapore, the United States, the United Kingdom and Germany, representing 93% and 7%, respectively, of the total number of the Group's employees. Approximately 42% and 56% of the Group's employees had obtained bachelor's degrees or master's degrees and above, respectively. Moreover, approximately 31% of the Group's employees and 45% of our managing directors had overseas education or working experience.

During the Reporting Period, there was no material change in the remuneration policy and training plans of the Company. For related information, please refer to "Directors, Supervisors, Senior Management and Employees" in the 2023 annual report of the Company.

⁸ The number of employees includes the number of employees under the labor contract and the number of employees under the labor dispatch, which were 15,009 and 72, respectively

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. FULFILLING ENVIRONMENTAL RESPONSIBILITIES

In terms of climate risk, the Company has incorporated climate risk into its comprehensive risk management system, and has established a climate risk management system that is commensurate with the strategic objectives and the complexity of climate-related risks of the Company. The Company has continued to improve the *Climate Risk Management Policy of China International Capital Corporation Limited* and supporting operational guidelines, improved the organizational structure and management mechanism of climate risk management, and continuously strengthened the control and management of climate-related risks at the corporate level through assessment, measurement, monitoring, response and reporting. During the Reporting Period, the Company promoted the implementation of the climate risk management mechanism, built a climate risk transmission framework, carried out the identification and assessment of climate risk, enriched climate risk scenarios and optimized the risk measurement model, continued to improve the Company's climate risk management system, and comprehensively improved the Company's climate risk management and quantification capabilities.

In terms of green finance, the Company vigorously develops green bonds and green funds, actively deploys ESG-themed strategic products and continues to practice responsible investment to help achieve the "dual-carbon" goal. In the first half of 2024, the investment banking business of the Company completed green-related projects with a transaction scale of approximately RMB200 billion. Among them, we assisted NewTechWood in completing listing on the ChiNext Board, creating the first stock of an independent wood-plastic composite (WPC) brand; assisted multiple overseas branches of Bank of China in the issuance of "Belt and Road" overseas sustainable development bonds; assisted Dujiangyan Urban and Rural Construction Group (都江堰城鄉建設集團) in the issuance of the first green dim sum bond of a state-owned enterprise at the district and county level in China; assisted New Hope Group in the issuance of sustainability-linked offshore RMB bonds; assisted Wuhan Guangchuang Fund (武漢光創基金) and others in strategic investments in NIO Energy (蔚來能源); and assisted Lotus, a Chinese new energy vehicle company, in completing its De-SPAC listing on the US stock market. In the private equity investment business segment of the Company, CICC Capital Management Department cooperated with local governments, domestic and foreign industrial groups, and financial institutions to launch a number of green-themed funds, and invested in a number of high-quality enterprises in new energy and new materials, covering photovoltaic cells, hydrogen energy, lithium battery materials and other subdivisions, as a way to serve the development of green and low-carbon industries and support innovative green technologies to take root in China. In addition, the Company and China CITIC Bank jointly launched the "Sustainable Transformation Science and Technology Innovation Bill Basket" (可持續轉型科創票據籃子), the first "sustainable development + transformation + science and technology innovation" themed basket in the market. In terms of carbon finance, the Company participated in the first batch of transactions at the launch of the Chinese Certified Emission Reduction (CCER) trading market, served enterprises to broaden financing channels through carbon quota repurchase trading business in Shanghai, and worked with the Shanghai Environment and Energy Exchange to build a "low-carbon transformation + ESG" investment evaluation system methodology. In terms of responsible investment, in the first half of 2024, the Asset Management Department of the Company further improved the building of the responsible investment research system. Meanwhile, the asset management business continued to promote the research and follow-up of new assets and strategies related to green finance, as well as investment practices, to meet the ESG investment needs of different investors.

In terms of ecological and environmental protection, in the first half of 2024, the Company organized 12 spring tree-planting activities through the CICC Charity Foundation, and nearly 1,400 CICC volunteers planted more than 1,500 saplings in Tongzhou, Beijing to practice the concept that “lucid waters and lush mountains are invaluable assets”, and add new green to the capital. A series of 23 volunteer activities with the theme of “Capital Biodiversity Conservation” were carried out and participated by nearly 250 people. In addition, two sessions of “CICC Public Welfare – Tsinghua Economics and Management Social Practice” (中金公益—清華經管社會實踐) were held, and 24 students from the School of Economics and Management of Tsinghua University were organized to go to the sites of CICC ecological and environmental protection projects for public benefit in Medog, Xizang and Lanping, Yunnan and their surrounding areas to understand and explore how to effectively realize the harmonious coexistence of man and nature in a specific ecological and economic environment.

In terms of sustainable operation, the Company actively practiced the concept of green development, and continued to explore new ideas for energy conservation and emission reduction from aspects of green operation and green construction. In terms of green operation, the Company continuously promoted green travel on the green travel platform, such as recommending low-emission flights to employees. In daily operations, we continued to control consumables such as paper and disposable water cups, promoted the use of carbon-neutral stationery, and held themed activities to enhance employees’ awareness of environmental protection; actively promoted co-working to reduce carbon emissions caused by leasing and construction while improving the utilization rate of space resources. In terms of green construction, the Company continued to promote low-carbon construction methods such as the prefabricated construction model. In terms of office renovation and decoration, the Company conscientiously abided by green building standards, paid attention to energy conservation and environmental protection indicator of equipment, and reduced waste and carbon emissions from decoration process.

The Company is a financial company, which is not in the list of the key pollutant discharge units or their major subsidiaries announced by the environmental protection authority.

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

The Company conscientiously studied and applied the experience of the “Green Rural Revival Program”, adapted measures to local conditions, and contributed CICC strength to the construction of livable, workable and beautiful villages in Huining County, Gansu Province. In the first half of 2024, the Company invested RMB27 million to coordinate and carry out 12 assistance projects, and continuously consolidated the achievements of poverty alleviation in the areas of industry, education, people’s livelihood and medical care to effectively support rural revitalization. In terms of industrial assistance, the Company built drought-resistant emergency water source projects to alleviate the practical difficulties of industrial water use; deepened cooperation with well-known e-commerce platforms to promote production through sales and broaden sales channels for special agricultural products; supported the development and expansion of the village collective economy, cooperated with the order-based planting of new drought-resistant varieties to help farmers increase income. In addition, the Company held special training sessions to help villagers

improve their financial literacy and agricultural science and technology knowledge; and continued to hold the “One Helps One • Passing on Love” Helping Students in Huining, Gansu Activity (「一幫一•傳遞愛」愛心幫扶甘肅會寧學生活動) to provide assistance and support for 200 students in Huining County whose families are financially disadvantaged but have excellent character and academic performance. The Company actively guided social forces to participate in assisting Huining, and introduced RMB3.2 million of free assistance funds for Huining. In the first half of 2024, the Company also donated RMB200,000 to the Guzhang County Women’s Federation (古丈縣婦聯) through the CICC Charity Foundation to help the Company pair up with Guzhang County, Hunan Province to carry out the “Hunan Girls Energy Home” (湘妹子能量家園) project, so as to improve the quality and efficiency of grassroots governance.

In addition, in the first half of 2024, the investment banking business of CICC completed nearly RMB18 billion of financing for rural revitalization-related projects, including rural revitalization corporate bonds of CCCC Financial Leasing (中交融資租賃), special financial bonds related to agriculture, rural areas and farmers of Ping An Bank, and green medium-term notes (carbon neutrality bonds/rural revitalization) of China Energy Conservation and Environmental Protection Group (CECEP). The Company implemented the “live pig futures + insurance” project in Datong Hui and Tu Autonomous County, Huzhu Tu Autonomous County and Huangzhong County in Qinghai Province, covering a total of 6 agricultural cooperatives, with a total of 5,600 heads or 616 tons of live pigs.

III. OTHER WORK FOR FULFILLING SOCIAL RESPONSIBILITIES

The Company supports and serves micro, small and medium-sized enterprises in various ways. In the first half of 2024, the Company assisted micro, small and medium-sized enterprises in completing investment banking-related projects with a transaction scale of more than RMB150 billion, including the IPO of Omat on STAR Market, special financial bonds for small and micro-sized enterprise loans of Ping An Bank, and the private placement of Bank of Weifang. The Company continued to build the “CICC Torch Cloud Platform” (中金火炬雲平台) to empower specialized, refined, differential, innovative and other technology innovation enterprises through digital means, actively participated in the construction of regional equity markets across China, and explored inclusive innovative service tools such as patent technology valuation and option valuation. As of the end of June 2024, the CICC Torch APP has been downloaded more than 21,000 times, the number of certified enterprises has exceeded 1,900, providing capital market services or growth services to enterprises 188 times in the first half of 2024. The private equity business of the Company completed a number of direct investments in micro, small and medium-sized enterprises, and held various activities at the same time to empower micro, small and medium-sized enterprises in finance, business, human resources and other aspects, and actively facilitated the development of start-ups. The Company’s wealth management business provides equity incentive services to micro, small and medium-sized enterprises. In the first half of 2024, CICC Wealth Management advised 6,190 micro, small and medium-sized enterprises to carry out equity incentive business and signed contracts with 1,421 micro, small and medium-sized enterprises. In addition, in the cooperation with third-party institutions, external salons and business activities, we focused on empowering various micro, small and medium-sized enterprises specialized in niche sectors.

In addition, the Company has been actively promoting inclusive finance, continuously strengthening investor education, and advancing the formation of a positive wealth management perspective. In the first half of 2024, a total of 1,977 investment education activities were held, covering 400,000 investors. The Company and CICC Wealth Management received another “A” grade in the 2023-2024 investor education evaluation of securities companies.

Through the CICC Charity Foundation, the Company vigorously cultivated and practiced the core values of socialism, created a volunteer cultural atmosphere, improved the quality and efficiency of services, and promoted regular volunteering activities. In the first half of 2024, 47 volunteer activities were held, and participated by a total of 1,740 person heads, contributing 6,342 hours of volunteer service. The rate of volunteer registration, participation and activeness continued to increase. Through the CICC Charity Foundation, we continued to carry out education assistance projects, including “Rural Doctor Training”, “Sunshine Start Program” (the large-scale upgrade of the “China Reach” program), “Mountain Village Kindergarten Program”, “CICC-Joyoung Charity Kitchen”, and conducted brand public welfare activities, including “Sending Love through Books” (書送愛心) and “CICC Charity First Class of School” (中金公益開學第一課), to assume corporate social responsibility, and help the balanced and high-quality development of rural children in underdeveloped areas and urban migrant children from multiple aspects. We supported Chinese modernization with high-quality population development so as to achieve a bright future of common prosperity for all people.

The Company leveraged its advantages in the main business of finance to continuously explore and innovate the development model of public welfare. With a professional support system for medical achievement application, the Capital Healthtech Incubation Engineering Foundation (首都醫療科技成果轉化公益基金會) (hereinafter referred to as the “CHIF”) assisted Beijing in the transformation of medical scientific and technological achievements and the exploration of innovative models. In the first half of 2024, the CHIF confirmed donations to the second batch of 5 transformation projects in pilot hospitals, donated public welfare funds totaling RMB44.00 million to eleven transformation projects, and actively provided relevant professional support for transformation projects according to the pilot plan for the transformation of medical innovation achievements in municipal pilot hospitals, so as to advance the transformation as planned and achieve the expected results.

SIGNIFICANT EVENTS

I. PERFORMANCE OF UNDERTAKINGS

All the undertakings of relevant covenantors during or subsisting in the Reporting Period were undertakings in relation to initial public offering, issued in the course of the Company's A share offering and listing, fulfilled in a timely and strict manner, and there was no failure in timely fulfillment. The details are as follows:

Background of undertaking	Type of a undertaking	Covenantor	Undertaking	Whether there is a performance period	Duration of undertaking
Undertakings in relation to initial public offering	Shares selling restrictions	Central Huijin, Jianyin Investment, JIC Investment and China Investment Consulting	Undertakings in relation to the price for selling shares within 2 years from the expiring date of restrictions on shareholdings and trading	Yes	2 years from the expiring date of restrictions on shareholdings and trading
	Others	Central Huijin, Jianyin Investment, JIC Investment, China Investment Consulting, and Haier Jinying	Undertakings in relation to the intention of shareholding and reducing shareholding	Yes	Long-term
	Others	Directors and senior management	Undertakings to take remedial measures against dilution of immediate returns	Yes	Long-term
	Others	The Company, Central Huijin, Directors, Supervisors, senior management, joint sponsors, joint lead underwriters, lawyers of the issuer, accountants of the issuer, and the asset appraisal agency of the issuer	Undertakings that there were no false records, misleading statements or material omissions in the prospectus	Yes	Long-term
	Others	The Company, Central Huijin, Jianyin Investment, JIC Investment, China Investment Consulting, Haier Jinying, Directors, Supervisors, and senior management	Undertakings in relation to binding measures on any failure to fulfill	Yes	Long-term
	Others	Central Huijin	Undertakings in relation to avoiding peer competition	Yes	Long-term
	Others	Haier Jinying	Undertakings in relation to reducing and regulating related party transactions	Yes	Long-term

II. MISAPPROPRIATION OF FUNDS ON A NON-OPERATING BASIS BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES

During the Reporting Period, there was no misappropriation of funds on a non-operating basis by the Company's controlling shareholder and other related parties.

III. NON-COMPLIANT GUARANTEES

During the Reporting Period, the Company had no non-compliant guarantees.

IV. CHANGES IN AND TREATMENTS OF MATTERS INVOLVED IN NON-STANDARD AUDIT OPINION ON THE 2023 ANNUAL REPORT

There was no non-standard audit opinion on the 2023 annual report of the Company.

V. AUDIT OR REVIEW OF 2024 INTERIM REPORT

The financial information contained in the 2024 interim report of the Company was unaudited. The Audit Committee of the Board of the Company has reviewed the unaudited interim results of the Company for the six months from January 1, 2024 to June 30, 2024 and did not raise any objection to the accounting policies and accounting practices adopted by the Company.

The external auditor of the Company has reviewed the condensed consolidated financial statements of the Company for the six months ended June 30, 2024 in accordance with *International Standard on Review Engagements* 2410.

VI. ANALYSIS AND EXPLANATION ON REASONS FOR AND IMPACTS OF CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES OR CORRECTION OF MATERIAL ACCOUNTING ERRORS

During the Reporting Period, the Company had no significant changes in accounting policies, accounting estimates or correction of material accounting errors.

VII. BANKRUPTCY OR RESTRUCTURING

During the Reporting Period, there was no bankruptcy or restructuring related matters of the Company.

VIII. MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Company was not involved in any material litigation or arbitration which shall be disclosed in accordance with the requirements under the *Listing Rules of the SSE*.

IX. VIOLATIONS, PUNISHMENTS AND RECTIFICATIONS OF THE COMPANY AND DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, THE CONTROLLING SHAREHOLDER, AND THE ACTUAL CONTROLLER

During the Reporting Period, the Company was not suspected of a crime and therefore subject to any investigation; none of the controlling shareholder, the Directors, Supervisors or senior management of the Company was suspected of a crime and therefore subject to mandatory measures in accordance with the law; none of the Company or the controlling shareholder, the Directors, Supervisors, senior management of the Company was subject to any criminal penalty, suspected of a violation of the law or regulation and therefore subject to any investigation initiated or administrative penalties imposed by the CSRC, or subject to any major administrative penalties imposed by other competent authorities; none of the controlling shareholder, the Directors, Supervisors or senior management of the Company was suspected of a serious violation of law or disciplinary offences, or job-related crimes and therefore subject to detention measures by the discipline inspection and supervision authority, affecting the performance of the duties; none of the Directors, Supervisors or senior management of the Company was suspected of a violation of the law or regulation and therefore subject to mandatory measures by other competent authorities, affecting the performance of the duties; none of the controlling shareholder of the Company was subject to administrative regulatory measures imposed by the CSRC; none of the Company or its controlling shareholder, Directors, Supervisors or senior management was subject to any disciplinary action by the stock exchange.

During the Reporting Period, the Company and relevant persons were subject to the following administrative regulatory measures by the CSRC and its delegated institutions:

1. The administrative regulatory measure of issuing a warning letter against CICC by the CSRC

On January 5, 2024, the CSRC issued the *Decision on Issuing a Warning Letter against China International Capital Corporation Limited* (《關於對中國國際金融股份有限公司採取出具警示函措施的決定》) to CICC, pointing out that CICC, as the trustee of corporate bonds of Tahoe Group Co., Ltd. (泰禾集團股份有限公司), failed to perform its duties and responsibilities in the process of entrusted management.

In response to this administrative regulatory measure, the Company actively monitored and disposed the risks of Tahoe Group's bonds, and strengthened the management of bond duration; enhanced training and advocacy, and improved the awareness of compliance and risk control of investment banking personnel; and strictly controlled project access and managed risks from the source. The Company has completed the rectification of the above matters.

2. The administrative regulatory measure of issuing a warning letter against CICC by the CSRC Zhejiang Bureau

On January 12, 2024, the CSRC Zhejiang Bureau issued the *Decision on Issuing a Warning Letter against China International Capital Corporation Limited* (《關於對中國國際金融股份有限公司採取出具警示函措施的決定》) to CICC, pointing out that CICC had failed to put into place the cash flow collection mechanism for underlying assets in the management of the asset-backed special plan and had poor management, and failed to effectively prevent the cash flow of the special plan from being misappropriated, embezzled and other problems.

In response to this administrative regulatory measure, the Company actively took relevant measures to properly implement the on-site management of the operation of the target property by a third-party institution, actively responded to investors' demands, properly handled risks, and strengthened internal training and publicity to improve the level of practice. The Company has completed the rectification of the above matters.

3. The administrative regulatory measure of issuing a warning letter against CICC by the CSRC Beijing Bureau

On April 24, 2024, the CSRC Beijing Bureau issued the *Decision on Issuing a Warning Letter against China International Capital Corporation Limited* (《關於對中國國際金融股份有限公司採取出具警示函措施的決定》) to CICC, pointing out that in compliance management, CICC had engaged unqualified personnel to carry out relevant securities business, and that several employees had bought and sold stocks.

In response to this administrative regulatory measure, the Company strengthened the control mechanism for employees' qualifications and illegal stock trading, enhanced the comprehensive monitoring of employees' trading behaviors, and took compliance supervision measures or handed over to the Company for accountability regarding the unqualified business operation and illegal stock trading problems as found. The Company has completed the rectification of the above matters.

4. The administrative regulatory measure of increasing the number of compliance inspections against CICC by the CSRC Beijing Bureau

On April 28, 2024, the CSRC Beijing Bureau issued the *Decision on Administrative Regulatory Measure of Increasing the Number of Compliance Inspections against China International Capital Corporation Limited* (《關於對中國國際金融股份有限公司採取責令增加合規檢查次數行政監管措施的決定》) to CICC, pointing out that the Company had transactions between proprietary and investment advisory accounts, inadequate management of conflicts of interest, imprudent conduct of OTC options business, inadequate management of subsidiary business and investment behavior, and non-standard corporate governance.

In response to this administrative regulatory measure, the Company has prepared a relevant compliance inspection plan for the aforesaid issues, and urged the business departments to formulate and continuously implement the rectification plan.

5. The administrative regulatory measure for rectification against CICC by the CSRC Beijing Bureau

On May 9, 2024, the CSRC Beijing Bureau issued the *Decision on Administrative Regulatory Measure of Rectification against China International Capital Corporation Limited* (《關於對中國國際金融股份有限公司採取責令改正行政監管措施的決定》) to CICC, pointing out the problems in the Company's asset management business. At the same time, in view of the problem of providing channel services in violation of regulations in the asset management business of the Company, the administrative regulatory measure of issuing a warning letter was taken against the then corresponding senior management.

In response to this administrative regulatory measure, the Company has taken effective measures to actively implement rectification and improve the compliance operation level of asset management business, and has submitted a rectification report in accordance with the requirements of the CSRC Beijing Bureau.

X. EXPLANATIONS ON CREDITWORTHINESS AND INDEPENDENCE OF THE COMPANY, CONTROLLING SHAREHOLDER AND THE ACTUAL CONTROLLER

During the Reporting Period, the Company and its controlling shareholder did not fail to perform the obligations determined by any effective court judgment, or to pay outstanding debts with a large amount when due.

During the Reporting Period, there is no situation where the Company cannot guarantee its independence from its controlling shareholder or other related parties, or cannot maintain its ability to operate independently. The assets, personnel, organization, finance and business of the Company are independent from the controlling shareholder and other related parties.

XI. MATERIAL RELATED PARTY/CONNECTED TRANSACTIONS

The Group conducts related party (connected) transactions in strict compliance with the requirements of the relevant laws and regulations, the Listing Rules, the regulatory authorities and the internal management system. The Group's related party (connected) transactions are conducted based on the principles of equity, openness and fairness, and the relevant transaction agreements are entered into based on the principles of equality, voluntariness, equivalence and compensation.

During the Reporting Period, the Group did not conduct any non-exempt connected transactions or continuing connected transactions in accordance with the *Listing Rules of the Stock Exchange*.

During the Reporting Period, the daily related-party transactions of the Company (as defined in the *Listing Rules of the SSE*) were implemented in accordance with the resolutions considered and approved at the Shareholders' General Meeting. When relevant related-party transactions occur in daily operations, the Company shall determine the transaction price with related-parties strictly in accordance with the principle of fair price, with reference to market price levels, industry practices and third-party pricing, and there is no significant difference between the actual transaction price and the market price. The specific implementation is as follows, which may be different from the "Related Party Relationships and Transactions" set out in the section headed "Consolidated Financial Statements" prepared in accordance with CASs:

- 1. Matters disclosed in ad hoc announcements without subsequent progress or change:
Not applicable**

2. Matters disclosed in ad hoc announcements with subsequent progress or change:

Unit: RMB

Transaction type	Transaction contents	Related party	Brief description of business or item	Estimated amount	Actual amount incurred
Securities and financial products services	Income from service charges and commissions	Global Bridge Capital Management, LLC	Providing investment consulting services		428,404
		Bank of Qingdao Co., Ltd.	Providing asset management services		576,519
			Providing securities underwriting services		85,047
	Expenses from service charges and commissions	China National Investment and Guaranty Corporation	Providing securities brokerage services		30,042
		Bank of China Limited (Zhejiang Branch)	Receiving asset custody services		2,782
		Bank of Qingdao Co., Ltd.	Receiving asset custody services		51,775
		SDIC Securities Co., Ltd.	Receiving commission services		2,244
	Interest expenses	China National Investment and Guaranty Corporation			9,238
		Haier Group (Qingdao) Jinying Holding Co., Ltd.	Interest expenses on settlement funds of client transactions	Due to the uncertainty of occurrence and scale of business, the amount shall be calculated at actual amount incurred	8
		Capital Healthtech Incubation Engineering Foundation			2
Securities and financial products transactions	Joint investment	China National Investment and Guaranty Corporation	Balance of joint investment in funds with related party		2,926,478
	Investment income	China National Investment and Guaranty Corporation	Investment income from purchasing financial assets issued by related party		44,562
	Financial products transactions	SDIC Securities Co., Ltd.	Purchasing financial products from related party		400,509,691
			Selling financial products to related party		399,435,622
	Financial derivative transactions	China National Investment and Guaranty Corporation	Selling financial products to related party		245,753,163
		SDIC Securities Co., Ltd.	Conducting total return swap with related parties		26,966,264
Purchasing assets, goods or services from related-party	Purchasing services from related-party	SDIC Securities Co., Ltd.	Purchasing investment research services		259,731

3. Matters not disclosed in ad hoc announcements: Not applicable

During the Reporting Period, except for the above-mentioned related party transactions relating to daily operations, the Company did not have the following material related party transactions that should be disclosed:

Related party transactions relating to asset or share acquisition or disposal; significant related party transactions between the Company and related parties relating to joint external investments; debts due to/from related parties; financial business with any related financial company, any financial company controlled by the Company, and a related party; other significant related party transactions.

During the Reporting Period, none of the related party transactions set out in the section headed "Interim Condensed Consolidated Financial Statements" constituted discloseable connected transactions or continuing connected transactions under the *Listing Rules of the Stock Exchange*.

XII. MATERIAL CONTRACTS AND PERFORMANCE

(i) Guarantees

Unit: RMB in 100 million

External guarantees of the Company (excluding guarantees for its subsidiaries)	
Total amount of guarantees provided during the Reporting Period (excluding guarantees for subsidiaries)	–
Total balance of guarantees at the end of the Reporting Period (A) (excluding guarantees for subsidiaries)	–
Guarantees provided by the Company and its subsidiaries for subsidiaries	
Total amount of guarantees provided for subsidiaries during the Reporting Period	90.88
Total balance of guarantees provided for subsidiaries at the end of the Reporting Period (B)	383.83
Total amount of guarantees provided by the Company (including those provided for subsidiaries)	
Total amount of guarantees (A+B)	383.83
Percentage of total amount of guarantees over net assets of the Company (%)	36.34
Including:	
Amount of guarantees provided for shareholders, actual controller and their related parties (C)	–
Amount of debt guarantees directly or indirectly provided for parties with asset-liability ratio exceeding 70% (D)	376.48
Amount of total guarantees exceeding 50% of net assets (E)	–
Total amount of above three types of guarantees (C+D+E)	376.48
Explanations on unexpired guarantees subject to joint liabilities	–

Notes:

1. The net assets in the above table refer to the total equity attributable to shareholders of the parent company in the condensed consolidated financial statements of the Company as of the end of the Reporting Period.
2. The exchange rates involved in the above table refer to the exchange rate of RMB against USD, and RMB against HKD on June 30, 2024.

During the Reporting Period, the new and existing guarantees of the Company and its holding subsidiaries were all guarantees provided by CICC International, a direct wholly-owned subsidiary of the Company, to its subordinate wholly-owned subsidiaries, i.e. indirectly wholly-owned subsidiaries of the Company, specifically:

1. CICC International providing guarantees for its subordinate wholly-owned subsidiaries in connection with the issuance of medium-term notes

CICC International provided an unconditional and irrevocable guarantee for CICC Hong Kong Finance 2016 MTN Limited, in connection with the issuance of medium-term notes under the overseas medium-term note program. The guarantee covered the payment of the principal and interest of the notes and other payment obligations under the Notes and Trust Deed.

During the Reporting Period, CICC Hong Kong Finance 2016 MTN Limited issued two medium-term notes under the medium-term note program for an aggregate principal amount of US\$1.2 billion, including a fixed rate note of US\$0.5 billion and a floating rate note of US\$0.7 billion, both of which are 3-year notes. As of the end of the Reporting Period, the amount of the guarantee provided by CICC International for CICC Hong Kong Finance 2016 MTN Limited in connection with the repayment obligations under the above issuances was approximately RMB9,088 million.

Save for the new guarantees during the Reporting Period as disclosed above, as of the end of the Reporting Period, other outstanding issuances made by CICC Hong Kong Finance 2016 MTN Limited under the medium-term note program are as follows: In 2021, a 5-year note was issued with an aggregate principal amount of US\$0.5 billion; In 2022, two 3-year notes were issued with an aggregate principal amount of US\$1.25 billion; In 2023, two 3-year notes were issued with an aggregate principal amount of US\$1.75 billion. As of the end of the Reporting Period, the balance of the guarantees provided by CICC International for CICC Hong Kong Finance 2016 MTN Limited in connection with the repayment obligations under the above issuances was approximately RMB27,049 million.

2. CICC International providing guarantees for its subordinate wholly-owned subsidiaries in connection with overseas bank loans

There was no new guarantee during the Reporting Period. As of the end of the Reporting Period, the balance of guarantees was approximately RMB2,246 million.

In addition, a net capital guarantee commitment of no more than RMB3.0 billion (inclusive) in connection with a wholly-owned asset management subsidiary to be established by the Company has not been implemented.

(ii) Other material contracts

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

Save as otherwise disclosed in this report, the Company had no other material contracts during the Reporting Period.

XIII. OTHER SIGNIFICANT EVENTS**(i) Changes in branches**

During the Reporting Period, for information on the changes in branches of the Group, please refer to Appendix II in this report.

(ii) Information on significant domestic and foreign subsidiaries

As of the end of the Reporting Period, the Company directly controlled one overseas subsidiary, which was CICC International; and directly controlled 6 domestic subsidiaries, namely CICC Wealth Management, CICC Capital, CICC Fund Management, CICC Pucheng, CICC Futures and CICC Private Equity. For details, please refer to “Management Discussion and Analysis – Analysis on investment and financing activities” in this Report.

(iii) Explanation on process in use of proceeds

During the Reporting Period, the Company did not issue any shares and did not use the relevant proceeds.

During the Reporting Period, for information on the proceeds of the corporate bonds, please refer to “Particulars of Bonds – Bond Issuance and Duration - Use of funds raised with corporate bonds during the Reporting Period” in this report.

CHANGES IN SHARES AND INFORMATION OF SHAREHOLDERS

I. CHANGES IN SHARES

(i) Changes in Shares

As of the end of the Reporting Period, the total number of issued ordinary shares of the Company were 4,827,256,868 Shares, of which, 2,923,542,440 were A Shares and 1,903,714,428 were H Shares.

During the Reporting Period, there was no change in the total number of shares and capital structure of the Company.

During the Reporting Period and up to the Latest Practicable Date, the Company had no preferred shares.

Effect on financial indicators such as earnings per share and net assets per share from changes in shares during the period from the end of the Reporting Period to the disclosure date of the interim report: Not applicable

(ii) Changes in Shares Subject to Selling Restrictions

Not applicable. During the Reporting Period, all of the Company's Shares were outstanding shares not subject to selling restrictions.

II. ISSUANCE AND LISTING OF SECURITIES

During the Reporting Period, the Company did not issue ordinary shares, convertible corporate bonds, detachable convertible bonds and other derivative securities.

During the Reporting Period, the information of the issued bonds (including enterprise bonds, corporate bonds and debt financing instruments of financial enterprises) of the Company and its subsidiaries is as follows:

Unit: RMB in 100 million, unless otherwise stated

Issuer	Name of bond	Abbreviation	Code	Class of bonds	Issuing date	Coupon rate	Issuance size	Listing date	Approved listing transaction size for trading	Place for trading	Termination date of transaction	Trading arrangements
CICC Wealth Management	2024 Subordinated Bonds of China CICC Wealth Management Securities Company Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	24-CCC WMS C1	240469.SH	Subordinated bonds	12/1/2024	2.93%	10.00	18/1/2024	10.00	SE	15/1/2027	Matching, one-click-order, price-enquiry, bidding and agreement trading
	2024 Subordinated Bonds of China CICC Wealth Management Securities Company Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	24-CCC WMS C2	240470.SH	Subordinated bonds	12/1/2024	3.18%	20.00	18/1/2024	20.00	SE	15/1/2029	Matching, one-click-order, price-enquiry, bidding and agreement trading
CICC	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	24-CCC C1	240514.SH	Subordinated bonds	17/1/2024	2.87%	5.00	24/1/2024	5.00	SE	18/1/2027	Matching, one-click-order, price-enquiry, bidding and agreement trading
	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	24-CCC C2	240515.SH	Subordinated bonds	17/1/2024	3.05%	10.00	24/1/2024	10.00	SE	18/1/2029	Matching, one-click-order, price-enquiry, bidding and agreement trading
CICC	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	24-CCC G1	240632.SH	Corporate bonds	29/2/2024	2.39%	25.00	7/3/2024	25.00	SE	4/3/2028	Matching, one-click-order, price-enquiry, bidding and agreement trading
	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	24-CCC G2	240635.SH	Corporate bonds	29/2/2024	2.44%	15.00	7/3/2024	15.00	SE	4/3/2029	Matching, one-click-order, price-enquiry, bidding and agreement trading
CICC	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	24-CCC G3	240636.SH	Corporate bonds	29/2/2024	2.70%	10.00	7/3/2024	10.00	SE	4/3/2034	Matching, one-click-order, price-enquiry, bidding and agreement trading
	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type III)											

Changes in Shares and Information of Shareholders

Issuer	Name of bond	Abbreviation	Code	Class of bonds	Issuing date	Coupon rate	Issuance size	Listing date	Approved listing transaction size	Place for trading	Termination date of transaction	Trading arrangements
CICC Wealth Management	2024 Corporate Bonds of China CICC Wealth Management Securities Company Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	24-CCC WMS G1	24-1027.SH	Corporate bonds	24/5/2024	2.18%	10.00	30/5/2024	10.00	SSE	27/11/2025	Matching, one-click-order, price-enquiry, bidding and agreement trading
CICC Wealth Management	2024 Corporate Bonds of China CICC Wealth Management Securities Company Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	24-CCC WMS G2	24-1028.SH	Corporate bonds	24/5/2024	2.27%	20.00	30/5/2024	20.00	SSE	27/11/2026	Matching, one-click-order, price-enquiry, bidding and agreement trading
CICC	2024 First Commercial Papers of China International Capital Corporation Limited	24-CCC CP001	072410078.IB	Commercial papers	5/6/2024	1.87%	8.20	7/6/2024	8.20	Interbank	8/7/2024	Trading enquiries, requests for quotes, market maker quotes and anonymous clicks
CICC Hong Kong Finance 2016 MTN Limited	USD500m 5.012% Notes due 2027	CICCHK 5.012.01/18/27	XS2745345087	Overseas USD-denominated medium-term notes	18/1/2024	5.012%	35.63	19/1/2024	35.63	The Stock Exchange of Hong Kong Limited	18/1/2027	Public offer
CICC Hong Kong Finance 2016 MTN Limited	USD700m Floating Rate Notes due 2027	CICCHK Float 01/18/27	XS2745346051	Overseas USD-denominated medium-term notes	18/1/2024	SOFR Compounded Index + 0.95%	49.89	19/1/2024	49.89	The Stock Exchange of Hong Kong Limited	18/1/2027	Public offer

Note: The medium-term note is USD-denominated and the translation is based on the middle exchange rates to RMB (7.1268) as at June 28, 2024.

III. INFORMATION OF SHAREHOLDERS

(i) Total Number of Shareholders

As of the end of the Reporting Period, the Company had a total of 118,400 ordinary shareholders, among which 118,025 are holders of A Shares and 375 are registered holders of H Shares.

(ii) Shareholdings of Top Ten Shareholders and Participation in Securities Lending and Refinancing Business

1. Shareholdings of top ten shareholders (excluding Shares lent through securities lending and refinancing business)

Unit: share

Name of shareholder	Number of shares held as at the end of the Reporting Period	Percentage of shares held as at the end of the Reporting Period (%)	Increase/decrease during the Reporting Period	Number of shares held subject to selling restrictions	Class of shares	Pledged, marked or frozen shares	Class of shareholder
Central Huijin Investment Ltd.	1,936,155,680	40.11	-	-	A Shares	Nil	Nation
HKSCC Nominees Limited ^{Note 3}	1,902,984,204	39.42	+18,270	-	H Shares	Unknown	Foreign legal person
Haier Group (Qingdao) Jinying Holding Co., Ltd.	106,026,300	2.20	-96,517,000	-	A Shares	Nil	Domestic non-state-owned legal person
China National Investment and Guaranty Corporation	103,129,646	2.14	-	-	A Shares	Nil	State-owned legal person
Hong Kong Securities Clearing Company Limited ^{Note 4}	34,979,138	0.72	+7,282,878	-	A Shares	Nil	Foreign legal person
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	19,327,064	0.40	+2,639,700	-	A Shares	Nil	Others
Hangzhou Haoyue Enterprise Management Co., Ltd. (杭州灝月企業管理有限公司) ^{Note 5}	13,757,670	0.28	-	-	A Shares	Nil	Domestic non-state-owned legal person
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	12,534,127	0.26	+127,600	-	A Shares	Nil	Others

Changes in Shares and Information of Shareholders

Name of shareholder	Number of shares held as at the end of the Reporting Period	Percentage of shares held as at the end of the Reporting Period (%)	Increase/decrease during the Reporting Period	Number of shares held subject to selling restrictions	Class of shares	Pledged, marked or frozen shares	Class of shareholder
China Life Asset Management-Industrial Bank-China Life Asset-Qianyuan Superior Selection 2374 Asset Management Product	11,743,000	0.24	-	-	A Shares	Nil	Others
China Life Asset Management-Industrial Bank-China Life Asset-Qianyuan Superior Selection 2372 Asset Management Product	11,743,000	0.24	-	-	A Shares	Nil	Others
China Life Asset Management-Industrial Bank-China Life Asset-Qianyuan Superior Selection 2375 Asset Management Product	11,743,000	0.24	-	-	A Shares	Nil	Others

Notes:

- The information set out in the above table are extracted from the information on registered shareholders which was obtained by the Company from the share register or calculated based on such information. "Shares subject to selling restrictions" and "Outstanding shares not subject to selling restrictions" in this section are defined in accordance with the relevant rules issued by the CSRC.
- As at the end of the Reporting Period, all of the Company's A Shares and H Shares were outstanding shares not subject to selling restrictions, therefore, the shareholdings of top ten Shareholders not subject to selling restrictions were consistent with the shareholdings in the above table.
- HKSCC Nominees Limited is the nominal holder of shares on behalf of the unregistered shareholders of H Shares of the Company. The number of shares held by HKSCC Nominees Limited includes the shares held by Tencent Mobility Limited and Des Voeux Investment Company Limited which are registered under the name of HKSCC Nominees Limited.
- The shares held by Hong Kong Securities Clearing Company Limited refer to shares held by non-registered shareholders of northbound of the Shanghai-Hong Kong Stock Connect.
- Alibaba (China) Network Technology Co., Ltd. implemented a subsisting and splitting plan, and during the Reporting Period, all the 13,757,670 A Shares held by Alibaba (China) Network Technology Co., Ltd. were inherited by Hangzhou Haoyue Enterprise Management Co., Ltd. (杭州灝月企業管理有限公司), a new company established after the split, and the transfers were completed.

2. Shares lent through securities lending and refinancing by top ten Shareholders

Unit: share

Name of shareholder	Shareholding of general account and credit account at the beginning of the Reporting Period		Shares lent through securities lending and refinancing business and not yet been returned at the beginning of the Reporting Period		Shareholding of general account and credit account at the end of the Reporting Period		Shares lent through securities lending and refinancing business and not yet been returned at the end of the Reporting Period	
	Percentage		Percentage		Percentage		Percentage	
	Number	(%)	Number	(%)	Number	(%)	Number	(%)
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	16,687,364	0.35	2,350,100	0.05	19,327,064	0.40	472,600	0.01
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	12,406,527	0.26	407,800	0.01	12,534,127	0.26	594,300	0.01

3. Changes in the top ten Shareholders as a result of Shares lent/returned through securities lending and refinancing business over the last period

Not applicable.

4. Other issues

There is no designated repurchase account for the above-mentioned top ten Shareholders.

The Company is not aware of any relevant arrangements with voting rights entrusted by or to, or waived by the top ten Shareholders, and is also not aware of any related relationship or acting in concert arrangements among these top ten Shareholders.

(iii) Strategic Investors or General Legal Persons Who Became Top Ten Shareholders Due to Placement of New Shares

Not applicable.

IV. CHANGE IN THE CONTROLLING SHAREHOLDER OR DE FACTO CONTROLLER

Not applicable. During the Reporting Period, the controlling shareholder and the actual controller of the Company did not change. For details, please refer to the Company's annual report for 2023.

V. DISCLOSURE OF INTERESTS

(i) Directors', Supervisors' and Chief Executive's Interests and Short Positions

As of the end of the Reporting Period, none of the Directors, Supervisors and chief executive of our Company had any interests or short positions in the shares, underlying shares or debentures of our Company and its associated corporations (within the meaning of Part XV of the *SFO*) as recorded in the register required to be kept by our Company under section 352 of the *SFO*, or as otherwise notified to our Company and the Hong Kong Stock Exchange pursuant to the *Model Code* as set out in Appendix C3 to the *Listing Rules of the Stock Exchange*.

(ii) Substantial Shareholders' Interests and Short Positions

As of the end of the Reporting Period, to the knowledge of our Company and the Directors after making reasonable inquiries, the following persons (other than the Directors, Supervisors and chief executive of our Company as disclosed above) have interests or short positions in shares or underlying shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the *SFO* and recorded in the register required to be maintained by our Company under Section 336 of the *SFO*:

Name	Class of Shares	Capacity	Type of shares held	Number of securities/ the total share capital (%)	Percentage of the total number of the relevant class of shares (%)
Huijin Company (Note 2)	A Shares	Beneficial owner	1,936,155,680/ Long positions	40.11	66.23
		Interest of controlled corporation	2,734,800/ Long positions	0.06	0.09
Alibaba Group Holding Limited (Note 3)	H Shares	Interest of controlled corporation	202,844,235/ Long positions	4.20	10.66
Tencent Holdings (Note 4)	H Shares	Interest of controlled corporation	216,249,059/ Long positions	4.48	11.36

Notes:

1. Pursuant to Part XV of the *SFO*, the Shareholders of the Company are required to file disclosure of interests forms to the Hong Kong Stock Exchange when certain criteria are fulfilled. When shareholding of a Shareholder in the Company changes, it is not necessary to notify the Company or the Hong Kong Stock Exchange unless certain criteria are fulfilled. Therefore, the shareholdings filed with the Hong Kong Stock Exchange may be different from the latest shareholding of the Shareholders. The number and proportion of Shares held by the relevant Shareholders as shown in the above table may also differ from the actual number and proportion of Shares held by the relevant Shareholders as at the end of the Reporting Period as disclosed elsewhere in this report.
2. Each of Jianyin Investment, JIC Investment and China Investment Consulting is wholly owned by Huijin Company. Therefore, Huijin Company is deemed to be interested in 2,734,800 A Shares held by Jianyin Investment, JIC Investment and China Investment Consulting for the purpose of the *SFO*.
3. As of the end of the Reporting Period, Des Voeux Investment Company Limited held 202,844,235 H Shares of the Company. Des Voeux Investment Company Limited is wholly owned by Alibaba Group Treasury Limited, which is wholly owned by Alibaba Group Holding Limited. Therefore, Alibaba Group Treasury Limited and Alibaba Group Holding Limited are deemed to be interested in 202,844,235 H Shares held by Des Voeux Investment Company Limited under the *SFO*. For the actual shareholding of Hangzhou Haoyue Enterprise Management Co., Ltd. (杭州灝月企業管理有限公司), a wholly-owned subsidiary of Alibaba Group Holding Limited, in the Company as of the end of the Reporting Period, please refer to “Information of Shareholders” of this section in this report.
4. As of the end of the Reporting Period, Tencent Mobility Limited, directly interested in 216,249,059 H Shares, is a wholly-owned subsidiary of Tencent Holdings, which is therefore deemed to be interested in the H Shares held by Tencent Mobility Limited.

VI. PURCHASE, SALE OR REDEMPTION OF SECURITIES OF OUR COMPANY

For details, please refer to “Particulars of Bonds-Bond Issuance and Duration-Triggering and implementation of the corporate bonds with option clauses during the Reporting Period” in this report.

During the Reporting Period, save as otherwise disclosed in this report, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company’s securities (including sale of Treasury Shares). As of the end of the Reporting Period, none of the Company or any of its subsidiaries has any Treasury Shares.

PARTICULARS OF BONDS

I. OVERVIEW OF INTEREST-BEARING DEBT

(i) Interest-bearing Debt Structure of the Company

As of the beginning and the end of the Reporting Period, the outstanding balance of the Company's interest-bearing debt amounted to RMB162,921 million and RMB155,323 million respectively, representing a decrease of 4.66%.

Unit: RMB in 100 million

Types of interest-bearing debt	Overdue	Time to maturity ⁹			Total	The proportion of the amount to the interest-bearing debt
		Within 6 months (inclusive)	6 months (exclusive) to 1 year (inclusive)	More than 1 year (exclusive)		
Beneficiary certificates	-	58.99	38.54	-	97.52	6.28%
Commercial papers	-	8.21	-	-	8.21	0.53%
Placements from financial institutions	-	203.98	-	-	203.98	13.13%
REPOs	-	394.40	2.19	-	396.59	25.53%
Corporate credit bonds ¹⁰	-	97.17	42.45	707.31	846.93	54.53%
Total	-	762.74	83.18	707.31	1,553.23	100.00%

As of the end of the Reporting Period, among the corporate credit bonds issued by the Company, the outstanding balance of corporate bonds was RMB68,293 million and the outstanding balance of perpetual subordinated bonds was RMB16,400 million, of which a total of RMB8,690 million of corporate credit bonds will mature or can be sold back in September to December 2024.

⁹ The calculation of the remaining life is based on the exercise date of the early redemption/sell-back option, and the debt securities with clauses which allow such securities to be terminated at any time are classified as less than 6 months (inclusive)

¹⁰ Including perpetual subordinated bonds accounted as equity instruments

(ii) Interest-bearing Debt Structure of the Group

- As of the beginning and the end of the Reporting Period, the outstanding balance of the Group's interest-bearing debt amounted to RMB292,298 million and RMB279,469 million respectively, representing a decrease of 4.39%.

Unit: RMB in 100 million

Types of interest-bearing debt	Overdue	Time to maturity ¹¹			Total	The proportion of the amount to the interest-bearing debt (%)
		Within 6 months (inclusive)	6 months (exclusive) to 1 year (inclusive)	More than 1 year (exclusive)		
Beneficiary certificates	-	107.88	47.30	-	155.18	5.55%
Structured notes	-	7.76	1.23	-	8.99	0.32%
Commercial papers	-	8.21	-	-	8.21	0.29%
Placements from financial institutions	-	310.97	-	-	310.97	11.13%
REPOs	-	683.61	2.19	-	685.80	24.54%
Corporate credit bonds ¹²	-	127.66	92.88	1,067.35	1,287.89	46.08%
Medium-term notes	-	-	43.02	294.62	337.64	12.08%
Total	-	1,246.09	186.62	1,361.98	2,794.69	100.00%

As of the end of the Reporting Period, among the corporate credit bonds issued by the Group, the outstanding balance of corporate bonds was RMB112,389 million and the outstanding balance of perpetual subordinated bonds was RMB16,400 million, of which a total of RMB11,739 million of corporate credit bonds will mature or can be sold back in September to December 2024.

- As of the end of the Reporting Period, the outstanding balance of the medium-term notes issued overseas by the Group was RMB33,764 million; the outstanding balance of the structured notes issued overseas by the Group was RMB899 million, of which a total of RMB250 million of structured notes will mature in September to December 2024.

II. BOND ISSUANCE AND DURATION

(I) Enterprise bonds

During the Reporting Period, the Company had no enterprise bonds.

¹¹ The calculation of the remaining life is based on the exercise date of the early redemption/sell-back option, and the debt securities with clauses which allow such securities to be terminated at any time are classified as less than 6 months (inclusive)

¹² Including perpetual subordinated bonds accounted as equity instruments

(II) Corporate bonds

1. Basic information of corporate bonds

Unit: RMB in 100 million

Name of bond	Abbreviation	Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Second Tranche)	19CICC3	162275SH	11/10/2019	14/10/2019	-	14/10/2024	15	4.09	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CTIC Securities and Soochow Securities	CTIC Securities	Qualified Investors	One-click-order, price-enquiry, bidding and agreement trading	No
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Third Tranche)	19CICC4	162470SH	8/11/2019	11/11/2019	-	11/11/2024	15	4.12	The interest of the last instalment shall be paid together with the principal	SSE	CTIC Securities and Soochow Securities	CTIC Securities	Qualified Investors	One-click-order, price-enquiry, bidding and agreement trading	No
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Fourth Tranche)	19CICC5	162645SH	4/12/2019	5/12/2019	-	5/12/2024	20	4.20	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CTIC Securities and Soochow Securities	CTIC Securities	Qualified Investors	One-click-order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Fourth Tranche) (Type I)	210CCG7	7/12/2021	8/12/2021	-	8/12/2024	25	2.97	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2022 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche) (Type I)	220CCG3	15/12/2022	16/12/2022	16/12/2024	16/12/2025	10	3.36	The interest shall be paid together with the principal annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	230CCG1	16/11/2023	17/11/2023	17/11/2025	17/11/2026	10	3.00	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2020 Subordinated Bonds of China International Capital Corporation Limited Non-publicly issued (First Tranche)	20CCCC1	14/2/2020	17/2/2020	-	17/2/2025	15	3.85	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	CTIC Securities and Soochow Securities	CTIC Securities	Qualified investors	One-click order, price-enquiry, bidding and agreement trading	No
2020 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Qualified Investors (First Tranche) (Type II)	20CCCCG2	24/4/2020	3/4/2020	3/4/2025	3/4/2027	10	3.25	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	CTIC Securities and China Securities	CTIC Securities	Qualified investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2020 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Qualified Investors (Second Tranche) (Type II)	20CCCCG4	30/4/2020	6/5/2020	6/5/2025	6/5/2027	7	2.88	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	CTIC Securities and China Securities	CTIC Securities	Qualified investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Interest rate as of the end of the reporting period	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2020 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche)	20CICC Y1	27/08/2020	28/08/2020	-	-	50	4.64		The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities	Huatai United Securities	Professional institutional investors	Matching one-click-order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Investors (Second Tranche) (Type I)	23CICC F3	15/09/2023	18/09/2023	18/09/2025	18/09/2026	20	2.89		The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities	Huatai United Securities	Professional institutional investors	One-click-order, price-enquiry, bidding and agreement trading	No
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Sixth Tranche) (Type II)	20CICC I2	16/10/2020	19/10/2020	-	19/10/2025	25	2.95		The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching one-click-order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Seventh Tranche) (Type II)	20.CCC.14	27/10/2020	28/10/2020	-	28/10/2025	24,602	2.90	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2022 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	22.CCC.G1	28/11/2022	29/11/2022	29/11/2025	29/11/2027	25	2.94	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching, One-click-order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	23.CCC.G2	16/11/2023	17/11/2023	17/11/2026	17/11/2028	30	3.18	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching, One-click-order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche)	21-CICC-Y1	28/11/2021	29/11/2021	-	-	15	4.68	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2021 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	21-CICC-C2	5/12/2021	8/2/2021	-	8/2/2026	10	4.49	The interest shall be paid together with the principal annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investor (First Tranche) (Type-I)	24-CICC-G1	29/2/2024	4/3/2024	4/3/2026	4/3/2028	25	2.39	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities, China Gabay Securities and Industrial Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche)	210CCY2	23/4/2021	26/4/2021	-	-	20	4.20	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching, one-click order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (Second Tranche) (Type I)	230CCG3	5/6/2023	6/6/2023	6/6/2026	6/6/2028	50	2.87	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching, one-click order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (Third Tranche) (Type I)	230CCG5	21/7/2023	24/7/2023	24/7/2026	24/7/2028	30	2.69	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching, one-click order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Third Tranche) (Type II)	21 CICC66	13/08/2021	16/08/2021	16/08/2026	16/08/2028	15	3.39	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Investors (First Tranche) (Type I)	23 CICC F1	25/08/2023	28/08/2023	28/08/2026	28/08/2028	10	2.80	The interest shall be paid together with the principal annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Huatai United Securities	Professional institutional investors	One-click-order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Investors (Second Tranche) (Type II)	23 CICC F4	15/09/2023	18/09/2023	18/09/2026	18/09/2028	30	2.99	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Huatai United Securities	Professional institutional investors	One-click-order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2023 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	230CCC1	6/12/2023	7/12/2023	-	7/12/2026	5	3.18	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CTIC Securities, China Securities and China Galaxy Securities	CTIC Securities, Professional institutional investors	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (Fourth Tranche) (Type I)	230CCG7	20/12/2023	21/12/2023	21/12/2026	21/12/2028	30	2.85	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CTIC Securities, China Galaxy Securities and Industrial Securities	CTIC Securities, Professional institutional investors	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2022 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche)	220CCY1	12/17/2022	13/1/2022	-	-	39	3.60	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CTIC Securities and Huatai United Securities	CTIC Securities, Professional investors	Professional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	24-CICC1	17/11/2024	18/11/2024	-	18/1/2027	5	287	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities, China Securities and China Galaxy Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investor (First Tranche) (Type II)	24-CICC G2	29/2/2024	4/3/2024	4/3/2027	4/3/2029	15	244	The interest shall be paid together with the principal annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities, China Galaxy Securities and Industrial Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2022 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche)	22-CICC Y2	30/9/2022	10/10/2022	-	-	40	335	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	CITIC Securities	Professional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (Third Tranche) (Type II)	230CCG6	21/7/2023	24/7/2023	24/7/2028	24/7/2030	20	3.03	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Investors (First Tranche) (Type II)	230CCF2	25/8/2023	28/8/2023	28/8/2028	28/8/2030	40	3.06	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	Huatai United Securities	Huatai United Securities	Professional institutional investors	One-click order, price-enquiry, bidding and agreement trading	No
2023 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	230CC C2	6/12/2023	7/12/2023	-	7/12/2028	20	3.35	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last instalment shall be paid together with the principal	SSE	CTIC Securities, China Securities and China Galaxy Securities	CTIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (Fourth Tranche) (Type II)	23-CICC-08	20/12/2023	21/12/2023	21/12/2028	21/12/2030	10	3.03	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CITIC Securities, China Galaxy Securities and Industrial Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	24-CICC-C2	17/11/2024	18/11/2024	-	18/11/2029	10	3.05	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CITIC Securities, China Securities and China Galaxy Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2024 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche)	24-CICC-Y1	12/7/2024	15/7/2024	-	-	30	2.35	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	CITIC Securities and China Galaxy Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Name of bond	Abbreviation Code	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Interest rate as of the end of the Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	21CCCCG2	15/3/2021	16/3/2021	-	16/3/2031	20	4.10	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche) (Type II)	21CCCCG4	24/3/2021	25/3/2021	-	25/3/2031	25	4.07	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Fourth Tranche) (Type II)	21CCCCG8	7/12/2021	8/12/2021	-	8/12/2031	10	3.68	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity. The interest of the last installment shall be paid together with the principal	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No

Name of bond	Abbreviation	Issuing date	Interest commencement date	Latest resale date after August 31, 2024	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Arrangement to ensure the suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2022 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	22-CICC-G2	28/11/2022	29/11/2022	-	29/11/2032	20	3.52	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Huatai United Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No
2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type III)	24-CICC-G3	29/2/2024	4/3/2024	-	4/3/2034	10	2.7	The interest shall be paid together with the principal instalment shall be paid together with the principal	SSE	CITIC Securities, China Galaxy Securities and Industrial Securities	CITIC Securities	Professional institutional investors	Matching one-click order, price-enquiry, bidding and agreement trading	No

Note: During the Reporting Period, the Company had no overdue outstanding bonds.

2. Triggering and implementation of special clauses such as the issuer's or investor's option clause and investor's protection clause

(1) Triggering and implementation of the corporate bonds with option clauses during the Reporting Period

a. The bonds that contain option to adjust coupon rate and option to sell back are as follows:

Bond Code: 138735.SH, 138841.SH, 163362.SH, 163514.SH, 252379.SH, 175263.SH, 175326.SH, 138664.SH, 138842.SH, 240632.SH, 115448.SH, 115690.SH, 188576.SH, 252158.SH, 252380.SH, 240416.SH, 240635.SH, 115691.SH, 252159.SH, 240417.SH, 177615.SH, 178001.SH, 175856.SH, 175905.SH, 178339.SH, 188575.SH

Bond Abbreviation: 22 CICC G3, 23 CICC G1, 20 CICC G2, 20 CICC G4, 23 CICC F3, 20 CICC 12, 20 CICC 14, 22 CICC G1, 23 CICC G2, 24 CICC G1, 23 CICC G3, 23 CICC G5, 21 CICC G6, 23 CICC F1, 23 CICC F4, 23 CICC G7, 24 CICC G2, 23 CICC G6, 23 CICC F2, 23 CICC G8, 21 CICC F2, 21 CICC F4, 21 CICC G1, 21 CICC G3, 21 CICC F6, 21 CICC G5

Triggering and implementation of the option clauses:

21 CICC F2: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on December 20, 2023 that the coupon rate would be adjusted at 1.70% on January 18, 2024. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "21 CICC F2" redeemed, with the redemption amount of RMB2,500,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

21 CICC F4: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on January 26, 2024 that the coupon rate would be adjusted at 2.35% on March 4, 2024. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "21 CICC F4" redeemed, with the redemption amount of RMB2,000,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

21 CICC G1: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on February 19, 2024 that the coupon rate would be adjusted at 2.20% on March 16, 2024. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the “21 CICC G1” redeemed, with the redemption amount of RMB2,000,000,000.00. Implementation of the option clauses has no impact on investors’ rights and interests.

21 CICC G3: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on February 26, 2024 that the coupon rate would be adjusted at 2.15% on March 25, 2024. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the “21 CICC G3” redeemed, with the redemption amount of RMB1,500,000,000.00. Implementation of the option clauses has no impact on investors’ rights and interests.

21 CICC F6: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on March 14, 2024 that the coupon rate would be adjusted at 2.10% on April 13, 2024. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the “21 CICC F6” redeemed, with the redemption amount of RMB3,500,000,000.00. Implementation of the option clauses has no impact on investors’ rights and interests.

- b. *The bonds that contain option to redeem of the issuers who meet the specified conditions, deferred interest payment right, right of redemption and extension option are as follows:*

Bond Code: 175075.SH, 175720.SH, 188054.SH, 185245.SH, 137871.SH, 241280.SH

Bond Abbreviation: 20 CICC Y1, 21 CICC Y1, 21 CICC Y2, 22 CICC Y1, 22 CICC Y2, 24 CICC Y1

Triggering and implementation of the option clauses: During the Reporting Period, the above-mentioned bonds did not reach the exercise period.

(2) *Triggering and implementation of the corporate bonds with investor protection clauses during the Reporting Period*

The bonds that contain investor protection clauses are as follows:

Bond Code: 185097.SH, 185091.SH, 185245.SH, 137871.SH, 138664.SH, 138665.SH, 138735.SH, 138841.SH, 138842.SH, 115448.SH, 115690.SH, 115691.SH, 252158.SH, 252159.SH, 252379.SH, 252380.SH, 240347.SH, 240348.SH, 240416.SH, 240417.SH, 240514.SH, 240515.SH, 240632.SH, 240635.SH, 240636.SH, 241280.SH

Bond Abbreviation: 21 CICC G7, 21 CICC G8, 22 CICC Y1, 22 CICC Y2, 22 CICC G1, 22 CICC G2, 22 CICC G3, 23 CICC G1, 23 CICC G2, 23 CICC G3, 23 CICC G5, 23 CICC G6, 23 CICC F1, 23 CICC F2, 23 CICC F3, 23 CICC F4, 23 CICC C1, 23 CICC C2, 23 CICC G7, 23 CICC G8, 24 CICC C1, 24 CICC C2, 24 CICC G1, 24 CICC G2, 24 CICC G3, 24 CICC Y1

Investor Protection Clauses Agreed in the Bonds:

(I) *Credit maintenance commitment*

1. The issuer undertakes that the following circumstances will not occur during the duration of the bonds: The issuer has reduced its capital by more than 20% of the original registered capital within a natural year, or has been separated or ordered to cease production and operations.
2. In the event the issuer violates the credit maintenance commitment stipulated in Article 1 above during the duration of the bonds, the issuer will take timely measures to restore relevant requirements of the commitment within half a year.

3. When the issuer violates the credit maintenance commitment or it occurs or is expected to occur related matters that will affect the solvency, the issuer will notify the trustee within 2 trading days and perform the obligation of information disclosure.
4. In the event the issuer violates the credit maintenance commitment and fails to restore the commitment within the time limit specified in Article 2 above, the holder is entitled to request the issuer to take negative matter relief measures in accordance with the relief measures.

(II) *Relief measures*

1. In the event the issuer violates relevant commitment requirements and fails to restore relevant commitment requirements or take relevant measures within the time limit specified in Article 2 of the credit maintenance commitment, the issuer will immediately take one of the following relief measures on the next day upon receipt of the request of holders who hold more than 30% of the bond, striving to reach a settlement with the bondholders on the breach of commitment through a bondholders' meeting and other means:
 - Increase the guarantee or other credit enhancement measures for the bonds within 30 natural days.
 - Provide and implement other settlement plans approved by the bondholders within 30 natural days.
2. If the holder requires the issuer to implement relief measures, the issuer shall notify the trustee within 2 trading days and perform the obligation of information disclosure, as well as disclose the implementation progress of relief measures in a timely manner.

Disclosure, monitoring, triggering and enforcement of investor protection clauses: Investor protection clauses have been disclosed in the prospectus, and the investor protection clauses have been effectively monitored and not been triggered during the Reporting Period.

3. **During the Reporting Period, the credit rating against the Company by domestic rating companies has not been adjusted**

4. **Implementation, changes and their impacts of credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures during the Reporting Period:**

Status Quo	Implementation Status	Changed or Not
<p>The outstanding corporate bonds of the Company have no credit enhancement measures, and the debt repayment plan is fulfilled as stipulated in the corporate bond prospectus. According to the stipulations in the prospectus, the Company's debt repayment guarantee measures include setting up a special repayment working group, making sure that the funds are used for special purposes, giving full play to the role of bond trustee, formulating rules for bondholders' meetings, strictly controlling information disclosure, etc.</p>	<p>During the Reporting Period, the Company strictly fulfilled the agreements on debt repayment plan and debt repayment guarantee measures in the prospectus, paid all bond interests and principals on time and in full, operated the special account in a standardized manner, and kept relevant plans and measures consistent with relevant commitments in the prospectus.</p>	<p>No</p>

5. Use of funds raised with corporate bonds during the Reporting Period

The use of funds raised with corporate bonds during the Reporting Period is as follows:

Unit: RMB in 100 million

Bond code	Bond abbreviation	Bond name	Whether it is one of special types of corporate bonds	The specific type of special types of corporate bonds	Total proceeds	Balance of proceeds as at the end of the Reporting Period	Balance of special account for proceeds as at the end of the Reporting Period	Agreed use of proceeds	Whether to change and adjust the use of proceeds	The information disclosure on change and adjustment of the use of proceeds, and whether the procedure conforms to the provisions of the prospectus	Use of proceeds upon change and its legal compliance	Actual amount of proceeds used during the Reporting Period	1.1 Amount to repay interest-bearing debt (excluding corporate bonds)	1.2 Repayment of interest-bearing debt (excluding corporate bonds)	2.1 Amount to repay corporate bonds	2.2 Repayment of corporate bonds
240514.SH	24.CCC.C1	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	No	N/A	5.00	0.00	0.00	All raised proceeds from the Subordinated Bonds after deducting issuance expenses will be proposed to replenish the Company's working capital.	No	N/A	N/A	5.00	0.00	N/A	0.00	N/A
240515.SH	24.CCC.C2	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	No	N/A	10.00	0.00	0.00	All raised proceeds from the Subordinated Bonds after deducting issuance expenses will be proposed to replenish the Company's working capital.	No	N/A	N/A	10.00	0.00	N/A	0.00	N/A
240627.SH	24.CCC.G1	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	No	N/A	25.00	0.00	0.01	All raised proceeds from the Bonds after deducting issuance expenses will be proposed to replace the redeemed corporate bonds.	No	N/A	N/A	25.00	0.00	N/A	25.00	On March 4, 2024, the Company used 2.5 billion of proceeds to replace 20.CCC.F5 issued on December 14, 2023; 2.5 billion of proceeds to replace 21.CCC.F7 issued on January 18, 2024.
240628.SH	24.CCC.C2	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	No	N/A	15.00	0.00	0.01	All raised proceeds from the Bonds after deducting issuance expenses will be proposed to replace the redeemed corporate bonds.	No	N/A	N/A	15.00	0.00	N/A	15.00	On March 4, 2024, the Company used 2.5 billion of proceeds to replace 20.CCC.F5 issued on December 14, 2023; 2.5 billion of proceeds to replace 21.CCC.F7 issued on January 18, 2024.
240629.SH	24.CCC.G3	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type III)	No	N/A	10.00	0.00	0.01	All raised proceeds from the Bonds after deducting issuance expenses will be proposed to replace the redeemed corporate bonds.	No	N/A	N/A	10.00	0.00	N/A	10.00	On March 4, 2024, the Company used 2.5 billion of proceeds to replace 20.CCC.F5 issued on December 14, 2023; 2.5 billion of proceeds to replace 21.CCC.F7 issued on January 18, 2024.

Particulars of Bonds

Bond code	Bond abbreviation	Bond name	3.1 Amount to replenish the working capital (excluding temporary replenishment)	3.2 Replenishment of the working capital (excluding temporary replenishment)	4.1 Amount of investment in fixed assets	4.2 Investment in fixed assets	5.1 Amount of equity investments, investments, debt	5.2 Equity investments, investments, debt	6.1 Amount for other purposes	6.2 Other purposes	Whether the proceeds will be used for investment in fixed asset or other specific projects such as equity investments, debt investments or asset acquisitions	Operational benefits of the projects	Projects collateralization or pledging (if any)	Whether there were any significant changes in projects, or whether they may affect the plan for use of proceeds during the Reporting Period	Changes in the use of proceeds after the change in projects (if any)
240545H	24-CCC C1	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	5.00	On January 18, 2024, the Company used 0.5 billion of proceeds to replenish the Company's working capital.	0.00	N/A	0.00	N/A	0.00	N/A	No	N/A	N/A	N/A	N/A
240515SH	24-CCC C2	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	10.00	On January 18, 2024, the Company used 1 billion of proceeds to replenish the Company's working capital.	0.00	N/A	0.00	N/A	0.00	N/A	No	N/A	N/A	N/A	N/A
240633SH	24-CCC G1	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	0.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A	No	N/A	N/A	N/A	N/A
240635SH	24-CCC G2	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	0.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A	No	N/A	N/A	N/A	N/A
240636SH	24-CCC G3	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type III)	0.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A	No	N/A	N/A	N/A	N/A

Bond code	Bond abbreviation	Bond name	Whether the net gains of the projects as at the end of the Reporting Period has decreased by more than 50% as compared with that disclosed in the prospectus or other documents, or whether other material adverse events have occurred during the Reporting Period that may affect the actual operation of the projects	Changes in the net gains of the projects	Impact of changes in the net gains of the projects on the issuer's solvency and investors' equity, etc.	Matters requiring countermeasures, disclosure for other projects	Whether the proceeds raised were used for temporary replenishment of the working capital during the Reporting Period	Temporary amount	Information on temporary replenishment, including but not limited to the purpose of temporary replenishment, commencement and restitution	Actual use of proceeds as at the end of the Reporting Period (including actual use and temporary replenishment)	Whether the actual use is consistent with the agreed use (including the agreed use in the prospectus and the use of the proceeds during the Reporting Period)	Whether the management and use of the account was in compliance with the law	Whether the non-compliance with the law during the Reporting Period	Details of non-compliance (if any)	Punishment for non-compliance utilization of proceeds (if any)	Whether the correction of non-compliance with the law has been completed	Whether the use of proceeds was in line with the debt provisions of the local government	The violation of debt administrative provisions of the local government and correction (if any)
240514.SH	24-CCC C1	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	No	N/A	N/A	N/A	No	N/A	N/A	All raised proceeds from the Subordinated Bonds after deducting issuance expenses have been used to replenish the Company's working capital.	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
240515.SH	24-CCC C2	2024 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	No	N/A	N/A	N/A	No	N/A	N/A	All raised proceeds from the Subordinated Bonds after deducting issuance expenses have been used to replenish the Company's working capital.	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
240632.SH	24-CCC G1	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type I)	No	N/A	N/A	N/A	No	N/A	N/A	All raised proceeds from the Bonds after deducting issuance expenses have been used to replace the redeemed corporate bonds.	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
240633.SH	24-CCC G2	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type II)	No	N/A	N/A	N/A	No	N/A	N/A	All raised proceeds from the Bonds after deducting issuance expenses have been used to replace the redeemed corporate bonds.	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
240635.SH	24-CCC G3	2024 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Institutional Investors (First Tranche) (Type III)	No	N/A	N/A	N/A	No	N/A	N/A	All raised proceeds from the Bonds after deducting issuance expenses have been used to replace the redeemed corporate bonds.	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A

(III) Debt financing instruments of non-financial institutions in the inter-bank bond market

During the Reporting Period, the Company had no debt financing instruments of non-financial institutions in the inter-bank bond market.

(IV) Other matters to be disclosed in respect of certain types of bonds

- 1. The Company is a listed company and has not issued convertible corporate bonds**
- 2. The Company is not an issuer of exchangeable bonds, green bonds, poverty alleviation bonds, rural revitalization bonds or Belt and Road bonds; No science and technology innovation bonds or innovation and entrepreneurship corporate bonds, low-carbon transition-linked bonds, bailout bonds or micro, small and medium-sized enterprise support bonds have been issued**
- 3. As of the Latest Practicable Date, the Company has the following perpetual subordinated bonds**

Unit: RMB in 100 million

Bond code	Bond abbreviation	Balance of bond	Renewal	Interest step-up	Interest deferral	Enforcement of interest payment	Whether they are still included in equity and corresponding accounting treatment or not	Other
175075.SH	20 CICC Y1	50	Nil	Nil	Nil	Nil	Yes	Nil
175720.SH	21 CICC Y1	15	Nil	Nil	Nil	Nil	Yes	Nil
188054.SH	21 CICC Y2	20	Nil	Nil	Nil	Nil	Yes	Nil
185245.SH	22 CICC Y1	39	Nil	Nil	Nil	Nil	Yes	Nil
137871.SH	22 CICC Y2	40	Nil	Nil	Nil	Nil	Yes	Nil
241280.SH	24 CICC Y1	30	Nil	Nil	Nil	Nil	Yes	Nil

(V) Other description

As of the Latest Practicable Date, the Company does not have bonds for ordinary investors.

As of the beginning of the Reporting Period, the balance of the Company's intercompany funds receivable from and money lending to other parties that were not directly attributable to production and operations on consolidated basis (hereinafter referred to as non-operating intercompany funds and money lending) was RMB103.27 million. During the Reporting Period, there was an increase of RMB3,441,300 and a recovery of RMB2,825,100 in respect of non-operating intercompany funds and money lending (including interest). There was no non-compliance with any agreements or undertakings under the prospectus in respect of non-operating intercompany funds and money lending. As of the end of the Reporting Period, the total amount of uncollected non-operating intercompany funds and money lending amounted to RMB103.8862 million.

During the Reporting Period, the Company had no loss representing more than 10% of net assets as at the end of last year on a consolidated basis and had no overdue interest-bearing debt, and did not violate any provisions of laws and regulations, self-regulatory rules, the *Articles of Association* and the *Policy on Information Disclosure Management of CICC*, nor any agreements or undertakings under the bond prospectus.

During the Reporting Period, the Company revised and improved some articles of the *Policy on Information Disclosure Management of CICC* in accordance with the relevant rules of the CSRC and the SSE. The revised *Policy on Information Disclosure Management of CICC* mainly includes the principles of information disclosure, segregation of duties and responsibilities, contents, internal reporting and disclosure procedures, requirements for information release and communication with outsiders, discipline and accountability mechanisms, etc. For details, please refer to the relevant announcements published on the website of the SSE (www.sse.com.cn) and the website of the Company (www.cicc.com) on June 29, 2024. The amendments will not adversely affect the rights and interests of investors.

III. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB in million

Major indicators	June 30, 2024	December 31, 2023	% of change
Current ratio	2.0	1.9	4.1%
Quick ratio	2.0	1.9	4.1%
Gearing ratio	79.5%	80.6%	Decreased by 1.1 percentage points

Major indicators	For the six months ended June 30, 2024	For the six months ended June 30, 2023	% of change
EBITDA	8,469.5	10,125.5	(16.4%)
EBITDA to total debts ratio	3.2%	3.9%	Decreased by 0.7 percentage point
Interest coverage ratio	1.5	1.8	(17.7%)
Cash interest coverage ratio	2.4	(0.2)	N/A
EBITDA interest coverage ratio	1.7	2.0	(15.2%)
Loan repayment ratio	100.0%	100.0%	–
Interest repayment ratio	100.0%	100.0%	–

Note: The financial indicators above are calculated based on the consolidated financial statements prepared by the Group in accordance with CASs.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF CHINA INTERNATIONAL CAPITAL CORPORATION LIMITED

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

INTRODUCTION

We have reviewed the interim financial information set out on pages 2 to 74 of China International Capital Corporation Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2024 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 Interim Financial Reporting ("IAS 34") issued by the International Accounting Standards Board.

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Ernst & Young

Certified Public Accountants

Hong Kong, China

30 August 2024

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

	Notes	Six months ended 30 June	
		2024 (Unaudited)	2023 (Unaudited)
Revenue:			
Fee and commission income	7	5,461,748,085	7,253,093,976
Interest income	8	4,425,144,749	4,914,305,086
Investment income	9	4,249,372,691	4,426,595,630
Total revenue		14,136,265,525	16,593,994,692
Other income, net	10	756,158,716	2,012,658,629
Total revenue and other income		14,892,424,241	18,606,653,321
Expenses:			
Fee and commission expenses	11	753,526,846	852,092,604
Interest expenses	12	5,238,667,552	5,333,711,049
Staff costs	13	4,134,713,210	5,594,124,465
Depreciation and amortisation expenses	14	929,611,461	845,198,875
Tax and surcharges		33,350,644	48,902,828
Other operating expenses and costs	15	1,333,341,670	1,812,473,192
Provision for/(reversal of) impairment losses under expected credit loss ("ECL") model	16	25,626,765	(7,696,298)
Total expenses		12,448,838,148	14,478,806,715
Operating profit		2,443,586,093	4,127,846,606
Share of profits of associates and joint ventures		13,103,604	2,046,015
Profit before income tax		2,456,689,697	4,129,892,621
Less: Income tax expense	17	227,603,126	548,232,381
Profit for the period		2,229,086,571	3,581,660,240
Attributable to:			
Shareholders of the Company	18	2,228,055,738	3,560,643,863
Non-controlling interests		1,030,833	21,016,377
Basic earnings per share (in RMB per share)	18	0.39	0.67

The notes form an integral part of this interim financial report.

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

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

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Profit for the period	2,229,086,571	3,581,660,240
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss in subsequent periods:		
Equity instruments at fair value through other comprehensive income:		
– Net losses from changes in fair value	(80,810,584)	–
– Tax effect	14,981,507	–
Items that may be reclassified to profit or loss in subsequent periods:		
Debt instruments at fair value through other comprehensive income:		
– Net gains from changes in fair value	569,788,940	277,369,692
– Provision for/(reversal of) impairment losses under ECL model	35,048,254	(26,463,443)
– Tax effect	(80,048,725)	(84,725,513)
– Net (gains)/losses transferred to profit or loss on disposals	(281,767,098)	156,624,375
Exchange differences on translating foreign operations	153,893,622	825,416,978
Others	(1,472,181)	(6,839,488)
Total other comprehensive income for the period, net of income tax	329,613,735	1,141,382,601
Total comprehensive income for the period	2,558,700,306	4,723,042,841
Attributable to:		
Shareholders of the Company	2,557,669,473	4,702,026,464
Non-controlling interests	1,030,833	21,016,377

The notes form an integral part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024 (Expressed in RMB, unless otherwise stated)

	Notes	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Non-current assets:			
Property and equipment	19	2,177,918,721	2,111,952,465
Right-of-use assets	20	5,045,517,406	5,307,465,340
Investment properties		15,589,334	16,954,681
Goodwill	21	1,622,663,283	1,622,663,283
Intangible assets	22	1,078,173,054	1,091,923,558
Interests in associates and joint ventures		1,088,102,819	1,076,105,418
Equity instruments at fair value through other comprehensive income	31	1,719,564,549	–
Financial assets at fair value through profit or loss	23	9,749,689,760	10,458,603,897
Financial assets held under resale agreements (“reverse REPOs”)	24	44,810,775	–
Refundable deposits	25	7,786,926,307	9,567,292,642
Deferred tax assets	26	2,908,142,567	2,882,886,608
Other non-current assets	27	522,187,127	554,853,838
Total non-current assets		33,759,285,702	34,690,701,730
Current assets:			
Accounts receivable	28	36,397,565,682	34,009,494,100
Receivable from margin clients	29	33,217,130,166	35,809,567,751
Debt instruments at fair value through other comprehensive income	30	78,510,476,492	65,619,113,753
Financial assets at fair value through profit or loss	23	238,686,562,787	274,222,650,543
Reverse REPOs	24	28,715,779,236	19,921,400,809
Derivative financial assets	32	11,519,962,182	12,005,392,524
Cash held on behalf of clients	33	74,311,947,400	74,851,006,586
Cash and bank balances	34	63,070,110,232	72,135,760,946
Other current assets		915,551,720	1,041,497,942
Total current assets		565,345,085,897	589,615,884,954
Total assets		599,104,371,599	624,306,586,684

The notes form an integral part of this interim financial report.

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2024 (Expressed in RMB, unless otherwise stated)

	Notes	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Current liabilities:			
Financial liabilities at fair value through profit or loss	36	33,700,350,320	40,511,113,214
Derivative financial liabilities	32	11,047,727,434	9,546,642,036
Accounts payable to brokerage clients	37	82,032,005,523	82,311,014,432
Placements from financial institutions	38	31,097,258,576	44,974,394,819
Short-term debt securities issued	39	17,110,935,672	17,286,796,558
Financial assets sold under repurchase agreements ("REPOs")	40	68,580,195,600	64,899,065,724
Employee benefits payable		3,610,161,331	4,993,391,031
Income tax payable		531,010,723	387,829,520
Long-term debt securities issued due within one year	43	26,482,538,700	41,800,648,501
Lease liabilities		880,129,634	945,487,671
Contract liabilities	41	505,402,674	411,274,527
Other current liabilities	42	93,201,500,143	99,093,700,197
Total current liabilities		368,779,216,330	407,161,358,230
Net current assets		196,565,869,567	182,454,526,724
Total assets less current liabilities		230,325,155,269	217,145,228,454
Non-current liabilities:			
Non-current employee benefits payable		436,932,389	897,025,885
Long-term debt securities issued	43	119,797,636,766	106,936,985,625
Deferred tax liabilities	26	519,439,441	582,690,484
Lease liabilities		3,295,809,475	3,482,376,639
Other non-current liabilities		348,745,177	348,751,870
Total non-current liabilities		124,398,563,248	112,247,830,503
Net assets		105,926,592,021	104,897,397,951

The notes form an integral part of this interim financial report.

	Notes	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Equity:			
Share capital	44(a)	4,827,256,868	4,827,256,868
Other equity instruments	45	16,400,000,000	16,400,000,000
Reserves	44(b)	51,044,868,572	50,552,108,799
Retained profits		33,359,337,528	32,823,934,064
Total equity attributable to shareholders of the Company		105,631,462,968	104,603,299,731
Non-controlling interests		295,129,053	294,098,220
Total equity		105,926,592,021	104,897,397,951

The interim condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 30 August 2024.

Chen Liang
Chairman of Board

Ng Kong Ping Albert
Director

Company chop

The notes form an integral part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

	Attributable to shareholders of the Company																							
	Reserves											Non-controlling interests	Total equity											
	Share capital (Note 44(a))	Other equity instruments (Note 45)	Capital reserve (Note 44(b)(i))	Surplus reserve (Note 44(b)(ii))	General reserves (Note 44(b)(iii))	Investment revaluation reserve (Note 44(b)(iv))	Foreign currency translation reserve (Note 44(b)(v))	Other reserve (Note 44(b)(vi))	Retained profits	Subtotal														
At 1 January 2024	4,827,256,868	16,400,000,000	39,515,216,714	2,099,704,026	7,717,130,318	262,923,187	955,662,373	1,472,181	32,823,934,064	104,603,299,731	294,098,220	104,897,397,951												
Changes in equity for the six months ended 30 June 2024																								
Profit for the period	-	-	-	-	-	-	-	-	2,228,055,738	2,228,055,738	1,030,833	2,229,086,571												
Other comprehensive income for the period	-	-	-	-	-	177,192,294	153,893,622	(1,472,181)	-	329,613,735	-	329,613,735												
Total comprehensive income for the period	-	-	-	-	-	177,192,294	153,893,622	(1,472,181)	2,228,055,738	2,557,669,473	1,030,833	2,558,700,306												
Appropriation to general reserves	-	-	-	-	142,261,481	-	-	-	(142,261,481)	-	-	-												
Dividends to shareholders	-	-	-	-	-	-	-	-	(868,906,236)	(868,906,236)	-	(868,906,236)												
Distributions to holders of perpetual subordinated bonds	-	-	-	-	-	-	-	-	(660,600,000)	(660,600,000)	-	(660,600,000)												
Other comprehensive income carried forward to retained earnings	-	-	-	-	-	20,884,557	-	-	(20,884,557)	-	-	-												
At 30 June 2024 (Unaudited)	4,827,256,868	16,400,000,000	39,515,216,714	2,099,704,026	7,859,391,799	461,000,038	1,109,555,995	-	33,359,337,528	105,631,462,968	295,129,053	105,926,592,021												

The notes form an integral part of this interim financial report.

	Attributable to shareholders of the Company																						
	Reserves										Non-controlling interests	Total equity											
	Share capital (Note 44(a))	Other equity instruments (Note 45)	Capital reserve (Note 44(b)(i))	Surplus reserve (Note 44(b)(ii))	General reserves (Note 44(b)(iii))	Investment revaluation reserve (Note 44(b)(iv))	Foreign currency translation reserve (Note 44(b)(v))	Other reserve (Note 44(b)(vi))	Retained profits	Subtotal													
At 1 January 2023	4,827,256,868	16,400,000,000	39,515,216,714	1,856,673,123	6,804,641,319	(142,544,705)	572,324,743	1,709,693	29,352,829,428	99,188,107,183	286,588,640	99,474,695,823											
Changes in equity for the six months ended 30 June 2023																							
Profit for the period	-	-	-	-	-	-	-	-	3,560,643,863	3,560,643,863	21,016,377	3,581,660,240											
Other comprehensive income for the period	-	-	-	-	-	322,805,111	825,416,978	(6,839,488)	-	1,141,382,601	-	1,141,382,601											
Total comprehensive income for the period	-	-	-	-	-	322,805,111	825,416,978	(6,839,488)	3,560,643,863	4,702,026,464	21,016,377	4,723,042,841											
Appropriation to general reserves	-	-	-	-	29,556,235	-	-	-	(29,556,235)	-	-	-											
Dividends to shareholders	-	-	-	-	-	-	-	-	(868,906,236)	(868,906,236)	-	(868,906,236)											
Distributions to holders of perpetual subordinated bonds	-	-	-	-	-	-	-	-	(660,600,000)	(660,600,000)	-	(660,600,000)											
At 30 June 2023 (Unaudited)	4,827,256,868	16,400,000,000	39,515,216,714	1,856,673,123	6,834,197,554	180,260,406	1,397,741,721	(5,129,795)	31,354,410,820	102,360,627,411	307,605,017	102,668,232,428											

The notes form an integral part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Cash flows from operating activities:		
Profit before income tax	2,456,689,697	4,129,892,621
Adjustments for:		
Net financing interest expenses	3,032,006,712	2,770,335,922
Depreciation and amortisation expenses	930,976,808	845,198,875
Provision for/(reversal of) impairment losses under ECL model	25,626,765	(7,696,298)
Net losses on disposal of property, equipment and other long-term assets	2,315,242	7,018,736
Foreign exchange gains from derivatives and from others	(584,957,560)	(1,123,936,478)
Losses on changes in fair value of financial instruments at fair value through profit or loss	1,476,805,836	105,978,057
Interest income from debt instruments at fair value through other comprehensive income	(981,757,479)	(858,433,444)
Dividend income from investments in financial assets and share of profits of associates and joint ventures	(116,119,472)	(81,969,207)
Net (gains)/losses on disposal of investments	(234,787,482)	158,848,030
Operating cash flows before movements in working capital	6,006,799,067	5,945,236,814
Decrease/(increase) in receivable from margin clients	2,587,472,863	(2,276,555,892)
(Increase)/decrease in accounts receivable, other receivables and prepayments	(2,451,654,593)	123,084,156
(Increase)/decrease in reverse REPOs	(8,874,693,117)	2,533,045,664
Decrease/(increase) in financial instruments at fair value through profit or loss	30,328,885,368	(13,831,192,572)
Decrease/(increase) in cash held on behalf of clients	539,006,140	(6,155,775,599)
Increase in restricted bank deposits	(16,260,379)	(71,345,321)
Decrease in refundable deposits	1,780,427,588	502,601,068
(Decrease)/increase in accounts payable to brokerage clients	(278,955,863)	6,609,897,895
Increase in REPOs	3,609,874,120	6,071,525,287
Decrease in other liabilities	(22,339,683,009)	(9,235,655,882)
Cash generated from/(used in) operating activities, before income tax	10,891,218,185	(9,785,134,382)
Income tax paid	(237,873,048)	(1,006,216,380)
Net cash generated from/(used in) operating activities	10,653,345,137	(10,791,350,762)

The notes form an integral part of this interim financial report.

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Cash flows from investing activities:		
Cash receipts from disposal of investments	86,546,829,411	62,504,939,417
Cash receipts of investment returns	1,187,929,925	1,159,257,125
Proceeds from disposal of property, equipment and other long-term assets	498,208	835,509
Purchase of investments	(100,624,156,416)	(52,561,270,049)
Purchase of property, equipment and other long-term assets	(456,958,313)	(595,922,445)
Net cash (used in)/generated from investing activities	(13,345,857,185)	10,507,839,557
Cash flows from financing activities:		
Proceeds from issuance of beneficiary certificates	20,401,845,868	19,824,216,389
Proceeds from issuance of corporate bonds	10,350,000,000	15,000,000,000
Proceeds from issuance of medium-term notes ("MTNs")	8,540,880,000	8,675,000,000
Proceeds from issuance of subordinated bonds	4,500,000,000	3,000,000,000
Proceeds from issuance of structured notes	1,298,163,840	921,886,430
Proceeds from issuance of commercial papers	820,000,000	–
Redemption of beneficiary certificates	(19,240,551,858)	(22,600,459,001)
Redemption of corporate bonds	(17,660,000,000)	(25,300,000,000)
Redemption of MTNs	(7,107,400,000)	(6,864,300,000)
Redemption of subordinated bonds	(4,000,000,000)	(1,000,000,000)
Redemption of structured notes	(694,660,247)	(1,325,654,163)
Repayment of lease liabilities	(532,151,251)	(470,963,504)
Cash paid for interest	(2,971,619,834)	(2,939,241,423)
Distributions to holders of perpetual subordinated bonds	(294,600,000)	(294,600,000)
Cash outflows associated with other financing activities	(31,108,953)	(2,605,679)
Net cash used in financing activities	(6,621,202,435)	(13,376,720,951)

The notes form an integral part of this interim financial report.

Interim Condensed Consolidated Statement of Cash Flows

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

	Note	Six months ended 30 June	
		2024 (Unaudited)	2023 (Unaudited)
Net decrease in cash and cash equivalents		(9,313,714,483)	(13,660,232,156)
Cash and cash equivalents at the beginning of the period		70,930,165,619	84,678,251,394
Effect of exchange rate changes		179,883,392	1,423,731,337
Cash and cash equivalents at the end of the period	35	61,796,334,528	72,441,750,575
Net cash generated from/(used in) operating activities including:			
Interest received		3,541,682,400	3,816,418,073
Interest paid		(2,388,124,737)	(2,677,247,506)

The notes form an integral part of this interim financial report.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in RMB, unless otherwise stated)

1. GENERAL INFORMATION

China International Capital Corporation Limited (中國國際金融股份有限公司) (the “Company” or “CICC”) was established on 25 June 1995 in the People’s Republic of China (“PRC”) as approved by the People’s Bank of China (“PBOC”). On 31 July 1995, it obtained the Business License for Enterprise Legal Person (Qi He Guo Zi No.000599) issued by the State Administration for Industry and Commerce of the PRC.

Pursuant to a conversion completed on 1 June 2015, the Company was converted into a joint stock company with limited liability. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 November 2015 and was listed on the Shanghai Stock Exchange on 2 November 2020.

The Company’s unified social credit code is 91110000625909986U, and the registered address of the Company is the 27th and 28th Floor, China World Trade Centre 2, 1 Jian Guo Men Wai Avenue, Chaoyang District, Beijing, the PRC. As at 30 June 2024, the Company has 1 securities business office and 11 branches.

The Company and its subsidiaries (together “the Group”) are principally engaged in investment banking business, equities business, fixed-income, commodities and currency (“FICC”) business, asset management business, private equity business, wealth management business and other business activities.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with International Accounting Standards (the “IAS”) 34 Interim Financial Reporting and all applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The directors of the Company have, at the time of approving the interim condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2023.

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Except as described in Note 3 below, the significant accounting policies adopted in the preparation of the unaudited interim financial statements for the six months ended 30 June 2024 are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

Application of amendments to International Financial Reporting Standards (“IFRS Accounting Standards”)

The Group has adopted the following revised standards in the current interim period:

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

The adoption of amendments does not have a material impact on the Group’s interim condensed consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of uncertainty for the estimation used for the preparation of the interim condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those used for the preparation of the Group’s financial statements for the year ended 31 December 2023.

5. TAXATION

(a) Value-added tax (“VAT”) and surcharges

The applicable tax rate is 6% for the six months ended 30 June 2024 and ended 30 June 2023. The urban maintenance and construction tax, education surcharge and local education surcharge are charged at 7%, 3% and 2% of VAT respectively for the six months ended 30 June 2024 and ended 30 June 2023.

(b) Income tax

The income tax rate applicable to the Company and its subsidiaries in Chinese mainland is 25% for the six months ended 30 June 2024 and ended 30 June 2023.

The profits tax rate applicable to the subsidiaries in Hong Kong Special Administrative Region (“Hong Kong SAR”) is 16.5% for the six months ended 30 June 2024 and ended 30 June 2023. Taxes of other overseas subsidiaries are charged at the relevant local rates.

6. SEGMENT REPORTING

Reportable segments are identified based on operating segments which are determined based on the Group's internal organisational structure, management requirements and internal reporting mechanisms. An operating segment is a component of the Group:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the Group's management for the purposes of resources allocation and performance evaluation; and
- for which discrete financial information is available.

Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics in respect of:

- nature of the services;
- type or class of clients for the services;
- approaches to providing the services; and
- nature of the regulatory environment.

6. SEGMENT REPORTING *(continued)*

For management purposes, the Group's businesses are structured and managed separately according to the nature of their operations and the services that the Group provides. Each of the Group's operating segments represents a strategic business unit and offers services which are subject to risks and returns different from those to which the services offered by the other operating segments are subject. A summary of the operating segments is as follows:

- the Investment Banking segment provides investment banking services, including equity financing, debt and structured financing and financial advisory services to domestic and overseas corporations and institutional clients.
- the Equities segment provides one-stop integrated financial services such as investment research, sales, trading, products and cross-border services to domestic and overseas professional investors, including institutional trading services and capital services such as primary brokerage, over-the-counter derivatives, capital introduction and market-making transactions.
- the FICC segment provides a package of services and supports in the areas of market making and financing to domestic and overseas institutional and corporate clients on fixed-income products such as interest rate, credit and structured products, as well as on overseas exchange and commodities.
- the Asset Management segment designs and provides a wide range of asset management products and services to domestic and overseas investors, including social security and annuity investment management business, institutional entrusted investment management business, overseas asset management business, retail and mutual fund business, etc.
- the Private Equity segment designs and provides integrated private equity fund products and services to domestic and overseas investors, mainly including corporate equity funds, Funds of Funds, dollar funds, real asset funds, infrastructure funds, etc.
- the Wealth Management segment provides a wide range of wealth management products and services, consisting of transactional services, capital services and product configuration services, to retail clients, families and corporate clients.
- the Others segment mainly comprises of other business departments, middle offices and back offices.

6. SEGMENT REPORTING *(continued)*

(a) Segment results

	Six months ended 30 June 2024							
	Investment Banking	Equities	FICC	Asset Management	Private Equity	Wealth Management	Others	Total
Segment revenue								
- Fee and commission income (Note 1)	1,096,249,630	645,285,252	316,535,503	579,057,429	740,759,523	2,150,147,200	(66,286,452)	5,461,748,085
- Interest income	1,183,631	539,482,906	873,515,013	11,864,982	2,919	1,913,280,632	1,085,814,666	4,425,144,749
- Investment (losses)/income	(398,122,456)	1,712,641,660	2,610,785,376	(11,020,397)	(15,821,764)	312,201,691	38,708,581	4,249,372,691
- Other income, net	652,173	254,863,277	348,563,038	4,006,157	3,426,145	87,795,458	56,852,468	756,158,716
Segment revenue and other income	699,962,978	3,152,273,095	4,149,398,930	583,908,171	728,366,823	4,463,424,981	1,115,089,263	14,892,424,241
Segment expenses	1,490,182,607	2,158,614,478	2,431,143,438	427,040,798	559,780,112	3,521,389,847	1,860,686,868	12,448,838,148
Segment operating (loss)/profit	(790,219,629)	993,658,617	1,718,255,492	156,867,373	168,586,711	942,035,134	(745,597,605)	2,443,586,093
Share of (losses)/profits of associates and joint ventures	-	-	-	(4,314,149)	40,853,245	(23,402,470)	(33,022)	13,103,604
(Loss)/profit before income tax	(790,219,629)	993,658,617	1,718,255,492	152,553,224	209,439,956	918,632,664	(745,630,627)	2,456,689,697
Segment assets	5,650,407,042	147,716,234,817	198,073,470,725	3,022,327,002	8,412,182,872	123,451,021,727	109,870,584,847	596,196,229,032
Deferred tax assets								2,908,142,567
Total assets								599,104,371,599
Segment liabilities	5,178,656,332	138,991,391,903	166,271,747,892	1,766,647,364	3,220,135,362	107,858,933,542	69,370,827,742	492,658,340,137
Deferred tax liabilities								519,439,441
Total liabilities								493,177,779,578
Other segment information:								
Interest expenses (Note 2)	90,192,419	1,415,095,507	1,917,366,234	56,157,099	126,445,795	1,063,926,716	569,483,782	5,238,667,552
Depreciation and amortisation expenses	55,984,165	66,851,671	81,643,865	32,999,108	29,176,099	330,746,119	332,210,434	929,611,461
(Reversal of)/provision for impairment losses under ECL model	(7,863,202)	2,759,556	38,603,258	10,068,277	2,070,195	(18,676,546)	(1,334,773)	25,626,765

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

6. SEGMENT REPORTING (continued)

(a) Segment results (continued)

	Six months ended 30 June 2023							Total
	Investment Banking	Equities	FICC	Asset Management	Private Equity	Wealth Management	Others	
Segment revenue								
- Fee and commission income (Note 1)	1,681,480,078	1,007,055,873	487,345,236	631,516,461	779,055,055	2,709,739,081	(43,097,808)	7,253,093,976
- Interest income	549,907	911,943,592	925,320,885	14,302,500	286,315	1,981,766,243	1,080,135,644	4,914,305,086
- Investment income/(losses)	461,779,362	1,670,376,259	1,677,671,838	(2,294,905)	114,895,493	89,466,259	414,701,324	4,426,595,630
- Other income/(losses), net	1,322,957	1,695,327,956	(27,106,214)	8,956,171	41,006,555	156,894,304	136,256,900	2,012,658,629
Segment revenue and other income	2,145,132,304	5,284,703,680	3,063,231,745	652,480,227	935,243,418	4,937,865,887	1,587,996,060	18,606,653,321
Segment expenses	2,011,095,670	2,977,180,813	2,244,812,122	551,139,841	569,220,626	3,575,857,689	2,549,499,954	14,478,806,715
Segment operating profit/(loss)	134,036,634	2,307,522,867	818,419,623	101,340,386	366,022,792	1,362,008,198	(961,503,894)	4,127,846,606
Share of profits/(losses) of associates and joint ventures	-	-	-	2,868,979	42,539,753	(43,314,773)	(47,944)	2,046,015
Profit/(loss) before income tax	134,036,634	2,307,522,867	818,419,623	104,209,365	408,562,545	1,318,693,425	(961,551,838)	4,129,892,621
Segment assets	9,056,021,699	244,331,085,750	140,890,119,192	2,866,750,603	7,852,397,542	135,559,733,300	107,410,297,546	647,966,405,632
Deferred tax assets								2,398,151,715
Total assets								650,364,557,347
Segment liabilities	8,093,046,993	222,893,722,915	123,423,837,758	2,322,731,603	3,211,531,021	118,001,687,621	69,130,232,556	547,076,790,467
Deferred tax liabilities								619,534,452
Total liabilities								547,696,324,919
Other segment information:								
Interest expenses (Note 2)	121,516,750	2,109,435,834	1,688,190,611	71,378,498	124,010,304	952,779,724	266,399,328	5,333,711,049
Depreciation and amortisation expenses	54,508,520	61,628,059	74,990,563	32,001,448	34,849,000	295,336,620	291,884,665	845,198,875
Provision for/(reversal of) impairment losses under ECL model	5,723,718	28,961,782	(20,478,156)	(2,362,336)	(18,597,768)	(1,973,658)	1,030,120	(7,696,298)

Note 1: Disaggregation of revenue was disclosed in Note 7. Brokerage commission income is mainly generated by Equities and Wealth Management segments; underwriting and sponsoring fees and financial advisory fees are mainly generated by Investment Banking segment; asset management fees are mainly generated by Asset Management, Private Equity and Wealth Management segments.

Note 2: The Group allocates interest expenses across the reportable segments based on the capital used during the reporting period for the purpose of measuring segment operating performance and improving efficiencies of capital management.

6. SEGMENT REPORTING *(continued)*

(b) Geographical information

The following table sets out the Group's revenue and other income from external clients and the Group's non-current assets (excluding financial assets at fair value through profit or loss, equity instruments at fair value through other comprehensive income ("FVOCI"), reverse REPOs, refundable deposits and deferred tax assets, the same as below) in terms of geographical locations. The geographical locations of the revenue and other income from external clients are identified based on the place of incorporation of the entities in which the services or the products are rendered. The geographical locations of the non-current assets are identified based on the place of incorporation of the entities under which the non-current assets are recorded.

	Revenue and other income from external clients Six months ended 30 June	
	2024	2023
Chinese mainland	10,482,490,652	13,710,166,931
Outside Chinese mainland	4,409,933,589	4,896,486,390
Total	14,892,424,241	18,606,653,321

	Non-current assets	
	As at 30 June 2024	As at 31 December 2023
Chinese mainland	10,591,918,866	10,739,988,763
Outside Chinese mainland	958,232,878	1,041,929,820
Total	11,550,151,744	11,781,918,583

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

6. SEGMENT REPORTING *(continued)*

(b) Geographical information *(continued)*

Reconciliation of segment non-current assets:

	Non-current assets	
	As at 30 June 2024	As at 31 December 2023
Total non-current assets for segments	40,906,930,258	41,038,697,097
Elimination of inter-segment non-current assets	(29,356,778,514)	(29,256,778,514)
Total	11,550,151,744	11,781,918,583

(c) Major clients

The Group's client base is diversified and there was no case in which the revenue recognised from a single client exceeded 10% of the Group's revenue for the six months ended 30 June 2024 and ended 30 June 2023.

7. FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2024	2023
Brokerage commission income	2,324,953,126	3,092,770,115
Asset management fees	1,463,104,560	1,586,693,539
Underwriting and sponsoring fees	891,725,089	1,873,944,563
Financial advisory fees	446,742,913	238,359,977
Investment advisory fees	257,808,423	355,501,632
Others	77,413,974	105,824,150
Total	5,461,748,085	7,253,093,976

The remaining performance obligation is recognised as contract liabilities as at 30 June 2024 and 31 December 2023, and is disclosed in Note 41. Except as stated in Note 41, there is no significant remaining performance obligation.

8. INTEREST INCOME

	Six months ended 30 June	
	2024	2023
Interest income from financial institutions	1,732,588,126	1,776,001,696
Interest income from margin financing and securities lending	1,130,983,007	1,392,553,357
Interest income from debt instruments at fair value through other comprehensive income	981,757,479	858,433,444
Interest income from reverse REPOs	354,042,424	414,436,793
Others	225,773,713	472,879,796
Total	4,425,144,749	4,914,305,086

9. INVESTMENT INCOME

	Six months ended 30 June	
	2024	2023
Dividend income from equity instruments at fair value through other comprehensive income	76,421,358	–
Net gains/(losses) from disposal of debt instruments at fair value through other comprehensive income	281,767,098	(156,624,375)
Net (losses)/gains from financial instruments at fair value through profit or loss	(13,406,905,884)	11,919,703,566
Net gains/(losses) from derivative financial instruments	17,298,092,449	(7,336,483,396)
Others	(2,330)	(165)
Total	4,249,372,691	4,426,595,630

10. OTHER INCOME, NET

	Six months ended 30 June	
	2024	2023
Refund for tax withholding and remittance	63,188,621	71,084,597
Government grants	3,794,670	99,340,775
Foreign exchange gains from derivatives	1,062,565,029	2,272,984,941
Others (Note)	(373,389,604)	(430,751,684)
Total	756,158,716	2,012,658,629

Note: Others mainly consisted of gains and losses due to exchange rate fluctuations arising from foreign currency transactions other than foreign exchange derivative transactions.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

11. FEE AND COMMISSION EXPENSES

	Six months ended 30 June	
	2024	2023
Brokerage commission expenses	554,939,641	594,669,505
Asset management expenses	129,805,531	119,472,123
Underwriting and sponsoring expenses	57,429,606	120,513,827
Investment advisory expenses	23,898	–
Others	11,328,170	17,437,149
Total	753,526,846	852,092,604

12. INTEREST EXPENSES

	Six months ended 30 June	
	2024	2023
Interest expenses on:		
– Corporate bonds	1,357,272,176	1,660,350,701
– REPOs	939,447,088	649,844,657
– MTNs	887,996,520	536,985,604
– Subordinated bonds	519,175,832	413,301,491
– Placements from financial institutions	506,260,063	1,181,307,454
– Beneficiary certificates	173,825,977	113,147,929
– Accounts payable to brokerage clients	155,501,645	183,297,824
– Lease liabilities	76,150,352	39,750,478
– Structured notes	17,392,177	8,227,334
– Commercial papers	1,008,263	–
– Others	604,637,459	547,497,577
Total	5,238,667,552	5,333,711,049

13. STAFF COSTS

	Six months ended 30 June	
	2024	2023
Salaries, bonus and allowance	2,937,259,484	4,392,753,006
Retirement scheme contributions	461,159,901	428,525,903
Other social welfare	531,120,953	503,995,764
Other benefits	205,172,872	268,849,792
Total	4,134,713,210	5,594,124,465

The Group is required to participate in pension schemes in Chinese mainland, Hong Kong SAR and other jurisdictions whereby the Group pays annual contributions for its employees at certain ratios of salaries. The Group also provides annuity schemes for employees in Chinese mainland beyond the annual contributions described above. The contributions for annuity schemes are calculated based on a certain percentage of employees' salaries.

14. DEPRECIATION AND AMORTISATION EXPENSES

	Six months ended 30 June	
	2024	2023
Depreciation of right-of-use assets	506,986,315	500,977,836
Depreciation of property and equipment	255,346,550	225,166,418
Amortisation of intangible assets	165,687,720	117,605,077
Others	1,590,876	1,449,544
Total	929,611,461	845,198,875

15. OTHER OPERATING EXPENSES AND COSTS

	Six months ended 30 June	
	2024	2023
Electronic equipment operating expenses	409,804,933	376,830,646
Business development expenses	384,155,279	517,959,198
Travelling and transportation expenses	135,862,106	229,542,962
Utilities and maintenance	95,155,561	85,468,236
Professional service fees	54,944,126	114,739,875
Information technology expenses	49,438,392	89,175,912
Securities and futures investor protection funds	40,526,595	47,866,392
Auditors' remuneration	3,300,000	4,300,000
Others	160,154,678	346,589,971
Total	1,333,341,670	1,812,473,192

*(Expressed in RMB, unless otherwise stated)***16. PROVISION FOR/(REVERSAL OF) IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS (“ECL”) MODEL**

	Six months ended 30 June	
	2024	2023
Impairment losses provided/(reversed) for:		
Accounts receivable and other assets	561,187	16,678,392
Receivable from margin clients	(14,334,842)	7,494,328
Reverse REPOs	4,853,732	(4,775,601)
Debt instruments at fair value through other comprehensive income	35,048,254	(26,463,443)
Cash and bank balances	(501,566)	(629,974)
Total	25,626,765	(7,696,298)

17. INCOME TAX EXPENSE**(a) Taxation in the interim condensed consolidated statement of profit or loss:**

	Six months ended 30 June	
	2024	2023
Current tax		
– Chinese mainland income tax	151,683,818	75,901,427
– Outside Chinese mainland profits tax	229,370,433	302,346,742
Subtotal	381,054,251	378,248,169
Deferred tax	(153,451,125)	169,984,212
Total	227,603,126	548,232,381

17. INCOME TAX EXPENSE (continued)**(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:**

The income tax has been provided at the statutory rate of 25% in accordance with the relevant tax laws in Chinese mainland during the period. Taxes on profits assessable outside Chinese mainland have been calculated at the applicable tax rates prevailing in the countries/jurisdictions, in which the Group operates, based on the existing legislation, interpretations and practices. Reconciliation between income tax expense that would have resulted from applying the PRC statutory income tax rate to the Group's profit before income tax and the income tax expense in the interim condensed consolidated statement of profit or loss is as follows:

	Six months ended 30 June	
	2024	2023
Profit before income tax	2,456,689,697	4,129,892,621
Income tax calculated at the PRC statutory income tax rate	614,172,424	1,032,473,155
Effect of non-deductible expenses	7,694,409	12,482,486
Effect of non-taxable income	(340,772,164)	(298,744,567)
Effect of different applicable tax rates of the subsidiaries	(134,590,275)	(179,029,016)
Effect of deductible temporary differences or unused tax losses with no deferred tax asset recognised during the period	172,045,800	78,811,128
Effect of utilisation of the deductible temporary differences or unused tax losses with no deferred tax asset recognised in previous periods	(5,391)	(5,857,952)
Others	(90,941,677)	(91,902,853)
Total income tax expense	227,603,126	548,232,381

18. EARNINGS PER SHARE

	Six months ended 30 June	
	2024	2023
Profit attributable to shareholders of the Company	2,228,055,738	3,560,643,863
Interest for holders of perpetual subordinated bonds for the period	(328,495,082)	(327,585,205)
Total	1,899,560,656	3,233,058,658
Weighted average number of ordinary shares in issue	4,827,256,868	4,827,256,868
Basic earnings per share (in RMB per share)	0.39	0.67

Basic earnings per share was calculated as the profit for the period attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue.

No diluted earnings per share has been presented for the six months ended 30 June 2024 and ended 30 June 2023 as the Company had no potential ordinary shares in issue during the periods.

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(Expressed in RMB, unless otherwise stated)

19. PROPERTY AND EQUIPMENT

	Buildings	Office equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Construction in progress	Total
Cost							
As at 31 December 2023	37,966,210	2,486,545,434	215,878,737	9,178,562	1,262,404,525	611,994,306	4,623,967,774
Additions and transfer-in	-	132,995,257	1,561,114	-	65,085,745	125,942,241	325,584,357
Transfer-out	-	-	-	-	-	(1,151,904)	(1,151,904)
Disposals	-	(31,079,064)	(4,035,999)	(269,500)	(67,863,093)	-	(103,247,656)
Effect of changes in exchange rates	-	1,175,551	133,874	-	1,125,267	-	2,434,692
As at 30 June 2024	37,966,210	2,589,637,178	213,537,726	8,909,062	1,260,752,444	736,784,643	4,847,587,263
Accumulated depreciation							
As at 31 December 2023	(18,903,774)	(1,526,200,914)	(124,367,141)	(7,690,561)	(834,852,919)	-	(2,512,015,309)
Additions	(826,887)	(127,111,608)	(18,785,670)	(62,399)	(108,559,986)	-	(255,346,550)
Disposals	-	29,013,458	3,700,449	261,415	66,382,235	-	99,357,557
Effect of changes in exchange rates	-	(769,789)	(107,980)	-	(786,471)	-	(1,664,240)
As at 30 June 2024	(19,730,661)	(1,625,068,853)	(139,560,342)	(7,491,545)	(877,817,141)	-	(2,669,668,542)
Carrying amount							
As at 30 June 2024	18,235,549	964,568,325	73,977,384	1,417,517	382,935,303	736,784,643	2,177,918,721
As at 31 December 2023	19,062,436	960,344,520	91,511,596	1,488,001	427,551,606	611,994,306	2,111,952,465

19. PROPERTY AND EQUIPMENT (continued)

	Buildings	Office equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Construction in progress	Total
Cost							
As at 31 December 2022	92,721,687	2,228,424,294	161,083,507	9,787,009	1,054,355,566	363,432,440	3,909,804,503
Additions and transfer-in	–	432,425,822	62,475,159	–	327,892,427	260,647,035	1,083,440,443
Transfer-out	–	–	–	–	–	(12,085,169)	(12,085,169)
Disposals	(54,755,477)	(183,108,538)	(8,205,449)	(608,447)	(124,662,501)	–	(371,340,412)
Effect of changes in exchange rates	–	8,803,856	525,520	–	4,819,033	–	14,148,409
As at 31 December 2023	37,966,210	2,486,545,434	215,878,737	9,178,562	1,262,404,525	611,994,306	4,623,967,774
Accumulated depreciation							
As at 31 December 2022	(50,386,480)	(1,469,486,642)	(93,448,925)	(8,045,786)	(728,005,471)	–	(2,349,373,304)
Additions	(3,718,260)	(220,904,277)	(37,854,017)	(124,925)	(225,487,183)	–	(488,088,662)
Disposals	35,200,966	167,953,258	7,397,136	480,150	122,540,620	–	333,572,130
Effect of changes in exchange rates	–	(3,763,253)	(461,335)	–	(3,900,885)	–	(8,125,473)
As at 31 December 2023	(18,903,774)	(1,526,200,914)	(124,367,141)	(7,690,561)	(834,852,919)	–	(2,512,015,309)
Carrying amount							
As at 31 December 2023	19,062,436	960,344,520	91,511,596	1,488,001	427,551,606	611,994,306	2,111,952,465
As at 31 December 2022	42,335,207	758,937,652	67,634,582	1,741,223	326,350,095	363,432,440	1,560,431,199

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

20. RIGHT-OF-USE ASSETS

	Buildings	Leasehold land	Equipment	Total
Cost				
As at 31 December 2023	6,943,204,500	1,266,558,879	173,944	8,209,937,323
Increases	305,827,063	–	–	305,827,063
Decreases	(177,711,861)	–	–	(177,711,861)
Effect of changes in exchange rates	4,212,484	–	1,083	4,213,567
As at 30 June 2024	7,075,532,186	1,266,558,879	175,027	8,342,266,092
Accumulated depreciation				
As at 31 December 2023	(2,618,846,734)	(283,553,760)	(71,489)	(2,902,471,983)
Increases	(506,987,528)	(16,455,329)	(32,891)	(523,475,748)
Decreases	133,297,312	–	–	133,297,312
Effect of changes in exchange rates	(4,097,822)	–	(445)	(4,098,267)
As at 30 June 2024	(2,996,634,772)	(300,009,089)	(104,825)	(3,296,748,686)
Carrying amount				
As at 30 June 2024	4,078,897,414	966,549,790	70,202	5,045,517,406
As at 31 December 2023	4,324,357,766	983,005,119	102,455	5,307,465,340

20. RIGHT-OF-USE ASSETS *(continued)*

	Buildings	Leasehold land	Equipment	Total
Cost				
As at 31 December 2022	4,173,036,184	1,266,558,879	791,276	5,440,386,339
Increases	3,093,572,890	–	43,672	3,093,616,562
Decreases	(340,042,873)	–	(674,421)	(340,717,294)
Effect of changes in exchange rates	16,638,299	–	13,417	16,651,716
As at 31 December 2023	6,943,204,500	1,266,558,879	173,944	8,209,937,323
Accumulated depreciation				
As at 31 December 2022	(1,832,040,448)	(250,643,102)	(572,327)	(2,083,255,877)
Increases	(1,016,314,900)	(32,910,658)	(163,878)	(1,049,389,436)
Decreases	237,800,252	–	674,421	238,474,673
Effect of changes in exchange rates	(8,291,638)	–	(9,705)	(8,301,343)
As at 31 December 2023	(2,618,846,734)	(283,553,760)	(71,489)	(2,902,471,983)
Carrying amount				
As at 31 December 2023	4,324,357,766	983,005,119	102,455	5,307,465,340
As at 31 December 2022	2,340,995,736	1,015,915,777	218,949	3,357,130,462

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

21. GOODWILL

(a) Changes in goodwill

Subsidiaries	As at	Additions	Disposals	As at	Less: Impairment loss allowance
	31 December 2023			30 June 2024	
CICC Wealth Management (Note 1)	1,582,678,646	-	-	1,582,678,646	-
Science & Technology Innovation (Note 2)	39,984,637	-	-	39,984,637	-
Total	1,622,663,283	-	-	1,622,663,283	-

Subsidiaries	As at	Additions	Disposals	As at	Less: Impairment loss allowance
	31 December 2022			31 December 2023	
CICC Wealth Management (Note 1)	1,582,678,646	-	-	1,582,678,646	-
Science & Technology Innovation (Note 2)	39,984,637	-	-	39,984,637	-
Total	1,622,663,283	-	-	1,622,663,283	-

Note 1: The Company acquired China CICC Wealth Management Securities Company Limited ("CICC Wealth Management" or "CICC WMS") in 2017 and paid, as the cost of the acquisition, the consideration of RMB16,700,695,000 in the form of share issuance. The difference between the consideration and the fair value of the identifiable net assets attributable to the Company amounted to RMB1,582,678,646 and was recognised as goodwill related to the cash-generating unit of Wealth Management.

Note 2: In 2021, CICC Capital Management Co., Ltd. ("CICC Capital"), a subsidiary of the Company, made a capital injection in cash of RMB220,129,947 into Beijing Science & Technology Innovation Investment Management Co., Ltd. ("Science & Technology Innovation") and acquired 51% equity interests of Science & Technology Innovation. The difference between the cash injection and the fair value of the identifiable net assets attributable to CICC Capital amounted to RMB39,984,637 and was recognised as goodwill.

(b) Impairment test

As at 30 June 2024, no indications of impairment came to attention of the management.

22. INTANGIBLE ASSETS

	Securities trading seat rights	Others (Note)	Total
Cost			
As at 31 December 2023	163,112,847	2,064,115,532	2,227,228,379
Additions	–	152,007,851	152,007,851
Disposals	–	(804,739)	(804,739)
Effect of changes in exchange rates	–	148,187	148,187
As at 30 June 2024	163,112,847	2,215,466,831	2,378,579,678
Accumulated amortisation			
As at 31 December 2023	(135,227,844)	(1,000,076,977)	(1,135,304,821)
Additions	(4,290,000)	(161,397,720)	(165,687,720)
Disposals	–	628,818	628,818
Effect of changes in exchange rates	–	(42,901)	(42,901)
As at 30 June 2024	(139,517,844)	(1,160,888,780)	(1,300,406,624)
Carrying amount			
As at 30 June 2024	23,595,003	1,054,578,051	1,078,173,054
As at 31 December 2023	27,885,003	1,064,038,555	1,091,923,558

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(Expressed in RMB, unless otherwise stated)

22. INTANGIBLE ASSETS (continued)

	Securities trading seat rights	Others (Note)	Total
Cost			
As at 31 December 2022	163,112,847	1,514,718,874	1,677,831,721
Additions	–	552,086,690	552,086,690
Disposals	–	(2,929,634)	(2,929,634)
Effect of changes in exchange rates	–	239,602	239,602
As at 31 December 2023	163,112,847	2,064,115,532	2,227,228,379
Accumulated amortisation			
As at 31 December 2022	(126,647,844)	(747,317,088)	(873,964,932)
Additions	(8,580,000)	(255,516,885)	(264,096,885)
Disposals	–	2,885,128	2,885,128
Effect of changes in exchange rates	–	(128,132)	(128,132)
As at 31 December 2023	(135,227,844)	(1,000,076,977)	(1,135,304,821)
Carrying amount			
As at 31 December 2023	27,885,003	1,064,038,555	1,091,923,558
As at 31 December 2022	36,465,003	767,401,786	803,866,789

Note: As at 30 June 2024 and 31 December 2023, others mainly included computer software used by the Group.

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Non-current

	As at 30 June 2024	As at 31 December 2023
Equity securities	9,706,386,898	10,418,334,787
Funds and other investments	43,302,862	40,269,110
Total	9,749,689,760	10,458,603,897

Current

	As at 30 June 2024	As at 31 December 2023
Equity securities	79,139,530,311	129,686,168,299
Debt securities (Note)	111,771,577,251	90,143,565,665
Funds and other investments	47,775,455,225	54,392,916,579
Total	238,686,562,787	274,222,650,543

Note: As at 30 June 2024, the perpetual bonds included in debt securities amounted to RMB24,489,506,859 (31 December 2023: RMB17,969,489,041).

*(Expressed in RMB, unless otherwise stated)***24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS (“REVERSE REPOS”)****(a) Analysed by collateral type:****Non-current**

	As at 30 June 2024	As at 31 December 2023
Stocks	45,000,000	–
Accrued interests	56,250	–
Less: Impairment loss allowance	(245,475)	–
Total	44,810,775	–

Current

	As at 30 June 2024	As at 31 December 2023
Stocks	5,011,505,542	4,961,857,932
Debt securities	23,671,598,964	14,891,553,457
Subtotal	28,683,104,506	19,853,411,389
Accrued interests	91,087,869	121,794,302
Less: Impairment loss allowance	(58,413,139)	(53,804,882)
Total	28,715,779,236	19,921,400,809

24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS (“REVERSE REPOs”) *(continued)***(b) Analysed by market:****Non-current**

	As at 30 June 2024	As at 31 December 2023
Stock exchanges	44,810,775	–

Current

	As at 30 June 2024	As at 31 December 2023
Stock exchanges	17,427,642,431	9,727,175,359
Inter-bank market	8,654,104,790	5,689,338,009
Over-the-counter market	2,634,032,015	4,504,887,441
Total	28,715,779,236	19,921,400,809

The Group receives securities as collaterals in connection with reverse REPO business. The Group is allowed to sell or re-pledge the collaterals held in connection with bond outright REPO business in the absence of default of its counterparties. If the securities depreciate in value, the Group may, in certain circumstances, require additional collaterals. The Group has an obligation to return the collaterals to its counterparties at the expiration of the agreements.

As at 30 June 2024, the collaterals received by the Group in connection with reverse REPO business amounted to RMB37,905,243,263 (31 December 2023: RMB29,245,180,528).

*(Expressed in RMB, unless otherwise stated)***24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS (“REVERSE REPOs”)** *(continued)***(c) Analysis of the movement in impairment loss allowance:**

	Six months ended 30 June 2024	Year ended 31 December 2023
At the beginning of the period/year	53,804,882	56,547,702
Provided for the period/year	12,323,887	13,221,611
Reversed for the period/year	(7,470,155)	(15,964,431)
At the end of the period/year	58,658,614	53,804,882

	As at 30 June 2024			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	30,444,428	–	28,214,186	58,658,614

	As at 31 December 2023			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL- credit impaired	
Impairment loss allowance	25,590,696	–	28,214,186	53,804,882

25. REFUNDABLE DEPOSITS

	As at 30 June 2024	As at 31 December 2023
Trading deposits	7,087,131,910	8,658,008,686
Performance bonds	643,536,508	853,688,456
Credit deposits	56,092,343	55,491,207
Subtotal	7,786,760,761	9,567,188,349
Accrued interests	165,546	104,293
Total	7,786,926,307	9,567,292,642

Refundable deposits are mainly placed at stock exchanges and clearing houses, futures and commodity exchanges, China Securities Finance Corporation Limited, Shanghai Clearing House, futures companies and other institutions.

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(Expressed in RMB, unless otherwise stated)

26. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Deferred tax assets and liabilities recognised

The components and the movement during the period/year of the deferred tax assets/(liabilities) recognised in the interim condensed consolidated statement of financial position are as follows:

	As at 31 December 2023	(Charged)/ credited to profit or loss	Charged to equity	Effect of changes in exchange rates	As at 30 June 2024		
					Deferred tax, net	Deferred tax assets	Deferred tax liabilities
Deferred tax assets/(liabilities) before set-off:							
Staff cost	1,216,356,857	(440,596,352)	-	64,730	775,825,235	775,825,235	-
Unused tax losses	1,224,029,106	1,102,974,048	-	5,129	2,327,008,283	2,327,008,283	-
Depreciation and amortisation	(148,928,110)	320,064	-	(32,092)	(148,640,138)	113,382	(148,753,520)
Changes in fair values of financial instruments at fair value through profit or loss	(360,414,457)	(552,947,579)	-	-	(913,362,036)	158,993,972	(1,072,356,008)
Changes in fair values of financial instruments at FVOCI	(64,654,380)	-	(57,156,083)	34,366	(121,776,097)	4,338,521	(126,114,618)
Impairment loss allowance	97,867,376	3,316,967	(7,911,135)	69,383	93,342,591	93,342,591	-
Fair value adjustment arising from acquisition of subsidiaries	(158,496,563)	1,273,443	-	-	(157,223,120)	-	(157,223,120)
Others	494,436,295	39,110,534	-	(18,421)	533,528,408	533,701,160	(172,752)
Subtotal	2,300,196,124	153,451,125	(65,067,218)	123,095	2,388,703,126	3,893,323,144	(1,504,620,018)
Set off						(985,180,577)	985,180,577
Deferred tax assets/(liabilities) recognised in the interim condensed consolidated statement of financial position						2,908,142,567	(519,439,441)

26. DEFERRED TAX ASSETS/(LIABILITIES) *(continued)***(a) Deferred tax assets and liabilities recognised** *(continued)*

	As at	(Charged)/	Charged to	Effect of	As at 31 December 2023		
	31 December	credited to			changes in	Deferred tax,	Deferred tax,
	2022	profit or loss	equity	exchange rates	net	net	net
Deferred tax assets/(liabilities) before set-off:							
Staff cost	1,616,035,470	(400,474,844)	-	796,231	1,216,356,857	1,216,356,857	-
Unused tax losses	30,012,969	1,193,954,202	-	61,935	1,224,029,106	1,224,029,106	-
Depreciation and amortisation	(93,305,632)	(55,554,892)	-	(67,586)	(148,928,110)	78,300	(149,006,410)
Changes in fair values of financial instruments at fair value through profit or loss	73,654,451	(434,068,908)	-	-	(360,414,457)	158,486,494	(518,900,951)
Changes in fair values of financial instruments at FVOCI	40,555,022	-	(105,102,948)	(106,454)	(64,654,380)	4,003,779	(68,658,159)
Impairment loss allowance	107,968,258	(8,963,218)	(1,261,099)	123,435	97,867,376	97,867,376	-
Fair value adjustment arising from acquisition of subsidiaries	(161,230,995)	2,734,432	-	-	(158,496,563)	-	(158,496,563)
Others	417,733,693	76,706,060	-	(3,458)	494,436,295	494,436,295	-
Subtotal	2,031,423,236	374,332,832	(106,364,047)	804,103	2,300,196,124	3,195,258,207	(895,062,083)
Set off						(312,371,599)	312,371,599
Deferred tax assets/(liabilities) recognised in the interim condensed consolidated statement of financial position						2,882,886,608	(582,690,484)

(b) Deferred tax assets not recognised

As at 30 June 2024, the accumulated deductible temporary differences and unused tax losses with no deferred tax asset recognised of the Group amounted to RMB3,082 million (31 December 2023: RMB2,073 million).

Deferred tax assets not recognised in respect of cumulative tax losses are mainly attributable to certain overseas subsidiaries of the Group which were set up to strengthen the Group's cross-border service capabilities.

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(Expressed in RMB, unless otherwise stated)

27. OTHER NON-CURRENT ASSETS

	As at 30 June 2024	As at 31 December 2023
Rental and other deposits	327,748,771	314,103,610
Others	195,483,500	240,750,228
Subtotal	523,232,271	554,853,838
Less: Impairment loss allowance	(1,045,144)	–
Total	522,187,127	554,853,838

28. ACCOUNTS RECEIVABLE

(a) Analysed by nature:

	As at 30 June 2024	As at 31 December 2023
Trade receivable (Note)	34,124,402,362	31,697,972,769
Asset management fees receivable	1,316,377,741	1,289,659,820
Underwriting and advisory fees receivable	1,078,140,362	1,125,045,669
Trading seat rental fees receivable	184,458,595	246,344,096
Others	211,771,743	168,053,570
Subtotal	36,915,150,803	34,527,075,924
Less: Impairment loss allowance	(517,585,121)	(517,581,824)
Total	36,397,565,682	34,009,494,100

Note: Trade receivable mainly consisted of receivables from brokers and clearing houses for trade settlements and from counterparties in derivative transactions.

28. ACCOUNTS RECEIVABLE *(continued)***(b) Analysed by aging:**

	As at 30 June 2024			
	Gross amount		Impairment loss allowance	
	Amount	%	Amount	%
Within 1 year (inclusive)	35,857,225,354	97.13%	(69,843,147)	0.19%
1 – 2 years (inclusive)	261,041,162	0.71%	(36,765,339)	14.08%
2 – 3 years (inclusive)	222,082,276	0.60%	(62,768,312)	28.26%
More than 3 years	574,802,011	1.56%	(348,208,323)	60.58%
Total	36,915,150,803	100.00%	(517,585,121)	1.40%

	As at 31 December 2023			
	Gross amount		Impairment loss allowance	
	Amount	%	Amount	%
Within 1 year (inclusive)	33,483,308,450	96.98%	(79,430,284)	0.24%
1 – 2 years (inclusive)	299,725,956	0.87%	(42,408,901)	14.15%
2 – 3 years (inclusive)	232,014,726	0.67%	(75,044,921)	32.34%
More than 3 years	512,026,792	1.48%	(320,697,718)	62.63%
Total	34,527,075,924	100.00%	(517,581,824)	1.50%

*(Expressed in RMB, unless otherwise stated)***28. ACCOUNTS RECEIVABLE** *(continued)***(c) Analysis of the movement in impairment loss allowance:**

	Six months ended 30 June 2024	Year ended 31 December 2023
At the beginning of the period/year	517,581,824	522,324,087
Provided for the period/year	71,042,499	112,811,065
Reversed for the period/year	(71,580,870)	(118,907,833)
Effect of changes in exchange rates and others	541,668	1,354,505
At the end of the period/year	517,585,121	517,581,824

	As at 30 June 2024			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	84,229,671	100,533,159	332,822,291	517,585,121

	As at 31 December 2023			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	79,647,544	94,169,487	343,764,793	517,581,824

29. RECEIVABLE FROM MARGIN CLIENTS

(a) Analysed by nature:

	As at 30 June 2024	As at 31 December 2023
Individuals	27,187,743,762	29,594,022,981
Institutions	4,894,141,675	5,075,335,319
Subtotal	32,081,885,437	34,669,358,300
Accrued interests	1,281,650,391	1,300,923,579
Less: Impairment loss allowance	(146,405,662)	(160,714,128)
Total	33,217,130,166	35,809,567,751

(b) Analysed by fair value of collaterals of margin financing and securities lending business:

	As at 30 June 2024	As at 31 December 2023
Stocks	82,484,040,007	94,859,724,855
Funds	6,945,916,337	11,441,774,345
Cash	4,046,239,946	4,725,196,960
Debt securities	64,535,495	125,059,295
Total	93,540,731,785	111,151,755,455

*(Expressed in RMB, unless otherwise stated)***29. RECEIVABLE FROM MARGIN CLIENTS** *(continued)***(c) Analysis of the movement in impairment loss allowance:**

	Six months ended 30 June 2024	Year ended 31 December 2023
At the beginning of the period/year	160,714,128	142,543,897
Provided for the period/year	36,441,366	65,795,583
Reversed for the period/year	(50,776,208)	(47,830,588)
Effect of changes in exchange rates and others	26,376	205,236
At the end of the period/year	146,405,662	160,714,128

	As at 30 June 2024			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	145,226,557	254,138	924,967	146,405,662

	As at 31 December 2023			
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	Total
Impairment loss allowance	160,714,128	-	-	160,714,128

30. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Analysed by type:

Current

	As at 30 June 2024	As at 31 December 2023
Debt securities	78,510,476,492	65,619,113,753

(b) Analysed by listing status:

Current

	As at 30 June 2024	As at 31 December 2023
Listed		
– In Hong Kong, China	4,719,588,485	2,123,179,346
– Outside Hong Kong, China	73,250,384,250	63,495,934,407
Unlisted	540,503,757	–
Total	78,510,476,492	65,619,113,753

(c) Analysis of the movement in impairment loss allowance:

	Six months ended 30 June 2024	Year ended 31 December 2023
At the beginning of the period/year	69,798,263	72,118,572
Provided for the period/year	88,871,313	61,548,786
Reversed for the period/year	(53,823,059)	(63,869,095)
At the end of the period/year	104,846,517	69,798,263

*(Expressed in RMB, unless otherwise stated)***30. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME***(continued)***(c) Analysis of the movement in impairment loss allowance:** *(continued)*

	As at 30 June 2024			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	104,846,517	–	–	104,846,517

	As at 31 December 2023			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Impairment loss allowance	69,798,263	–	–	69,798,263

31. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Analysed by type:

Non-current

	As at 30 June 2024	As at 31 December 2023
Equity instruments	1,719,564,549	–

(b) Analysed by listing status:

Non-current

	As at 30 June 2024	As at 31 December 2023
Listed – Outside Hong Kong, China	1,719,564,549	–

Equity instruments at FVOCI are non-traded equity instruments held by the Group. As the equity instruments are not held for trading purpose, the Group has designated these investments as equity instruments at FVOCI.

For the six months ended 30 June 2024, the losses from equity instruments at FVOCI recognised in other comprehensive income amounted to RMB80,810,584, and the dividend income from equity instruments at FVOCI amounted to RMB76,421,358.

As a result of the change in investment strategy, the Group disposed of certain equity instrument at FVOCI and the corresponding losses of RMB20,884,557 was reclassified from other comprehensive income to retained earnings. The fair value of the equity instruments at the date of derecognition amounted to RMB334,671,340. The dividend income related to equity instruments at FVOCI derecognised during the reporting period amounted to RMB15,776,430.

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32. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	As at 30 June 2024		
	Notional amount	Fair value	
		Assets	Liabilities
Hedging instruments (a)			
– Interest rate contracts	21,167,720,000	10,749,937	(244,759,208)
Non-hedging instruments			
– Interest rate contracts	409,133,818,333	1,986,075,156	(2,434,931,685)
– Currency contracts	221,315,865,843	1,275,307,365	(797,679,119)
– Equity contracts	258,619,896,192	6,839,108,238	(6,226,324,338)
– Credit contracts	8,701,521,600	40,931,075	(176,505)
– Other contracts (Note)	135,489,960,604	1,367,790,411	(1,343,856,579)
Total	1,054,428,782,572	11,519,962,182	(11,047,727,434)

	As at 31 December 2023		
	Notional amount	Fair value	
		Assets	Liabilities
Hedging instruments (a)			
-Interest rate contracts	17,998,480,000	65,189,075	(22,882,355)
-Currency contracts	722,090,400	–	(4,596,914)
Non-hedging instruments			
– Interest rate contracts	374,618,428,768	1,594,759,223	(1,713,235,389)
– Currency contracts	171,644,582,169	927,092,799	(1,218,399,397)
– Equity contracts	387,431,328,523	8,343,670,758	(5,701,535,909)
– Credit contracts	11,325,691,600	105,766,951	(212,227)
– Other contracts (Note)	108,870,489,635	968,913,718	(885,779,845)
Total	1,072,611,091,095	12,005,392,524	(9,546,642,036)

Note: Other contracts mainly include commodity options and commodity futures.

Under a daily mark-to-market settlement arrangement, any gains or losses of the Group's positions in futures contracts in Chinese mainland are settled on a daily basis. As at 30 June 2024, the fair value of those unexpired daily settled future contracts was RMB796,286,172 (31 December 2023: RMB598,627,695).

32. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) *(continued)***(a) Hedging instruments****(i) Fair value hedges**

Fair value hedges are used by the Group to protect against changes in the fair value of financial liabilities due to movements in market interest rates. Interest rate swaps are used to hedge the interest rate risk of the selected long-term debt securities issued.

The gains/(losses) of fair value hedges are presented as follows:

	Six months ended 30 June	
	2024	2023
Gains/(losses) arising from fair value hedges, net:		
Interest rate contracts	(272,708,355)	(131,656,292)
Hedged items attributable to the hedged risk	281,946,092	117,619,272
Total	9,237,737	(14,037,020)

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

	As at 30 June 2024			
	Less than 6 months (inclusive)	6 months to 12 months (inclusive)	More than 12 months	Total
Hedging instruments-interest rate contracts	–	–	21,167,720,000	21,167,720,000

	As at 31 December 2023			
	Less than 6 months (inclusive)	6 months to 12 months (inclusive)	More than 12 months	Total
Hedging instruments-interest rate contracts	500,000,000	–	17,498,480,000	17,998,480,000

32. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) *(continued)***(a) Hedging instruments** *(continued)***(i) Fair value hedges** *(continued)*

Details of the Group's hedged risk exposure in fair value hedges strategy are set out below:

Long-term debt securities issued	As at 30 June 2024	As at 31 December 2023
Carrying amount of hedged items	21,339,260,039	18,321,073,414
Accumulated adjustments to the fair value of hedged items	(162,747,114)	45,127,039

(ii) Hedges of net investments in foreign operations

The Group's interim condensed consolidated financial position is affected by the gain or loss through currency fluctuations as the Company and its subsidiaries have different functional currencies. The Group hedges such foreign exchange exposure in limited circumstances. The Group hedges exchange exposures using foreign exchange forward contracts for certain net investments in foreign operations. Under the hedging relationships, the Group separates the forward element and the spot element of a forward contract and designates only the change in the value of the spot element of the forward contract as the hedging instrument. There was no hedge ineffectiveness for the six months ended 30 June 2024 and ended 30 June 2023.

For the six months ended 30 June 2024, the net losses from the hedging instruments recognised in other comprehensive income amounted to RMB1,696,923 (Six months ended 30 June 2023: net gains of RMB3,391,000). For the six months ended 30 June 2024, the net losses associated with forward elements of forward contracts recognised in profit or loss amounted to RMB10,543,884 (Six months ended 30 June 2023: RMB665,328).

As at 30 June 2024, there is no hedging instruments designated as hedges of net investments in foreign operations by the Group (31 December 2023: the notional amount of RMB722,090,400; the remaining maturity date is within 6 months).

33. CASH HELD ON BEHALF OF CLIENTS

The Group maintains segregated deposit accounts with banks and authorised institutions to hold client monies arising from its ordinary course of business. The Group has classified their client monies as cash held on behalf of clients under current assets of the interim condensed consolidated statement of financial position and recognised the corresponding current liabilities, in particular, accounts payable to brokerage clients and accounts payable to underwriting clients, on the grounds that the Group is liable for any misappropriation of their clients' monies. In Chinese mainland, clients' monies are restricted and governed by relevant third-party deposit regulations issued by the China Securities Regulatory Commission (the "CSRC"). In Hong Kong SAR, clients' monies are restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

34. CASH AND BANK BALANCES

	As at 30 June 2024	As at 31 December 2023
Cash on hand	88,008	87,530
Deposits with banks	51,509,182,460	58,218,963,250
Deposits with clearing houses	11,381,335,786	13,789,126,186
Subtotal	62,890,606,254	72,008,176,966
Accrued interests	180,021,745	128,602,143
Less: Impairment loss allowance	(517,767)	(1,018,163)
Total	63,070,110,232	72,135,760,946

35. CASH AND CASH EQUIVALENTS

	As at 30 June 2024	As at 31 December 2023
Cash on hand	88,008	87,530
Deposits with banks	51,509,182,460	58,218,963,250
Deposits with clearing houses	11,381,335,786	13,789,126,186
Subtotal	62,890,606,254	72,008,176,966
Less: Restricted bank deposits	(1,094,271,726)	(1,078,011,347)
Total	61,796,334,528	70,930,165,619

The restricted bank deposits mainly include the risk reserve deposits held for asset management business and temporary deposits held on behalf of non-brokerage clients.

*(Expressed in RMB, unless otherwise stated)***36. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

	As at 30 June 2024		
	Financial liabilities held for trading	Financial liabilities designated as at fair value through profit or loss	Total
Equity securities	1,617,170,224	27,372,753,902	28,989,924,126
Debt securities	688,645,230	3,942,531,543	4,631,176,773
Funds and others	79,249,421	–	79,249,421
Total	2,385,064,875	31,315,285,445	33,700,350,320

	As at 31 December 2023		
	Financial liabilities held for trading	Financial liabilities designated as at fair value through profit or loss	Total
Equity securities	2,607,124,720	33,237,496,230	35,844,620,950
Debt securities	471,493,768	4,122,271,849	4,593,765,617
Funds and others	72,726,647	–	72,726,647
Total	3,151,345,135	37,359,768,079	40,511,113,214

Note 1: As at 30 June 2024 and 31 December 2023, there were no significant changes in fair values of financial liabilities designated as at fair value through profit or loss as a result of changes in the credit risk of the Group.

Note 2: The Group's financial liabilities designated at fair value through profit or loss are mainly equity-linked instruments, and their fair values are linked to stocks, indices, etc.

37. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

	As at 30 June 2024	As at 31 December 2023
Client deposits for brokerage trading	74,936,334,337	74,900,262,176
Client deposits for margin financing and securities lending	7,085,202,210	7,400,230,234
Subtotal	82,021,536,547	82,300,492,410
Accrued interests	10,468,976	10,522,022
Total	82,032,005,523	82,311,014,432

Accounts payable to brokerage clients represents the monies received from and repayable to brokerage clients, which are mainly held at banks and clearing houses.

Accounts payable to brokerage clients are interest-bearing at the prevailing interest rate.

The balance of the accounts payable includes certain margin deposits and cash collaterals received from clients for their margin financing and securities lending activities under ordinary course of business. Only the amounts in excess of the required amount of margin deposits and cash collaterals are repayable on demand.

*(Expressed in RMB, unless otherwise stated)***38. PLACEMENTS FROM FINANCIAL INSTITUTIONS****(a) Analysed by funding source:**

	As at 30 June 2024	As at 31 December 2023
Placements from banks	29,099,094,800	43,539,461,810
Placements from China Securities Finance Corporation Limited	1,980,000,000	1,200,000,000
Subtotal	31,079,094,800	44,739,461,810
Accrued interests	18,163,776	234,933,009
Total	31,097,258,576	44,974,394,819

(b) Analysed by residual maturity:

	As at 30 June 2024		As at 31 December 2023	
	Book value	Range of interest rate	Book value	Range of interest rate
Within 1 month (inclusive)	29,110,098,854	1.60%-5.77%	37,550,911,684	0.85% – 6.50%
1 – 3 months (inclusive)	502,977,361	2.21%	5,672,896,110	2.77% – 6.28%
3 months – 1 year (inclusive)	1,484,182,361	2.03%-2.20%	1,750,587,025	2.93% – 6.53%
Total	31,097,258,576		44,974,394,819	

39. SHORT-TERM DEBT SECURITIES ISSUED

(a) Beneficiary certificates:

Name	Book value as at			Book value as at
	31 December 2023	Increase	Decrease	30 June 2024
Beneficiary certificates	13,953,759,541	20,599,182,243	(19,161,790,049)	15,391,151,735

Name	Book value as at			Book value as at
	31 December 2022	Increase	Decrease	31 December 2023
Beneficiary certificates	15,724,961,356	43,072,392,997	(44,843,594,812)	13,953,759,541

The Group has issued beneficiary certificates bearing nominal interest at:

- fixed rates, ranging from 1.70% to 6.39% per annum;
- a fixed rate plus a floating rate; or
- a floating rate.

The floating interest rate is calculated based on stock indices such as Shanghai & Shenzhen 300 Index and China Securities Index 500, individual stocks, prices of commodity products or United States dollar (“USD”) index.

(b) Short-term corporate bonds:

Name	Interest commencement date	Maturity date	Principal	Nominal interest rate	Book value as at			Book value as at
	31 December 2023				Increase	Decrease	30 June 2024	
23 CICC WMS S1	18/05/2023	18/05/2024	3,000,000,000	2.52%	3,046,050,277	29,694,798	(3,075,745,075)	-

Name	Interest commencement date	Maturity date	Principal	Nominal interest rate	Book value as at			Book value as at
	31 December 2022				Increase	Decrease	31 December 2023	
22 CICC WMS S1	11/08/2022	11/08/2023	2,000,000,000	2.04%	2,014,722,316	26,173,948	(2,040,896,264)	-
23 CICC WMS S1	18/05/2023	18/05/2024	3,000,000,000	2.52%	-	3,049,191,786	(3,141,509)	3,046,050,277
Total					2,014,722,316	3,075,365,734	(2,044,037,773)	3,046,050,277

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

39. SHORT-TERM DEBT SECURITIES ISSUED (continued)

(c) Commercial papers:

Name	Interest commencement date	Maturity date	Maturity date	Nominal interest rate	Book value as at 31 December 2023	Increase	Decrease	Book value as at 30 June 2024
24 CICC CP001	06/06/2024	08/07/2024	820,000,000	1.87%	-	821,008,263	-	821,008,263

(d) Structured notes:

Name	Book value as at 31 December 2023			Book value as at 30 June 2024
	2023	Increase	Decrease	2024
Structured notes (i)	286,986,740	1,315,556,017	(703,767,083)	898,775,674

Name	Book value as at 31 December 2022	Increase	Decrease	Book value as at 31 December 2023
Structured notes (i)	812,308,285	1,722,142,274	(2,247,463,819)	286,986,740

- (i) The notes were issued bearing nominal interest rates ranging from 0.08% to 5.73% per annum. The notes are for maturities of 3 days to 365 days.

40. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS (“REPOS”)

(a) Analysed by collateral type:

	As at 30 June 2024	As at 31 December 2023
Stocks	812,285,200	3,188,530,021
Debt securities	63,043,464,895	56,336,374,839
Others	4,593,614,672	5,314,585,787
Subtotal	68,449,364,767	64,839,490,647
Accrued interests	130,830,833	59,575,077
Total	68,580,195,600	64,899,065,724

(b) Analysed by market:

	As at 30 June 2024	As at 31 December 2023
Inter-bank market	51,346,863,216	52,765,929,698
Stock exchanges	5,958,944,340	6,083,689,315
Over-the-counter market	11,274,388,044	6,049,446,711
Total	68,580,195,600	64,899,065,724

As at 30 June 2024, the Group's pledged collateral in connection with its repurchase financing business amounted to RMB69,675,579,029 (31 December 2023: RMB67,812,855,016).

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. CONTRACT LIABILITIES

	As at 30 June 2024	As at 31 December 2023
Asset management services	257,833,029	179,666,997
Investment banking services	232,330,668	214,933,825
Others	15,238,977	16,673,705
Total	505,402,674	411,274,527

42. OTHER CURRENT LIABILITIES

	As at 30 June 2024	As at 31 December 2023
Trade payable	88,661,281,477	95,534,985,616
Accrued expenses	1,565,343,396	1,427,743,208
Dividends payable (Note 1)	1,529,506,236	294,600,000
Payables to other investors of consolidated structured entities (Note 2)	170,896,112	63,443,432
Sundry tax payable	177,365,635	447,503,119
Provisions	166,565,882	163,896,715
Others	930,541,405	1,161,528,107
Total	93,201,500,143	99,093,700,197

Note 1: As at 30 June 2024, dividends payable included distribution to holders of perpetual subordinated bonds of RMB660,600,000 (31 December 2023: RMB294,600,000). As at 30 June 2024, dividends payable to ordinary shareholders was RMB868,906,236.

Note 2: For each reporting period, the consolidation scope of structured entities varies due to the addition of structured entities which meet the consolidation criteria or due to the liquidation of the consolidated structured entities or changes in the Group's interests therein.

43. LONG-TERM DEBT SECURITIES ISSUED

(a) Corporate bonds:

Name	Interest commencement		Interest payment	Principal	Nominal interest rate	Book value as at			Book value as at 30 June 2024
	date	Maturity date				31 December 2023	Increase	Decrease	
20 CICC G2 (ii)	03/04/2020	03/04/2027	Annually	1,000,000,000	3.25%	1,024,153,005	16,182,614	(32,500,000)	1,007,835,619
20 CICC G4 (iii)	06/05/2020	06/05/2027	Annually	700,000,000	2.88%	713,164,590	10,033,218	(20,160,000)	703,037,808
20 CICC I2 (iv)	19/10/2020	19/10/2025	Annually	2,500,000,000	2.95%	2,514,709,699	36,673,497	-	2,551,383,196
20 CICC I4 (v)	28/10/2020	28/10/2025	Annually	3,000,000,000	2.90%	2,472,675,768	35,477,966	-	2,508,153,734
21 CICC F2 (vi)	18/01/2021	18/01/2026	Annually	2,500,000,000	3.75%	2,589,126,712	4,623,288	(2,593,750,000)	-
21 CICC F4 (vii)	04/03/2021	04/03/2026	Annually	2,000,000,000	3.82%	2,063,040,437	13,359,563	(2,076,400,000)	-
21 CICC G1 (viii)	16/03/2021	16/03/2026	Annually	2,000,000,000	3.58%	2,056,732,240	14,867,760	(2,071,600,000)	-
21 CICC G2	16/03/2021	16/03/2031	Annually	2,000,000,000	4.10%	2,064,972,678	40,841,021	(82,000,000)	2,023,813,699
21 CICC G3 (ix)	25/03/2021	25/03/2026	Annually	1,500,000,000	3.51%	1,540,422,541	12,227,459	(1,552,650,000)	-
21 CICC G4	25/03/2021	25/03/2031	Annually	2,500,000,000	4.07%	2,578,119,535	50,670,875	(101,750,000)	2,527,040,410
21 CICC F6 (x)	13/04/2021	13/04/2026	Annually	3,500,000,000	3.70%	3,592,702,186	36,797,814	(3,629,500,000)	-
21 CICC G5 (xi)	16/08/2021	16/08/2026	Annually	1,000,000,000	3.04%	1,011,379,235	15,116,940	-	1,026,496,175
21 CICC G6 (xii)	16/08/2021	16/08/2028	Annually	1,500,000,000	3.39%	1,519,034,016	25,286,066	-	1,544,320,082
21 CICC G7	08/12/2021	08/12/2024	Annually	2,500,000,000	2.97%	2,504,665,984	36,922,128	-	2,541,588,112
21 CICC G8	08/12/2021	08/12/2031	Annually	1,000,000,000	3.68%	1,002,312,568	18,299,454	-	1,020,612,022
22 CICC G1 (xiii)	29/11/2022	29/11/2027	Annually	2,500,000,000	2.94%	2,506,426,780	36,549,180	-	2,542,975,960
22 CICC G2	29/11/2022	29/11/2032	Annually	2,000,000,000	3.52%	2,006,155,718	35,007,653	-	2,041,163,371
22 CICC G3 (xiv)	16/12/2022	16/12/2025	Annually	1,000,000,000	3.36%	1,001,377,049	16,708,197	-	1,018,085,246
23 CICC G1 (xix)	17/01/2023	17/01/2026	Annually	1,000,000,000	3.00%	1,027,699,620	15,224,352	(30,000,000)	1,012,923,972
23 CICC G2 (xx)	17/01/2023	17/01/2028	Annually	3,000,000,000	3.18%	3,087,422,720	48,045,872	(95,400,000)	3,040,068,592
23 CICC G3 (xxi)	06/06/2023	06/06/2028	Annually	5,000,000,000	2.87%	5,074,614,565	72,697,276	(143,500,000)	5,003,811,841
23 CICC G5 (xxii)	24/07/2023	24/07/2028	Annually	3,000,000,000	2.69%	3,030,902,630	40,563,498	-	3,071,466,128
23 CICC G6 (xxiii)	24/07/2023	24/07/2030	Annually	2,000,000,000	3.03%	2,023,373,690	30,302,720	-	2,053,676,410
23 CICC F1 (xxiv)	28/08/2023	28/08/2028	Annually	1,000,000,000	2.80%	1,008,638,933	13,992,285	-	1,022,631,218
23 CICC F2 (xxv)	28/08/2023	28/08/2030	Annually	4,000,000,000	3.06%	4,037,916,391	61,025,315	-	4,098,941,706
23 CICC F3 (xxvi)	18/09/2023	18/09/2026	Annually	2,000,000,000	2.89%	2,014,635,514	29,091,241	-	2,043,726,755
23 CICC F4 (xxvii)	18/09/2023	18/09/2028	Annually	3,000,000,000	2.99%	3,022,657,333	44,948,203	-	3,067,605,536
23 CICC G7 (xxviii)	21/12/2023	21/12/2028	Annually	3,000,000,000	2.85%	3,002,336,066	42,516,393	(3,353,167)	3,041,499,292
23 CICC G8 (xxix)	21/12/2023	21/12/2030	Annually	1,000,000,000	3.03%	1,000,827,869	15,067,213	(1,212,858)	1,014,682,224
24 CICC G1 (xxx)	04/03/2024	04/03/2028	Annually	2,500,000,000	2.39%	-	2,519,316,438	(4,266,729)	2,515,049,709
24 CICC G2 (xxxi)	04/03/2024	04/03/2029	Annually	1,500,000,000	2.44%	-	1,511,832,329	(2,724,631)	1,509,107,698
24 CICC G3	04/03/2024	04/03/2034	Annually	1,000,000,000	2.70%	-	1,008,728,767	(1,970,373)	1,006,758,394
20 CICC WMS G3	21/10/2020	21/10/2025	Annually	1,000,000,000	4.20%	1,007,969,248	20,912,316	-	1,028,881,564

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43. LONG-TERM DEBT SECURITIES ISSUED (continued)

(a) Corporate bonds: (continued)

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at			Book value as at
						31 December 2023	Increase	Decrease	30 June 2024
20 CICC WMS G6 (xv)	15/12/2020	15/12/2025	Annually	1,000,000,000	2.97%	296,280,039	4,391,835	-	300,671,874
21 CICC WMS G2 (xvi)	26/03/2021	26/03/2026	Annually	3,000,000,000	2.75%	3,082,246,095	42,126,985	(919,543,373)	2,204,829,707
21 CICC WMS G3 (xvii)	22/04/2021	22/04/2026	Annually	3,000,000,000	2.51%	3,071,996,334	2,408,523,661	(2,456,615,873)	3,023,904,122
21 CICC WMS G4	22/04/2021	22/04/2026	Annually	2,000,000,000	3.84%	2,052,028,797	38,383,085	(76,803,623)	2,013,608,259
21 CICC WMS G5 (xviii)	09/12/2021	09/12/2026	Annually	3,000,000,000	3.06%	3,003,127,958	45,957,561	-	3,049,085,519
22 CICC WMS G1	08/03/2022	08/03/2025	Annually	1,500,000,000	3.07%	1,536,835,632	23,209,198	(46,052,172)	1,513,992,658
22 CICC WMS G2	08/03/2022	08/03/2027	Annually	500,000,000	3.49%	513,815,062	8,725,953	(17,450,823)	505,090,192
22 CICC WMS G3	18/07/2022	18/07/2025	Annually	2,000,000,000	2.83%	2,024,874,857	28,793,900	(628,962)	2,053,039,795
22 CICC WMS G4	18/07/2022	18/07/2027	Annually	1,000,000,000	3.20%	1,013,935,133	16,079,245	(314,434)	1,029,699,944
22 CICC WMS G5	29/08/2022	29/08/2025	Annually	1,500,000,000	2.69%	1,512,997,039	20,536,025	(471,698)	1,533,061,366
22 CICC WMS G6	29/08/2022	29/08/2027	Annually	1,500,000,000	3.06%	1,514,628,697	23,067,480	(471,698)	1,537,224,479
23 CICC WMS G1	13/04/2023	13/04/2026	Annually	1,500,000,000	3.02%	1,531,518,325	22,890,980	(45,773,835)	1,508,635,470
23 CICC WMS G2	13/04/2023	13/04/2028	Annually	1,500,000,000	3.28%	1,534,185,420	24,646,386	(49,674,019)	1,509,157,787
23 CICC WMS G3	24/08/2023	24/08/2026	Annually	2,000,000,000	2.72%	2,018,762,925	27,522,425	(1,572,358)	2,044,712,992
23 CICC WMS G4	24/08/2023	24/08/2028	Annually	1,000,000,000	3.08%	1,010,647,376	15,507,081	(1,257,830)	1,024,896,627
24 CICC WMS G1	27/05/2024	27/11/2025	Annually	1,000,000,000	2.18%	-	1,002,109,279	(18,868)	1,002,090,411
24 CICC WMS G2	27/05/2024	27/11/2026	Annually	2,000,000,000	2.27%	-	2,004,391,160	(37,736)	2,004,353,424
Total						89,818,045,009	11,686,771,150	(16,059,425,060)	85,445,391,099

43. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at			Book value as at 31 December 2023
						31 December 2022	Increase	Decrease	
20 CICC F1	26/02/2020	26/02/2025	Annually	4,000,000,000	3.20%	4,108,010,959	19,989,041	(4,128,000,000)	-
20 CICC G1	03/04/2020	03/04/2026	Annually	1,500,000,000	2.89%	1,532,304,658	11,045,342	(1,543,350,000)	-
20 CICC G2 (ii)	03/04/2020	03/04/2027	Annually	1,000,000,000	3.25%	1,024,219,178	32,433,827	(32,500,000)	1,024,153,005
20 CICC G3	06/05/2020	06/05/2026	Annually	3,300,000,000	2.37%	3,351,211,479	26,998,521	(3,378,210,000)	-
20 CICC G4 (iii)	06/05/2020	06/05/2027	Annually	700,000,000	2.88%	713,200,658	20,123,932	(20,160,000)	713,164,590
20 CICC F2	28/05/2020	28/05/2025	Annually	3,000,000,000	2.95%	3,052,615,069	35,884,931	(3,088,500,000)	-
20 CICC G5	22/06/2020	22/06/2026	Annually	1,500,000,000	3.10%	1,524,460,274	22,039,726	(1,546,500,000)	-
20 CICC F3	24/07/2020	24/07/2025	Annually	3,000,000,000	3.80%	3,049,972,603	64,027,397	(3,114,000,000)	-
20 CICC 07	10/09/2020	10/09/2025	Annually	5,000,000,000	3.78%	5,057,994,520	131,005,480	(5,189,000,000)	-
20 CICC 09	23/09/2020	23/09/2025	Annually	5,000,000,000	3.80%	5,051,534,247	138,465,753	(5,190,000,000)	-
20 CICC 12 (iv)	19/10/2020	19/10/2025	Annually	2,500,000,000	2.95%	2,518,700,000	89,509,699	(93,500,000)	2,514,709,699
20 CICC 14 (v)	28/10/2020	28/10/2025	Annually	3,000,000,000	2.90%	3,019,357,808	103,517,960	(650,200,000)	2,472,675,768
20 CICC F5	14/12/2020	14/12/2025	Annually	2,500,000,000	4.09%	2,504,762,329	97,487,671	(2,602,250,000)	-
21 CICC F1	18/01/2021	18/01/2024	Annually	2,500,000,000	3.55%	2,584,373,288	4,376,712	(2,588,750,000)	-
21 CICC F2 (vi)	18/01/2021	18/01/2026	Annually	2,500,000,000	3.75%	2,589,126,712	93,750,000	(93,750,000)	2,589,126,712
21 CICC F3	04/03/2021	04/03/2024	Annually	1,500,000,000	3.60%	1,544,679,452	9,320,548	(1,554,000,000)	-
21 CICC F4 (vii)	04/03/2021	04/03/2026	Annually	2,000,000,000	3.82%	2,063,213,151	76,227,286	(76,400,000)	2,063,040,437
21 CICC G1 (viii)	16/03/2021	16/03/2026	Annually	2,000,000,000	3.58%	2,056,887,671	71,444,569	(71,600,000)	2,056,732,240
21 CICC G2	16/03/2021	16/03/2031	Annually	2,000,000,000	4.10%	2,065,150,685	81,821,993	(82,000,000)	2,064,972,678
21 CICC G3 (ix)	25/03/2021	25/03/2026	Annually	1,500,000,000	3.51%	1,540,533,288	52,539,253	(52,650,000)	1,540,422,541
21 CICC G4	25/03/2021	25/03/2031	Annually	2,500,000,000	4.07%	2,578,333,562	101,535,973	(101,750,000)	2,578,119,535
21 CICC F5	13/04/2021	13/04/2024	Annually	1,000,000,000	3.43%	1,024,620,822	9,679,178	(1,034,300,000)	-
21 CICC F6 (x)	13/04/2021	13/04/2026	Annually	3,500,000,000	3.70%	3,592,956,164	129,246,022	(129,500,000)	3,592,702,186
21 CICC G5 (xi)	16/08/2021	16/08/2026	Annually	1,000,000,000	3.04%	1,011,410,411	30,368,824	(30,400,000)	1,011,379,235
21 CICC G6 (xii)	16/08/2021	16/08/2028	Annually	1,500,000,000	3.39%	1,519,086,164	50,797,852	(50,850,000)	1,519,034,016
21 CICC G7	08/12/2021	08/12/2024	Annually	2,500,000,000	2.97%	2,504,678,767	74,237,217	(74,250,000)	2,504,665,984
21 CICC G8	08/12/2021	08/12/2031	Annually	1,000,000,000	3.68%	1,002,318,904	36,793,664	(36,800,000)	1,002,312,568
22 CICC G1 (xiii)	29/11/2022	29/11/2027	Annually	2,500,000,000	2.94%	2,506,443,835	73,482,945	(73,500,000)	2,506,426,780
22 CICC G2	29/11/2022	29/11/2032	Annually	2,000,000,000	3.52%	2,006,172,054	70,383,664	(70,400,000)	2,006,155,718
22 CICC G3 (xiv)	16/12/2022	16/12/2025	Annually	1,000,000,000	3.36%	1,001,380,822	33,596,227	(33,600,000)	1,001,377,049
23 CICC G1 (xix)	17/01/2023	17/01/2026	Annually	1,000,000,000	3.00%	-	1,028,602,740	(903,120)	1,027,699,620
23 CICC G2 (xx)	17/01/2023	17/01/2028	Annually	3,000,000,000	3.18%	-	3,090,956,712	(3,533,992)	3,087,422,720

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43. LONG-TERM DEBT SECURITIES ISSUED (continued)

(a) Corporate bonds: (continued)

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at			Book value as at
						31 December 2022	Increase	Decrease	31 December 2023
23 CICC G3 (xxi)	06/06/2023	06/06/2028	Annually	5,000,000,000	2.87%	-	5,081,551,913	(6,937,348)	5,074,614,565
23 CICC G5 (xxii)	24/07/2023	24/07/2028	Annually	3,000,000,000	2.69%	-	3,035,278,688	(4,376,058)	3,030,902,630
23 CICC G6 (xxiii)	24/07/2023	24/07/2030	Annually	2,000,000,000	3.03%	-	2,026,491,804	(3,118,114)	2,023,373,690
23 CICC F1 (xxiv)	28/08/2023	28/08/2028	Annually	1,000,000,000	2.80%	-	1,009,562,842	(923,909)	1,008,638,933
23 CICC F2 (xxv)	28/08/2023	28/08/2030	Annually	4,000,000,000	3.06%	-	4,041,803,279	(3,886,888)	4,037,916,391
23 CICC F3 (xxvi)	18/09/2023	18/09/2026	Annually	2,000,000,000	2.89%	-	2,016,424,044	(1,788,530)	2,014,635,514
23 CICC F4 (xxvii)	18/09/2023	18/09/2028	Annually	3,000,000,000	2.99%	-	3,025,488,525	(2,831,192)	3,022,657,333
23 CICC G7 (xxviii)	21/12/2023	21/12/2028	Annually	3,000,000,000	2.85%	-	3,002,336,066	-	3,002,336,066
23 CICC G8 (xxix)	21/12/2023	21/12/2030	Annually	1,000,000,000	3.03%	-	1,000,827,869	-	1,000,827,869
20 CICC WMS G1	16/01/2020	16/01/2025	Annually	2,000,000,000	3.44%	2,064,960,293	3,937,292	(2,068,897,585)	-
20 CICC WMS F1	09/04/2020	09/04/2025	Annually	3,000,000,000	3.17%	3,068,226,259	27,019,736	(3,095,245,995)	-
20 CICC WMS F2	28/07/2020	28/07/2023	Annually	2,000,000,000	3.80%	2,032,315,136	43,782,789	(2,076,097,925)	-
20 CICC WMS G2	21/10/2020	21/10/2025	Annually	2,000,000,000	3.77%	2,013,913,624	61,584,272	(2,075,497,896)	-
20 CICC WMS G3	21/10/2020	21/10/2025	Annually	1,000,000,000	4.20%	1,007,802,912	42,168,317	(42,001,981)	1,007,969,248
20 CICC WMS G5	24/11/2020	24/11/2025	Annually	1,000,000,000	3.98%	1,003,688,209	36,464,093	(1,040,152,302)	-
20 CICC WMS G6 (xv)	15/12/2020	15/12/2025	Annually	1,000,000,000	2.97%	1,001,329,857	37,788,460	(742,838,278)	296,280,039
21 CICC WMS G1	26/03/2021	26/03/2024	Annually	2,000,000,000	3.44%	2,051,730,271	17,167,314	(2,068,897,585)	-
21 CICC WMS G2 (xvi)	26/03/2021	26/03/2026	Annually	3,000,000,000	3.65%	3,083,262,169	111,319,280	(112,335,354)	3,082,246,095
21 CICC WMS G3 (xvii)	22/04/2021	22/04/2026	Annually	3,000,000,000	3.55%	3,073,052,988	108,278,558	(109,335,212)	3,071,996,334
21 CICC WMS G4	22/04/2021	22/04/2026	Annually	2,000,000,000	3.84%	2,051,449,139	77,383,281	(76,803,623)	2,052,028,797
21 CICC WMS G5 (xviii)	09/12/2021	09/12/2026	Annually	3,000,000,000	3.06%	3,004,539,314	93,223,163	(94,634,519)	3,003,127,958
22 CICC WMS G1	08/03/2022	08/03/2025	Annually	1,500,000,000	3.07%	1,537,115,285	47,159,312	(47,438,965)	1,536,835,632
22 CICC WMS G2	08/03/2022	08/03/2027	Annually	500,000,000	3.49%	514,074,684	17,653,465	(17,913,087)	513,815,062
22 CICC WMS G3	18/07/2022	18/07/2025	Annually	2,000,000,000	2.83%	2,025,306,358	57,428,999	(57,860,500)	2,024,874,857
22 CICC WMS G4	18/07/2022	18/07/2027	Annually	1,000,000,000	3.20%	1,014,324,586	32,241,019	(32,630,472)	1,013,935,133
22 CICC WMS G5	29/08/2022	29/08/2025	Annually	1,500,000,000	2.69%	1,513,356,755	40,935,584	(41,295,300)	1,512,997,039
22 CICC WMS G6	29/08/2022	29/08/2027	Annually	1,500,000,000	3.06%	1,515,233,370	46,240,888	(46,845,561)	1,514,628,697
23 CICC WMS G1	13/04/2023	13/04/2026	Annually	1,500,000,000	3.02%	-	1,533,008,891	(1,490,566)	1,531,518,325
23 CICC WMS G2	13/04/2023	13/04/2028	Annually	1,500,000,000	3.28%	-	1,535,675,986	(1,490,566)	1,534,185,420
23 CICC WMS G3	24/08/2023	24/08/2026	Annually	2,000,000,000	2.72%	-	2,019,492,831	(729,906)	2,018,762,925
23 CICC WMS G4	24/08/2023	24/08/2028	Annually	1,000,000,000	3.08%	-	1,011,011,810	(364,434)	1,010,647,376
Total						103,275,390,743	37,152,421,029	(50,609,766,763)	89,818,045,009

43. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (i) The nominal value of the corporate bonds issued by the Group is RMB100 each.
- (ii) The Company has an option to adjust the nominal interest rate at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (iii) The Company has an option to adjust the nominal interest rate at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (iv) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell the RMB929.5 million bonds back to the Company. The Company resold such bonds in full and had the bonds with a residual principal amount of RMB2,500 million in duration period.
- (v) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the Investors chose to sell the RMB989.8 million bonds back to the Company. The Company resold RMB450 million bonds and had the bonds with a residual principal amount of RMB2,460.2 million in duration period.
- (vi) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell all bonds back to the Company. The Company repaid the principal and the corresponding interest.
- (vii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell all bonds back to the Company. The Company repaid the principal and the corresponding interest.
- (viii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell all bonds back to the Company. The Company repaid the principal and the corresponding interest.

43. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (ix) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell all bonds back to the Company. The Company repaid the principal and the corresponding interest.
- (x) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. The Company chose to lower the nominal interest rate at the end of the third year of the bond's duration period and the investors chose to sell all bonds back to the Company. The Company repaid the principal and the corresponding interest.
- (xi) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xii) The Company has an option to adjust the nominal interest rate at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xiii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xiv) The Company has an option to adjust the nominal interest rate at the end of the second year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xv) CICC Wealth Management has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. CICC Wealth Management chose to lower the nominal interest rate at the end of the third year of the bond's duration period. Investors chose to sell the RMB704 million bonds back to CICC Wealth Management. CICC Wealth Management had the bonds with a residual principal amount of RMB296 million in duration period.
- (xvi) CICC Wealth Management has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. CICC Wealth Management chose to lower the nominal interest rate at the end of the third year of the bond's duration period. Investors chose to sell the RMB810 million bonds back to CICC Wealth Management. CICC Wealth Management had the bonds with a residual principal amount of RMB2,190 million in duration period.

43. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (xvii) CICC Wealth Management has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly. CICC Wealth Management chose to lower the nominal interest rate at the end of the third year of the bond's duration period. Investors chose to sell the RMB2,350 million bonds back to CICC Wealth Management. CICC Wealth Management resold such bonds in full and had the bonds with a residual principal amount of RMB3,000 million in duration period.
- (xviii) CICC Wealth Management has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xix) The Company has an option to adjust the nominal interest rate at the end of the second year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xx) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxi) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxiii) The Company has an option to adjust the nominal interest rate at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxiv) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

43. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (xxv) The Company has an option to adjust the nominal interest rate on at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxvi) The Company has an option to adjust the nominal interest rate at the end of the second year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxvii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxvii) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxix) The Company has an option to adjust the nominal interest rate at the end of the fifth year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxx) The Company has an option to adjust the nominal interest rate at the end of the second year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

- (xxxi) The Company has an option to adjust the nominal interest rate at the end of the third year of the bond's duration period and an obligation to redeem the bonds when requested by the investors accordingly.

43. LONG-TERM DEBT SECURITIES ISSUED (continued)

(b) MTNs:

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at 31 December 2023			Book value as at 30 June 2024
						Increase	Decrease		
MTN	26/01/2021	26/01/2024	Semi-annually	USD1,000 million	1.625%	7,131,614,751	33,508,499	(7,165,123,250)	-
MTN	26/01/2021	26/01/2026	Semi-annually	USD500 million	2.00%	3,566,890,075	58,867,826	(35,522,000)	3,590,235,901
MTN	21/03/2022	21/03/2025	Semi-annually	USD600 million	2.875%	4,269,410,136	93,404,685	(61,209,900)	4,301,604,921
MTN	22/11/2022	22/11/2025	Semi-annually	USD650 million	5.42%	4,609,179,963	140,017,767	(125,188,044)	4,624,009,686
MTN	01/03/2023	01/03/2026	Semi-annually	USD1,250 million	5.493%	9,022,138,585	244,884,806	(262,891,991)	9,004,131,400
MTN	18/07/2023	18/07/2026	Semi-annually	USD500 million	5.442%	3,643,994,632	97,367,380	(120,277,326)	3,621,084,686
MTN	18/01/2024	18/01/2027	Semi-annually	USD500 million	5.012%	-	3,639,565,028	(62,283,854)	3,577,281,174
					SOFR				
					Compounded				
MTN	18/01/2024	18/01/2027	Quarterly	USD700 million	Index+0.95%	-	5,124,736,988	(79,150,260)	5,045,586,728
Total						32,243,228,142	9,432,352,979	(79,911,646,625)	33,763,934,496

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at 31 December 2022			Book value as at 31 December 2023
						Increase	Decrease		
MTN	18/02/2020	18/02/2023	Quarterly	USD1,000 million	3M LIBOR +0.90%	7,011,174,157	53,613,346	(7,064,787,503)	-
MTN	10/08/2020	10/08/2023	Semi-annually	USD500 million	1.75%	3,502,673,245	137,154,943	(3,639,828,188)	-
MTN	26/01/2021	26/01/2024	Semi-annually	USD1,000 million	1.625%	7,007,124,402	237,492,849	(113,002,500)	7,131,614,751
MTN	26/01/2021	26/01/2026	Semi-annually	USD500 million	2.00%	3,506,173,593	130,256,482	(69,540,000)	3,566,890,075
MTN	21/03/2022	21/03/2025	Semi-annually	USD600 million	2.875%	4,188,030,316	202,497,245	(121,117,425)	4,269,410,136
MTN	22/11/2022	22/11/2025	Semi-annually	USD650 million	5.42%	4,526,208,571	332,685,155	(249,713,763)	4,609,179,963
MTN	01/03/2023	01/03/2026	Semi-annually	USD1,250 million	5.493%	-	9,268,691,890	(246,553,305)	9,022,138,585
MTN	18/07/2023	18/07/2026	Semi-annually	USD500 million	5.442%	-	3,659,909,454	(15,914,822)	3,643,994,632
Total						29,741,384,284	14,022,301,364	(11,520,457,506)	32,243,228,142

(i) The maturity date of floating-rate MTN is the interest payment date falling on or nearest to the date listed above.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

43. LONG-TERM DEBT SECURITIES ISSUED (continued)

(c) Subordinated bonds:

Name	Interest commencement		Payment	Principal	Nominal interest rate	Book value as at			Book value as at 30 June 2024
	Maturity date	Interest date				31 December 2023	Increase	Decrease	
19 CICC C3	14/10/2019	14/10/2024	Annually	1,500,000,000	4.09%	1,513,074,590	30,507,375	-	1,543,581,965
19 CICC C4	11/11/2019	11/11/2024	Annually	1,500,000,000	4.12%	1,508,442,623	30,731,148	-	1,539,173,771
19 CICC C5	05/12/2019	05/12/2024	Annually	2,000,000,000	4.20%	2,005,967,213	41,770,492	-	2,047,737,705
20 CICC C1	17/02/2020	17/02/2025	Annually	1,500,000,000	3.85%	1,550,155,479	28,737,963	(57,750,000)	1,521,143,442
21 CICC C1	08/02/2021	08/02/2024	Annually	1,000,000,000	3.90%	1,034,936,458	7,953,760	(1,042,890,218)	-
21 CICC C2	08/02/2021	08/02/2026	Annually	1,000,000,000	4.49%	1,048,291,448	21,023,894	(47,790,802)	1,021,524,540
23 CICC C1	07/12/2023	07/12/2026	Annually	500,000,000	3.18%	501,042,623	7,906,557	(618,716)	508,330,464
23 CICC C2	07/12/2023	07/12/2028	Annually	2,000,000,000	3.35%	2,004,393,443	33,316,940	(2,704,256)	2,035,006,127
24 CICC C1	18/01/2024	18/01/2027	Annually	500,000,000	2.87%	-	506,430,055	(808,042)	505,622,013
24 CICC C2	18/01/2024	18/01/2029	Annually	1,000,000,000	3.05%	-	1,013,666,667	(1,730,065)	1,011,936,602
20 CICC WMS C1	17/04/2020	17/04/2025	Annually	2,000,000,000	3.80%	2,053,304,062	37,928,672	(76,003,585)	2,015,229,149
21 CICC WMS C1	09/03/2021	09/03/2024	Annually	1,000,000,000	3.98%	1,032,427,430	7,421,617	(1,039,849,047)	-
21 CICC WMS C2	09/03/2021	09/03/2026	Annually	1,000,000,000	4.58%	1,036,911,094	22,820,094	(45,802,160)	1,013,929,028
21 CICC WMS C3	09/04/2021	09/04/2024	Annually	2,000,000,000	3.94%	2,057,368,665	21,529,392	(2,078,898,057)	-
21 CICC WMS C4	09/04/2021	09/04/2026	Annually	1,000,000,000	4.50%	1,032,214,804	22,465,523	(45,002,123)	1,009,678,204
22 CICC WMS C1	24/03/2022	24/03/2025	Annually	1,500,000,000	3.50%	1,540,378,216	26,168,347	(52,502,476)	1,514,044,087
22 CICC WMS C2	24/03/2022	24/03/2027	Annually	500,000,000	3.89%	514,907,527	9,671,347	(19,450,917)	505,127,957
23 CICC WMS C1	13/02/2023	13/02/2026	Annually	2,500,000,000	3.80%	2,582,878,298	47,326,515	(95,004,481)	2,535,200,332
23 CICC WMS C2	13/02/2023	13/02/2028	Annually	500,000,000	4.17%	518,176,367	10,364,719	(20,850,983)	507,690,103
23 CICC WMS C3	26/10/2023	26/10/2026	Annually	2,500,000,000	3.39%	2,511,872,608	42,655,531	(2,830)	2,554,525,309
23 CICC WMS C4	26/10/2023	26/10/2028	Annually	500,000,000	3.70%	502,639,476	9,246,681	(566)	511,885,591
24 CICC WMS C1	15/01/2024	15/01/2027	Annually	1,000,000,000	2.93%	-	1,013,424,621	(18,868)	1,013,405,753
24 CICC WMS C2	15/01/2024	15/01/2029	Annually	2,000,000,000	3.18%	-	2,029,136,914	(37,736)	2,029,099,178
Total						26,549,382,424	5,022,204,824	(4,627,715,928)	26,943,871,320

43. LONG-TERM DEBT SECURITIES ISSUED (continued)**(c) Subordinated bonds:** (continued)

Name	Interest commencement date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value as at			Book value as at 31 December 2023
						31 December 2022	Increase	Decrease	
18 CICC C1	20/04/2018	20/04/2023	Annually	1,000,000,000	5.30%	1,036,236,281	35,560,638	(1,071,796,919)	-
19 CICC C3	14/10/2019	14/10/2024	Annually	1,500,000,000	4.09%	1,513,110,411	61,314,179	(61,350,000)	1,513,074,590
19 CICC C4	11/11/2019	11/11/2024	Annually	1,500,000,000	4.12%	1,508,465,753	61,776,870	(61,800,000)	1,508,442,623
19 CICC C5	05/12/2019	05/12/2024	Annually	2,000,000,000	4.20%	2,005,983,562	83,983,651	(84,000,000)	2,005,967,213
20 CICC C1	17/02/2020	17/02/2025	Annually	1,500,000,000	3.85%	1,550,155,479	57,750,000	(57,750,000)	1,550,155,479
21 CICC C1	08/02/2021	08/02/2024	Annually	1,000,000,000	3.90%	1,038,593,318	39,629,815	(43,286,675)	1,034,936,458
21 CICC C2	08/02/2021	08/02/2026	Annually	1,000,000,000	4.49%	1,048,300,080	44,891,368	(44,900,000)	1,048,291,448
23 CICC C1	07/12/2023	07/12/2026	Annually	500,000,000	3.18%	-	501,042,623	-	501,042,623
23 CICC C2	07/12/2023	07/12/2028	Annually	2,000,000,000	3.35%	-	2,004,393,443	-	2,004,393,443
20 CICC WMS C1	17/04/2020	17/04/2025	Annually	2,000,000,000	3.80%	2,052,837,833	76,469,814	(76,003,585)	2,053,304,062
21 CICC WMS C1	09/03/2021	09/03/2024	Annually	1,000,000,000	3.98%	1,032,069,865	40,159,442	(39,801,877)	1,032,427,430
21 CICC WMS C2	09/03/2021	09/03/2026	Annually	1,000,000,000	4.58%	1,036,704,882	46,008,372	(45,802,160)	1,036,911,094
21 CICC WMS C3	09/04/2021	09/04/2024	Annually	2,000,000,000	3.94%	2,057,188,895	80,870,279	(80,690,509)	2,057,368,665
21 CICC WMS C4	09/04/2021	09/04/2026	Annually	1,000,000,000	4.50%	1,032,565,566	45,594,757	(45,945,519)	1,032,214,804
22 CICC WMS C1	24/03/2022	24/03/2025	Annually	1,500,000,000	3.50%	1,540,120,537	52,760,155	(52,502,476)	1,540,378,216
22 CICC WMS C2	24/03/2022	24/03/2027	Annually	500,000,000	3.89%	514,857,973	19,500,471	(19,450,917)	514,907,527
23 CICC WMS C1	13/02/2023	13/02/2026	Annually	2,500,000,000	3.80%	-	2,584,222,638	(1,344,340)	2,582,878,298
23 CICC WMS C2	13/02/2023	13/02/2028	Annually	500,000,000	4.17%	-	518,445,235	(268,868)	518,176,367
23 CICC WMS C3	26/10/2023	26/10/2026	Annually	2,500,000,000	3.39%	-	2,515,832,042	(3,959,434)	2,511,872,608
23 CICC WMS C4	26/10/2023	26/10/2028	Annually	500,000,000	3.70%	-	503,431,363	(791,887)	502,639,476
Total						18,967,190,435	9,373,637,155	(1,791,445,166)	26,549,382,424

*(Expressed in RMB, unless otherwise stated)***43. LONG-TERM DEBT SECURITIES ISSUED** *(continued)***(d) Beneficiary certificates:**

Name	Book value as at			Book value as at
	31 December 2023	Increase	Decrease	30 June 2024
Beneficiary certificates	126,978,551	–	–	126,978,551

Name	Book value as at			Book value as at
	31 December 2022	Increase	Decrease	31 December 2023
Beneficiary certificates	–	126,978,551	–	126,978,551

The Group has issued beneficiary certificates bearing nominal interest at a floating rate, which is calculated based on changes in the price of USD bonds, etc. The beneficiary certificates are for maturities of 606 days.

44. CAPITAL, RESERVES AND DIVIDENDS**(a) Share capital**

The Company's number of shares and nominal value are as follows:

	As at 30 June 2024	As at 31 December 2023
Ordinary shares of RMB1 each, issued and fully paid		
A shares	2,923,542,440	2,923,542,440
H shares	1,903,714,428	1,903,714,428
Total	4,827,256,868	4,827,256,868

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares in issue confer identical rights in respect of the Company's residual assets.

44. CAPITAL, RESERVES AND DIVIDENDS *(continued)***(b) Reserves****(i) Capital reserve**

	As at 30 June 2024	As at 31 December 2023
Share premium (Note)	39,469,868,340	39,469,868,340
Others	45,348,374	45,348,374
Total	39,515,216,714	39,515,216,714

Note: The premium arising from the Company's share issuance (see Note 44(a)), net of expenses which met the capitalisation criteria and by underwriting fees arising from the issuance of perpetual subordinated bonds classified as equity instruments (see Note 45), was recorded in share premium.

(ii) Surplus reserve

The surplus reserve represents statutory surplus reserve. According to the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China ("MOF") and other relevant requirements, the Company is required to appropriate 10% of its net profit, after offsetting prior year's accumulated losses, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to the approval of the shareholders, the statutory surplus reserve may be used to offset accumulated losses, or converted into capital of the Company provided that the balance of the statutory surplus reserve after such capitalisation is not less than 25% of the registered capital immediately before the capitalisation.

The Company makes the appropriation to surplus reserve at the end of each year.

44. CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(b) Reserves *(continued)*

(iii) General reserves

General reserves include general risk reserve and trading risk reserve.

In accordance with the Financial Rules for Financial Enterprises (Order of the MOF No. 42) and the application guidance (Cai Jin [2007] No. 23) issued by the MOF, and the Guideline of Supervision of Annual Report of Securities Companies issued by the CSRC, the Company is required to appropriate an amount equivalent to 10% of the net profit to the general risk reserve.

In addition, the Company as the mutual fund custodian shall accrue general risk reserve at a proportion of no less than 2.5% of custodian fee income. The accrument could be suspended on condition that the ending balance of risk reserve reached 0.25% of the aggregate of net asset values of the mutual funds under custody at the end of last quarter.

In accordance with the Guideline of Supervision of Annual Report of Securities Companies issued by the CSRC, the Company is required to appropriate an amount equivalent to 10% of the net profit to the trading risk reserve.

In accordance with the Guidelines for the Large Collective Asset Management Business of Securities Companies on implementing the Guiding Opinions for Regulating the Asset Management Business of Financial Institutions, securities companies shall be analogically governed by relevant laws and requirements of mutual funds to manage and operate large collective products. Accordingly, the Company accrued general risk reserves for large collective asset management business in accordance with relevant regulations on mutual funds.

General reserves for the Company's subsidiaries are appropriated if relevant requirements are in place.

(iv) Investment revaluation reserve

The investment revaluation reserve mainly represents the fair value changes of financial instruments at FVOCI.

(v) Foreign currency translation reserve

The foreign currency translation reserve comprises foreign exchange differences arising from translation of the financial statements of the Group entities from their respective reporting currencies to RMB.

44. CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(b) Reserves *(continued)*

(vi) Other reserve

Other reserve represents the costs of hedging of the Group's hedges of net investments in foreign operations.

(c) Dividends

Upon the approval of the Annual General Meeting on 28 June 2024, the Company declared the payment of cash dividends for its 2023 profit distribution. The amount of cash dividends was RMB868,906,236, tax inclusive (or RMB1.80 for every ten shares, tax inclusive).

Upon the approval of the Annual General Meeting on 30 June 2023, the Company declared the payment of cash dividends for its 2022 profit distribution. The amount of cash dividends was RMB868,906,236, tax inclusive (or RMB1.80 for every ten shares, tax inclusive).

45. OTHER EQUITY INSTRUMENTS

At initial recognition, the Group classifies perpetual subordinated bonds issued as financial liabilities or equity instruments based on their contractual terms and their economic substance after considering the definition of financial liabilities and equity instruments.

Perpetual subordinated bonds issued that should be classified as equity instruments are recognised in equity at the actual amount received. Any distribution of dividends or interests during the instruments' duration is treated as profit distribution. When the perpetual subordinated bonds are redeemed pursuant to the contractual terms, the redemption price is charged to equity.

45. OTHER EQUITY INSTRUMENTS *(continued)*

Contractual terms related to the above perpetual subordinated bonds are as follows:

- The nominal interest rate of the first five interest-bearing years is determined by book building and remains unchanged. The nominal interest rate resets every five years since the sixth interest-bearing year;
- The issuer has an option to defer interest payment, except in the event of mandatory interest payments, so that at each interest payment date, the issuer may choose to defer to the next interest payment date the payment for the interest for the current period as well as all interests and accreted interests as a result of exercising the interest payment deferral option. There is no limitation on number of times that the issuer exercises the deferral option. Exercising the interest payment deferral option shall not be deemed as the issuer's failure to pay the interest in full as agreed. Mandatory interest payment events are limited to dividend distributions to ordinary shareholders and reductions of registered capital in the 12 months before the interest payment date.

The Company does not have any contractual obligation to deliver cash or other financial assets to redeem the above issued perpetual subordinated bonds. The redemption of the perpetual subordinated bonds is solely at the discretion of the Company.

- (a) The Company issued 20 CICC Y1 with an aggregate principal amount of RMB5.0 billion and the interest commencement date is 28 August 2020, with the nominal interest rate of 4.64%.
- (b) The Company issued 21 CICC Y1 with an aggregate principal amount of RMB1.5 billion and the interest commencement date is 29 January 2021, with the nominal interest rate of 4.68% and issued 21 CICC Y2 with an aggregate principal amount of RMB2.0 billion and the interest commencement date is 26 April 2021, with the nominal interest rate of 4.20%.
- (c) The Company issued 22 CICC Y1 with an aggregate principal amount of RMB3.9 billion and the interest commencement date is 13 January 2022, with the nominal interest rate of 3.60% and issued 22 CICC Y2 with an aggregate principal amount of RMB4.0 billion and the interest commencement date is 10 October 2022, with the nominal interest rate of 3.35%.

46. COMMITMENTS

(a) Capital commitments

As at 30 June 2024 and 31 December 2023, the capital commitments contracted but not provided for in the interim condensed consolidated financial statements were as follows:

	As at 30 June 2024	As at 31 December 2023
Contracted, but not provided for	4,851,462,129	4,432,574,807

(b) Underwriting commitments

According to the relevant tendering documents, the underwriting commitments taken but not provided for at 30 June 2024 were RMB2,905,100,000 for the Group (31 December 2023: Nil).

47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”)

As at 30 June 2024 and 31 December 2023, Huijin owned 40.17% of the equity interest of the Company directly and indirectly.

Huijin does not carry out any other commercial business activities, nor does it interfere with the daily operations of the state-owned key financial enterprises it controls. The Group’s daily business transactions with Huijin and Huijin’s affiliates are conducted on normal commercial terms.

*(Expressed in RMB, unless otherwise stated)***47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”)***(continued)***(i) Related party transactions with Huijin and Huijin’s affiliates**

	Six months ended 30 June	
	2024	2023
Brokerage commission income	8,347,057	8,303,777
Underwriting and sponsoring fees	17,696,629	92,195,927
Asset management fees	7,574,159	6,843,527
Investment advisory fees	–	119,059
Interest income	1,177,646,446	1,009,591,418
Net gains from financial instruments at fair value through profit or loss	211,271,456	54,992,235
Net gains from derivative financial instruments	28,587,017	114,984,546
Other (losses)/income, net	(101,189,559)	108,128,949
Brokerage commission expenses	27,938,871	31,816,729
Underwriting and sponsoring expenses	152,583	–
Asset management expenses	7,946,520	10,004,201
Interest expenses	337,369,301	406,342,997
Depreciation and amortisation expenses	656,005	2,872,895
Other operating expenses and costs	2,277,715	8,176,371
Reversal of for impairment losses under ECL model	–	(56,000)

47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)***(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”)***(continued)***(ii) The balances of transactions with Huijin and Huijin’s affiliates**

	As at 30 June 2024	As at 31 December 2023
Right-of-use assets	6,254,088	9,124,529
Financial assets at fair value through profit or loss	17,677,896,815	11,924,098,494
Reverse REPOs	299,958,062	100,160,274
Refundable deposits	488,248,583	139,754,338
Other non-current assets	1,861,941	1,906,472
Accounts receivable	106,323,981	296,521,173
Debt instruments at fair value through other comprehensive income	16,414,737,305	13,183,479,943
Derivative financial assets	430,183,339	484,530,222
Cash and bank balances (Note)	68,778,745,614	66,110,768,258
Financial liabilities at fair value through profit or loss	26,357,355	1,009,919
Derivative financial liabilities	328,268,525	397,926,244
Accounts payable to brokerage clients	522,282,102	78,052,023
Placements from financial institutions	3,800,533,611	5,998,464,638
Short-term debt securities issued	1,520,732,877	923,844,521
REPOs	22,570,365,757	35,697,001,456
Long-term debt securities issued	2,519,072,784	5,036,119,538
Lease liabilities	6,480,152	8,901,015
Contract liabilities	462,264	–
Other current liabilities	57,348,705	88,155,682

Note: Balances of deposits at Huijin’s affiliates include self-owned cash and bank balances and cash held on behalf of clients.

(Expressed in RMB, unless otherwise stated)

47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(b) Related party transactions with key management personnel

The key management personnel are those who have the authority and responsibility to plan, direct and control directly or indirectly, the activities of the Group, including members of the Board of Directors and the supervisory Committee, and other senior management. Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2024	2023
Remuneration for key management personnel	14,810,580	16,114,854

47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)***(c) Related party transactions with the Group's associates and joint ventures****(i) Related party transactions with associates and joint ventures and their affiliates**

	Six months ended 30 June	
	2024	2023
Brokerage commission income	3,430,764	43,647
Investment advisory fees	4,678,509	6,845,644
Other fee and commission income	2,894,032	3,642,541
Interest income	3,967,232	4,207,719
Other income, net	–	839,763
Interest expenses	11,063	91,586
Other operating expenses and costs	4,000	1,139,296
Provision for impairment losses under ECL model	49,593	11,420

(ii) The balances of transactions with associates and joint ventures and their affiliates

	As at	As at
	30 June 2024	31 December 2023
Financial assets at fair value through profit or loss	591,948,323	277,601,492
Other non-current assets	109,018,672	108,516,002
Accounts receivable	17,454,446	20,016,026
Accounts payable to brokerage clients	11,446,056	905
Other current liabilities	–	43,102,608

Note: In addition to the above transactions, for the six months ended 30 June 2024, the Group's transactions for the purchase of property and equipment, and intangible assets from joint ventures amounted to RMB1,238,938 (Six months ended 30 June 2023: RMB36,304,139).

*(Expressed in RMB, unless otherwise stated)***47. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***(d) Related party transactions with other related parties**

Other related parties can be individuals or enterprises, which include members of the Board of Directors, the Supervisory Committee and senior management, and close family members of such individuals.

(i) Related party transactions with other related parties

	Six months ended 30 June	
	2024	2023
Other operating expenses and costs	80,009	–

(ii) The balances of transactions with other related parties

	As at 30 June 2024	As at 31 December 2023
Other current assets	283,019	283,019

48. FAIR VALUE INFORMATION

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level I: Fair value measured using only Level I inputs (i.e. unadjusted quoted prices in active markets for identical assets or liabilities) at the measurement date.
- Level II: Fair value measured using Level II inputs (i.e. observable inputs which are unqualified as Level I inputs), and no significant unobservable inputs. Unobservable inputs are the inputs for which market data are not available.
- Level III: Fair value measured using significant unobservable inputs.

If there is a reliable market quote for a financial instrument, the fair value of the financial instrument is measured based on quoted market price. If a reliable quoted market price is not available, the fair value of the financial instrument is estimated using valuation techniques. For the fair value of financial instruments categorised within Level II, the valuation techniques applied include discounted cash flow analysis and option pricing models. The significant observable inputs to the valuation techniques used for Level II include future cash flows estimated based on contractual terms, risk-free and benchmark interest rates, credit spreads and foreign exchange rates. For the fair value of financial instruments categorised within Level III, fair values are determined based on the reports on capital account for these instruments obtained by management or determined by using valuation techniques such as discounted cash flow model, market comparable company analysis and recent financing price method.

*(Expressed in RMB, unless otherwise stated)***48. FAIR VALUE INFORMATION** *(continued)***(a) Financial assets and liabilities measured at fair value**

The following table presents the analysis of financial assets and liabilities measured at fair value on the basis of the fair value hierarchy:

	As at 30 June 2024			
	Level I	Level II	Level III	Total
Assets				
Financial assets at fair value through profit or loss				
– Equity securities	77,482,760,632	35,866,279	11,327,290,298	88,845,917,209
– Debt securities	1,645,779,527	109,865,280,588	260,517,136	111,771,577,251
– Funds and other investments	8,323,363,641	39,116,253,449	379,140,997	47,818,758,087
Derivative financial assets	814,217,535	9,936,416,970	769,327,677	11,519,962,182
Debt instruments at fair value through other comprehensive income	213,262,035	78,297,214,457	–	78,510,476,492
Equity instruments at fair value through other comprehensive income	409,393,281	1,296,951,908	13,219,360	1,719,564,549
Total	88,888,776,651	238,547,983,651	12,749,495,468	340,186,255,770
Liabilities				
Financial liabilities at fair value through profit or loss				
Financial liabilities held for trading				
– Equity securities	(1,599,477,367)	(17,692,857)	–	(1,617,170,224)
– Debt securities	–	(688,645,230)	–	(688,645,230)
– Funds and others	(79,249,421)	–	–	(79,249,421)
Financial liabilities designated as at fair value through profit or loss				
– Equity securities	–	(19,484,149,460)	(7,888,604,442)	(27,372,753,902)
– Debt securities	–	(3,942,531,543)	–	(3,942,531,543)
Derivative financial liabilities	(528,580,149)	(10,484,528,784)	(34,618,501)	(11,047,727,434)
Total	(2,207,306,937)	(34,617,547,874)	(7,923,222,943)	(44,748,077,754)

48. FAIR VALUE INFORMATION *(continued)***(a) Financial assets and liabilities measured at fair value** *(continued)*

The following table presents the analysis of financial assets and liabilities measured at fair value on the basis of the fair value hierarchy: *(continued)*

	As at 31 December 2023			
	Level I	Level II	Level III	Total
Assets				
Financial assets at fair value through profit or loss				
– Equity securities	127,464,178,016	6,006,922	12,634,318,148	140,104,503,086
– Debt securities	2,973,581,656	86,913,819,614	256,164,395	90,143,565,665
– Funds and other investments	14,644,132,123	39,384,003,087	405,050,479	54,433,185,689
Derivative financial assets	698,833,542	10,662,592,895	643,966,087	12,005,392,524
Debt instruments at fair value through other comprehensive income	422,667,745	65,196,446,008	–	65,619,113,753
Total	146,203,393,082	202,162,868,526	13,939,499,109	362,305,760,717
Liabilities				
Financial liabilities at fair value through profit or loss				
Financial liabilities held for trading				
– Equity securities	(2,606,205,663)	(919,057)	–	(2,607,124,720)
– Debt securities	–	(471,493,768)	–	(471,493,768)
– Funds and others	(72,726,647)	–	–	(72,726,647)
Financial liabilities designated as at fair value through profit or loss				
– Equity securities	–	(21,362,024,128)	(11,875,472,102)	(33,237,496,230)
– Debt securities	–	(4,093,834,760)	(28,437,089)	(4,122,271,849)
Derivative financial liabilities	(646,727,633)	(8,783,558,284)	(116,356,119)	(9,546,642,036)
Total	(3,325,659,943)	(34,711,829,997)	(12,020,265,310)	(50,057,755,250)

48. FAIR VALUE INFORMATION *(continued)*

(b) Basis for determining the market value used for fair value measurement categorised within Level I

If there is an active market for a financial instrument at fair value through profit or loss or through other comprehensive income, the quoted market price is used to establish the fair value of the financial instrument at the end of the reporting period.

(c) Valuation techniques used and the qualitative information of key parameters for fair value measurement categorised within Level II

For debt securities investments included in financial instruments at fair value through profit or loss or through other comprehensive income, the fair value is determined by the quoted prices from valuation systems of the relevant bond registrars and clearing houses. Observable inputs reflecting market conditions are used by the relevant bond registrars and clearing houses in the quote formation process.

For private securities investment funds and asset management products that do not have an open market for financial assets at fair value through profit or loss, the fair value is determined by net asset values provided by managers.

For the mutual fund with less active trading of equity instruments at fair value through other comprehensive income, the fair value is determined by the weighted average closing price for the month of valuation.

The quoted market price is used to establish the fair value of derivative financial instruments. Based on the contractual terms and maturity dates, the prices are measured by discounted future cash flows using the market interest rates similar to those of derivative financial instruments to verify reasonable prices.

There is no significant change for the Group's applied fair value valuation techniques within Level II for the six months ended 30 June 2024 and the year ended 31 December 2023.

48. FAIR VALUE INFORMATION *(continued)*

(d) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurement categorised within Level III

The following table presents the valuation techniques and inputs used in the valuation of the major financial instruments measured at Level III. As of 30 June 2024 and 31 December 2023, the fair value of the financial instruments measured at Level III is not significantly sensitive to a reasonable change in these unobservable inputs.

Financial instruments	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
Financial assets at fair value through profit or loss				
– Debt securities	Level III	Discounted cash flow models	Estimated future cash flows, discount rate	The higher the estimated future cash flows, the higher the fair value The higher the discount, the lower the fair value
– Equity securities	Level III	Option pricing models	Volatility	The higher the volatility, the lower the fair value
– Equity securities	Level III	Market approach	Valuation multiples (Such as P/E, P/B, P/S), liquidity discount	The higher the valuation multiples, the higher the fair value The higher the discount, the lower the fair value
Equity instruments at fair value through other comprehensive income				
– Strategic placement fund	Level III	Recent transactions	Not applicable	Not applicable
Derivative financial instruments				
– Over-the-counter (“OTC”) options	Level III	Option pricing models	Volatility	The higher the volatility, the greater the impact on the fair value
Financial liabilities at fair value through profit or loss				
– Structured products	Level III	Option pricing models	Volatility	The higher the volatility, the greater the impact on the fair value

There is no significant change for the Group’s applied fair value valuation techniques within Level III for the six months ended 30 June 2024 and the year ended 31 December 2023.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

48. FAIR VALUE INFORMATION (continued)

(e) The following table presents reconciliation from the beginning balances to the ending balances of financial assets and liabilities measured at Level III

								Net (losses)/gains	
	As at 1 January 2024	(Losses)/gains for the period	Purchases	Issuance	Disposals and settlement	Transfer into Level III	Transfer out of Level III	As at 30 June 2024	for the period included in profit or loss for assets held and liabilities incurred
Assets									
Financial assets at fair value through profit or loss	13,295,533,022	(282,392,042)	535,563,477	-	(273,482,011)	6,171,752	(1,314,445,767)	11,966,948,431	(312,735,484)
Equity instruments at fair value through other comprehensive income	-	-	13,219,360	-	-	-	-	13,219,360	-
Derivative financial assets	643,966,087	525,127,208	-	-	(399,765,618)	-	-	769,327,677	455,979,140
Total	13,939,499,109	242,735,166	548,782,837	-	(673,247,629)	6,171,752	(1,314,445,767)	12,749,495,468	143,243,656
Liabilities									
Financial liabilities at fair value through profit or loss									
Financial liabilities designated as at fair value through profit or loss	(11,903,909,191)	1,008,791,487	-	(1,277,450,000)	4,283,963,262	-	-	(7,888,604,442)	1,021,365,072
Derivative financial liabilities	(116,356,119)	42,234,434	-	-	39,503,184	-	-	(34,618,501)	(27,624,853)
Total	(12,020,265,310)	1,051,025,921	-	(1,277,450,000)	4,323,466,446	-	-	(7,923,222,943)	993,740,219

48. FAIR VALUE INFORMATION (continued)

(e) The following table presents reconciliation from the beginning balances to the ending balances of financial assets and liabilities measured at Level III (continued)

	As at 1 January 2023	Gains/(losses) for the year	Purchases	Issuance	Disposals and settlement	Transfer into Level III	Transfer out of Level III	As at 31 December 2023	Net gains/(losses) for the year included in profit or loss for assets held and liabilities incurred
Assets									
Financial assets at fair value through profit or loss	14,058,739,426	668,799,692	2,875,504,732	-	(2,669,135,426)	23,540,248	(1,661,915,650)	13,295,533,022	467,291,123
Derivative financial assets	17,521,814	603,680,549	-	-	22,763,724	-	-	643,966,087	631,125,854
Total	14,076,261,240	1,272,480,241	2,875,504,732	-	(2,646,371,702)	23,540,248	(1,661,915,650)	13,939,499,109	1,098,416,977
Liabilities									
Financial liabilities at fair value through profit or loss									
Financial liabilities designated as at fair value through profit or loss	(1,958,815,676)	764,199,906	-	(12,804,004,652)	2,094,711,231	-	-	(11,903,909,191)	847,102,512
Derivative financial liabilities	(1,881,150)	(133,875,666)	-	-	19,400,697	-	-	(116,356,119)	(126,204,922)
Total	(1,960,696,826)	630,324,240	-	(12,804,004,652)	2,114,111,928	-	-	(12,020,265,310)	720,897,590

48. FAIR VALUE INFORMATION *(continued)*

(f) Transfer between levels

For the six months ended 30 June 2024, the Group's investments in suspended stocks of RMB17 million (Year ended 31 December 2023: RMB5 million) were transferred from Level I to Level II, as the quoted prices of these stocks were no longer regularly available.

For the six months ended 30 June 2024, the Group's investments in equity securities of RMB1 million (Year ended 31 December 2023: RMB24 million) were transferred from Level I or II to Level III, as the fair values of these investments were determined with the use of valuation techniques instead of quoted prices, due to events such as delisting, etc.

For the six months ended 30 June 2024, the Group's investments in debt securities of RMB6 million (Year ended 31 December 2023: Nil) were transferred from Level II to Level III, as the fair values of these investments were determined with the use of valuation techniques instead of quoted prices, due to events such as potential credit risk in existence, etc.

For the six months ended 30 June 2024, the Group's investments at fair value through profit or loss ("FVTPL") of RMB1,314 million (Year ended 31 December 2023: RMB1,662 million) were transferred from Level III to Level I, as the fair values of these investments were determined with the use of quoted prices instead of valuation techniques, due to events such as expiration of lock-up period in equity and fund, etc.

In accordance with its accounting policies, the Group recognises transfers among the levels as at the end of the reporting period in which such transfers occur.

(g) Fair value of financial assets and liabilities carried at other than fair value

The financial assets carried at other than fair value mainly include cash and bank balances, cash held on behalf of clients, refundable deposits, receivable from margin clients, accounts receivable and reverse REPOs. The carrying amounts approximate their fair values.

The financial liabilities carried at other than fair value mainly include short-term debt securities issued, placements from financial institutions, REPOs, accounts payable to brokerage clients, long-term debt securities issued and lease liabilities. As at 30 June 2024, the fair values of long-term debt securities issued amounted to RMB148,340,029,249 (31 December 2023: RMB149,331,351,874), and the carrying amounts for other financial liabilities approximate their fair values.

49. FINANCIAL RISK MANAGEMENT

The Group's risk management aims to effectively allocate risk-based capital, limit risks to a controllable level, maximise the corporate value and constantly solidify the foundation for a steady and sustainable development of the Group. The Group monitors and controls different types of risk exposures, such as credit risk, liquidity risk and market risk which incurred from the Group's holdings on various financial instruments.

(a) Credit risk

Credit risk refers to the risk caused by deterioration in creditworthiness or default losses of counterparties, borrowers and securities issuers.

The exposure to credit risk of the Group arises mainly from: (1) credit risk from default of debtors, including the loss due to default of intermediary institutions (such as brokers or custodian banks), in which case the risk exposure is the total value of outstanding debts; (2) counterparty risk in terms of failure to fulfill obligations under contracts or deterioration in creditworthiness of counterparties in the OTC derivative transactions (such as forward, swap or option transactions), in which case the risk exposure depends on current exposure and potential future exposure of the derivatives; (3) credit risk caused by the deterioration in creditworthiness or default losses of securities issuers, in which case the risk exposure is the total value of outstanding debts.

At the end of the reporting period, the Group's maximum credit risk exposure is the net carrying amount of financial assets without taking account of any collateral or other credit enhancements.

49. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

Measurement of ECL

The Group recognises an impairment loss allowance for financial assets measured at amortised cost (including receivable from margin clients, reverse REPOs, etc.) and debt instruments at FVOCI via ECL model. The measurement of the ECL is based on the Probability of Default (“PD”), Loss Given Default (“LGD”) and Exposure at Default (“EAD”).

A default is that a client, a financier or an issuer of investment products fails to fulfil the contract. PD is an estimate of the likelihood of default over a given time horizon. The Group estimates the PD based on its internal rating model, integrating factors such as external rating information, macroeconomic environment and changes in quantitative and qualitative indicators of the counterparties or bonds issuers. LGD is an estimate of the loss bore by the Group on the exposure at default. In the determination of LGD, the Group estimates the recoverable cash flow from disposing underlying assets and collaterals by taking their liquidity and relevant historical market data into full consideration, and estimates LGD based on the difference between the recoverable and the contracted cash flows. EAD is the amount that shall be repaid to the Group when a default occurs. When measuring the ECL, the Group classifies the assets into different risk stages based on whether the credit risk of each asset has increased significantly since the initial recognition. Accordingly, the Group measures the loss allowance on either a 12-month or the lifetime basis for the investments at different risk stages.

Provision method of ECL

The Group recognises impairment allowance based on ECL for businesses such as debt securities investment and margin financing. For the financial instruments for which the ECL measurement is used, the Group classifies these financial instruments into different risk stages based on whether the credit risk of each instrument has increased significantly since the initial recognition. The financial instruments with low credit risk on the balance sheet date or of which the credit risk has not increased significantly since the initial recognition will be classified into “Stage 1”; the financial instruments of which the credit risk has increased significantly since the initial recognition will be classified into “Stage 2”; and the financial instruments that have been credit-impaired will be transferred into “Stage 3”. The Group measures ECL based on the parameters such as PD, LGD, EAD and forward-looking information, and regularly tests and updates ECL models and assumptions.

49. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

The criteria of significant increase in credit risk (“SICR”)

The Group considers a financial instrument experiencing SICR when one or more of the following quantitative and qualitative criteria have been met: (1) for debt securities investment business: the latest external or internal ratings of the bond issuer or the debt securities per se decline substantially compared with their ratings on the initial recognition, or there are adverse changes in business, financial or external conditions of the bond issuer and these adverse changes are expected to cause a significant decrease in the bond issuer’s ability to meet its obligations; (2) for margin financing business: the performance guarantee ratio is lower than or equal to the predetermined liquidation line but above 100%, or when contractual payments are less than or equal to 30 days past due.

The criteria of credit-impaired assets

The Group considers that a financial instrument has been credit-impaired when (1) for debt securities investment business: the circumstances in which a bond issuer can be regarded as default include failure to perform the payment obligations as agreed, having other bond defaults or having significant financial difficulties; (2) for margin financing business: the performance guarantee ratio is lower than or equal to 100%, or when contractual payments are more than 30 days past due.

Forward-looking information

The Group measures ECL using forward-looking information without undue costs or efforts. In order to adjust the default rates to incorporate forward-looking information, the Group, using forecasted year-on-year growth rates on GDP (cumulatively accounted) and broad measure of money supply (M2) as the basis, establishes relationship between the two macroeconomic indicators and default rates with the use of statistical models and sets different scenario weightings. The Group determined the forecasted values of the two macroeconomic indicators to be 5.03% and 7.65% as at 30 June 2024 based on publicly available forecasts of third parties. The tuning parameter was determined with the use of weighted average of the values under optimistic, neutral and pessimistic hypothetical scenarios in combination with qualitative analysis method.

Debt securities (including debt securities measured at FVTPL and at FVOCI)

The Group emphasizes the diversification level of the fixed income credit products and the credit products invested are those predominantly with relatively high credit ratings. The Group controls its market risk and credit risk exposures by various initiatives, such as setting up limits on investment size, product types, credit ratings and concentrations, and carrying out forward-looking risk assessment, as well as closely monitoring and tracking bond issuers’ business performance and credit profiles so as to constantly evaluate and warn any credit deterioration.

*(Expressed in RMB, unless otherwise stated)***49. FINANCIAL RISK MANAGEMENT** *(continued)***(a) Credit risk** *(continued)***Debt securities (including debt securities measured at FVTPL and at FVOCI)** *(continued)*

The carrying amount of the Group's debt securities is presented as follows:

	As at 30 June 2024	As at 31 December 2023
Financial assets at fair value through profit or loss	111,771,577,251	90,143,565,665
Debt instruments at fair value through other comprehensive income	78,510,476,492	65,619,113,753
Total	190,282,053,743	155,762,679,418

- (i) The exposure to credit risk for debt securities at FVTPL and FVOCI by the location of issuer is presented as follows:

	As at 30 June 2024	As at 31 December 2023
Chinese mainland	189,703,528,752	153,130,062,374
Outside Chinese mainland	578,524,991	2,632,617,044
Total	190,282,053,743	155,762,679,418

49. FINANCIAL RISK MANAGEMENT *(continued)***(a) Credit risk** *(continued)***Debt securities (including debt securities measured at FVTPL and at FVOCI)** *(continued)*

(ii) The following table presents an analysis of credit quality of debt securities at FVTPL and FVOCI.

	As at 30 June 2024	As at 31 December 2023
Credit rating		
Overseas rating		
– AAA	933,202,124	354,619,595
– AA- to AA+	1,552,867,444	1,334,047,350
– A- to A+	15,507,754,813	3,652,270,120
– BBB- to BBB+	5,604,955,458	2,412,517,649
– Below BBB-	2,241,106,906	1,025,431,732
– NR	5,826,749,335	1,515,268,183
Subtotal	31,666,636,080	10,294,154,629
Domestic rating		
– AAA	110,391,170,695	83,211,705,090
– AA- to AA+	13,194,230,355	13,389,667,171
– A- to A+	674,279,459	870,527,661
– Below A-	311,809,096	363,943,308
Subtotal	124,571,489,605	97,835,843,230
Non-rated I (Note 1)	30,414,237,874	42,285,541,450
Non-rated II (Note 2)	3,629,690,184	5,347,140,109
Total	190,282,053,743	155,762,679,418

Note 1: These non-rated financial assets mainly include government bonds and policy financial bonds.

Note 2: These non-rated financial assets are mainly other debt securities and trading securities with no ratings provided by independent rating agencies.

49. FINANCIAL RISK MANAGEMENT *(continued)***(a) Credit risk** *(continued)***Other non-derivative financial investments (other than debt securities)**

The Group has adopted the following measures to manage credit risk in capital businesses including margin financing and securities lending business and stock-based lending business: vetting counterparties, determining credit ratings and setting lending limits; managing collaterals (via haircut rates, liquidity and concentration) and closely monitoring margin ratios and/or collateral ratios; establishing and implementing margin call and mandatory liquidation policy.

The exposure to credit risk for the Group's financial assets at amortised cost at the reporting date by geographic region was as follows:

	As at 30 June 2024	As at 31 December 2023
Chinese mainland	176,519,624,171	174,704,848,118
Outside Chinese mainland	67,903,660,190	72,574,749,107
Total	244,423,284,361	247,279,597,225

Derivatives

Regarding the counterparty credit risk of the OTC derivatives business, the Group has established a counterparty credit rating system. Through a combination of qualitative and quantitative methods, it comprehensively evaluates counterparty qualifications and determines credit ratings accordingly. On the basis of credit ratings, the Group sets a corresponding limit of credit risk exposure for each counterparty, and manages counterparty credit risk by signing OTC derivatives trading master agreements and performance guarantee agreements, and by requiring performance guarantees. The Group calculates the minimum amount required as collateral and credit risk exposure for an OTC derivative counterparty by establishing dynamic scenarios combined with stress test, and measures and monitors the minimum collateral value and credit risk exposure through the system on a daily basis. In view of this, the Group maintains the credit risk exposure of derivatives transactions within an acceptable range.

49. FINANCIAL RISK MANAGEMENT *(continued)*

(b) Liquidity risk

Liquidity risk refers to the risks arising from the Group's inability to obtain sufficient funds at reasonable costs in a timely manner to settle debts due, fulfill other payment obligations, and satisfy the funding needs in conducting normal business operations.

The Group has adopted the following measures to manage liquidity risk: closely monitoring balance sheets of the Group and its branches and subsidiaries, and managing liquidity gaps between assets and liabilities; setting liquidity risk limits based on the Group's overall situation and regulatory requirement; conducting cash flow forecast and liquidity risk stress test on a regular and irregular basis to analyse and assess the Group's liquidity risk exposure; maintaining adequate high-quality liquid assets and establishing liquidity contingency plan for potential liquidity emergencies.

At the end of the reporting period, the contractual undiscounted cash flows (including the principal and interests) of the Group's non-derivative financial liabilities are analysed according to the maturity dates. The derivative financial liabilities stated at the fair values and presented at the expected maturity dates or possible termination dates are as follows:

	As at 30 June 2024				Total
	Overdue/ repayable on demand	Within 1 year (inclusive)	1 - 5 years (inclusive)	More than 5 years	
Financial liabilities					
Financial liabilities at fair value through profit or loss	1,908,010,902	30,246,132,764	1,547,069,883	-	33,701,213,549
Derivative financial liabilities	-	9,164,522,188	1,851,405,842	31,799,404	11,047,727,434
Accounts payable to brokerage clients	82,032,005,523	-	-	-	82,032,005,523
Placements from financial institutions	-	31,101,842,950	-	-	31,101,842,950
Short-term debt securities issued	-	16,732,265,552	466,968,315	26,674,419	17,225,908,286
REPOs	-	68,592,933,801	-	-	68,592,933,801
Long-term debt securities issued	-	28,147,725,435	120,994,237,687	9,394,500,000	158,536,463,122
Lease liabilities	-	1,010,951,296	1,703,160,180	2,254,378,209	4,968,489,685
Others	73,399,129,014	18,050,283,129	35,084,138	8,010,252	91,492,506,533
Total	157,339,145,439	203,046,657,115	126,597,926,045	11,715,362,284	498,699,090,883

*(Expressed in RMB, unless otherwise stated)***49. FINANCIAL RISK MANAGEMENT** *(continued)***(b) Liquidity risk** *(continued)*

	As at 31 December 2023				Total
	Overdue/ repayable on demand	Within 1 year (inclusive)	1 – 5 years (inclusive)	More than 5 years	
Financial liabilities					
Financial liabilities at fair value through profit or loss	3,079,139,712	29,498,667,893	7,934,602,576	–	40,512,410,181
Derivative financial liabilities	–	8,139,571,469	1,383,227,512	23,843,055	9,546,642,036
Accounts payable to brokerage clients	82,311,014,432	–	–	–	82,311,014,432
Placements from financial institutions	–	45,091,811,096	–	–	45,091,811,096
Short-term debt securities issued	–	16,446,602,640	953,055,518	–	17,399,658,158
REPOs	–	64,910,631,409	–	–	64,910,631,409
Long-term debt securities issued	–	46,126,052,954	105,411,082,643	8,443,250,000	159,980,385,597
Lease liabilities	–	1,083,559,177	1,934,770,045	2,245,393,011	5,263,722,233
Others	84,322,806,543	14,348,594,256	14,563,501	334,471	98,686,298,771
Total	169,712,960,687	225,645,490,894	117,631,301,795	10,712,820,537	523,702,573,913

(c) Market risk

Market risk is the risk of loss of the Group's income and value of financial instruments arising from unfavourable market conditions such as adverse changes in interest rates, stock prices and exchange rates. The objectives of market risk management are to monitor the market risk and control it within the acceptable range and to maximise the risk-adjusted return. The Group conducts stress test on a regular basis and calculates risk control indicators and operating indicators under different scenarios. The Group monitors the market risk for investment portfolios and non-trading portfolios separately.

(i) Market risk of investment portfolios

Investment portfolio includes financial assets at FVTPL and at FVOCI, derivative financial assets, financial liabilities at FVTPL, derivative financial liabilities. The risk exposures are measured and monitored within limits set by management. The Group adopts various kinds of methods (such as Value-at-Risk ("VaR") analysis, sensitivity limit analysis, investment concentration limit analysis, scenario analysis and stress test) to manage market risk. The VaR analysis is a major tool used by the Group to measure and monitor market risk of the investment portfolios.

49. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(i) Market risk of investment portfolios *(continued)*

VaR is a technique with the use of which the Group estimates the potential losses that could incur on its risk position under the unfavourable market condition over a specified time horizon and at a given level of confidence. The independent risk management personnel of the Group computes VaR using historical simulation method and implements relevant controls over the market risk accordingly. The historical simulation method is used to estimate future profit or loss based on observed historical market risk factors movements and sensitivity of the current investment portfolio to those risk factors.

Based on three-year historically observed market risk factors movements, the Group has adopted the historical simulation method at the 95% confidence level to compute its daily VaR. The 95% daily VaR indicates that the expected one-day loss of the Group's portfolio will not exceed this VaR at 95% chance, if the portfolio were held constant for one day. Although VaR is an important tool for measuring market risk, the assumptions on which the model is based do have some limitations, including the following:

- When there is severe market illiquidity for a prolonged period, the realisable value of the Group's investment portfolio in a trade day may vary from the estimate due to the one-day time horizon of VaR;
- The 95% confidence level does not reflect losses that may occur beyond this level. Under the model currently in use, the loss in portfolio value would have been exceeded with a frequency of 5%;
- VaR is calculated on an end-of-day basis and does not take into account intraday trading; and
- Historical changes in market risk factors may not be accurate predictors of future market conditions, especially in terms of fully incorporating the risk of extreme market events.

*(Expressed in RMB, unless otherwise stated)***49. FINANCIAL RISK MANAGEMENT** *(continued)***(c) Market risk** *(continued)***(i) Market risk of investment portfolios** *(continued)*

The following tables set forth the Group computed VaRs by risk categories as of the dates and for the periods:

	As at	Six months ended 30 June 2024		
	30 June 2024	Average	Highest	Lowest
Equity prices	69,551,986	76,068,770	101,099,799	50,591,406
Interest rates	77,428,891	64,701,687	89,362,784	44,915,167
Currency rates	11,701,560	10,356,232	18,630,786	2,175,205
Commodity prices	1,001,391	641,634	1,470,471	111,000
Diversification effect	(52,938,094)	(47,440,096)		
Total portfolio	106,745,734	104,328,227	128,178,083	75,751,713

	As at	Year ended 31 December 2023		
	31 December 2023	Average	Highest	Lowest
Equity prices	68,986,166	108,211,921	138,297,097	68,648,053
Interest rates	49,466,386	50,019,803	74,692,343	37,775,134
Currency rates	2,276,125	28,176,401	58,547,620	2,276,125
Commodity prices	973,881	861,460	2,506,108	478,605
Diversification effect	(27,184,117)	(55,726,933)		
Total portfolio	94,518,441	131,542,652	176,362,352	84,454,537

49. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios

(1) Interest rate risk

The non-trading portfolios of the Group are subject to the risk of interest rate fluctuations. Except for the financial assets and liabilities managed through VaR, the Group's major interest-earning assets in its non-trading portfolios include deposits with banks and with clearing houses, receivable from margin clients and reverse REPOs; and its interest-bearing liabilities mainly include short-term debt securities issued, placements from financial institutions, REPOs and long-term debt securities issued.

The Group adopts sensitivity analysis to measure the interest rate risk of non-trading portfolios. Assuming all other variables remain constant, interest rate sensitivity analysis is as follows:

	Sensitivity of net profit	
	Six months ended 30 June	
	2024	2023
Changes in basis points (bps)		
Increase by 50 bps	(342,848,849)	(317,244,807)
Decrease by 50 bps or decrease to 0	342,848,849	317,244,807

	Sensitivity of equity	
	As at	As at
	30 June 2024	31 December 2023
Changes in bps		
Increase by 50 bps	(342,848,849)	(406,942,657)
Decrease by 50 bps or decrease to 0	342,848,849	406,942,657

49. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios *(continued)*

(1) Interest rate risk *(continued)*

The sensitivity analysis is based on the static rate risk profile of the Group's assets and liabilities. The sensitivity analysis measures the impact of changes of interest rates in terms of how annualised net profit or loss and equity would have been affected by repricing of the Group's assets and liabilities over the next 12 months. The sensitivity analysis is based on the following assumptions that:

- The 50-bp changes of interest rates at the end of the reporting periods apply to all of the Group's non-trading financial instruments in the next 12 months;
- The shift in the yield curve is parallel with the changes of interest rate;
- There are no changes in the assets and liabilities portfolios;
- Other variables (including exchange rates) remain unchanged; and
- Risk management measures undertaken by the Group are not considered.

As the actual interest rate changes can differ from the above assumptions, the impact of the interest rate changes on the Group's net profit and equity may vary from the estimated results of the sensitivity analysis.

49. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios *(continued)*

(2) Currency risk

Currency risk is the risk arising from fluctuations of foreign exchange rates. The table below presents the exchange rate sensitivity analysis of the Group's major currency risk exposures, which calculates the impact of reasonably possible changes in the foreign exchange rate on equity where all other variables are held constant. This analysis does not take into account any foreign exchange correlations or changes in fair values of financial instruments denominated in foreign currencies, nor does it take into account any measures (for instance use of currency derivatives) that the Group may take to address the adverse impact of foreign exchange exposure on equity.

Currency	Changes in exchange rates	Sensitivity of equity	
		As at 30 June 2023	As at 31 December 2024
USD	1%	(305,008,975)	(335,710,756)
Hong Kong dollar ("HKD")	1%	86,495,234	73,829,664
Others	1%	2,526,255	2,047,180

While the table above indicates the impact on equity of 1% appreciation of USD, HKD and other foreign currencies, there will be an opposite effect with the same amount if the currencies depreciate by the same percentage.

50. CONTINGENCIES

The Group is exposed to the risk of economic benefit outflows due to litigations or arbitrations in the course of operations. The Group assessed and made provisions for any probable outflow of economic benefits in relation to the contingent liabilities in accordance with relevant accounting policies.

51. SUBSEQUENT EVENTS

(a) Corporate bonds

On 16 August 2024, the Company completed the full redemption of the 2021 third corporate bonds (Type I) publicly issued to professional investors, with a total principal amount of RMB1.0 billion.

(b) Perpetual subordinated bonds

On 15 July 2024, the Company completed the public issuance of 2024 first perpetual subordinated bonds to professional investors, with a total principal amount of RMB3.0 billion and the nominal interest rate of 2.35% per annum.

(c) Commercial papers

On 3 July 2024, the Company completed the issuance of 2024 second commercial papers, with a total principal amount of RMB2.0 billion and the nominal interest rate of 1.85% per annum. On 11 July 2024, the Company completed the issuance of 2024 third commercial papers with a total principal amount of RMB1.5 billion and the nominal interest rate of 1.83% per annum. On 5 August 2024, the Company completed the issuance of 2024 fourth commercial papers with a total principal amount of RMB2.0 billion and the nominal interest rate of 1.78% per annum.

On 8 July 2024, the Company redeemed the 2024 first commercial papers with a total principal amount of RMB0.82 billion.

(d) Profit distribution

The Company's Annual General Meeting approved the 2023 profit distribution plan of RMB868,906,236 on 28 June 2024. The distribution of cash dividends was made in August 2024.

In accordance with the 2024 interim profit distribution plan approved by the Board of Directors on 30 August 2024, the Company will distribute cash dividends to its shareholders. The total proposed cash dividend is RMB434,453,118 (tax inclusive). On the basis of 4,827,256,868 shares in issue as at the date of approval of the financial statements of the Company, a cash dividend of RMB0.90 (tax inclusive) per 10 shares will be distributed. The proposed profit distribution plan is subject to the approval of the shareholders at the general meeting. The cash dividends will be recognized as a liability after the approval and declaration by the general meeting.

INDEX OF DOCUMENTS FOR INSPECTION

1. Financial statements carrying the signatures of two Directors of the Company.
2. The original audit report carrying the signatures of the certified public accountants.
3. The original copies of all documents and announcements of the Company made public during the Reporting Period.
4. Interim reports published in other securities markets.

DISCLOSURE OF INFORMATION SPECIFIC TO SECURITIES COMPANIES

Administrative approvals of the Company during the reporting period:

No.	Recipient of approval	Name of approval document/ business license	No. of approval document/certificate	Approval agency	Date of approval
1	China International Capital Corporation Limited	Certificate of Examination and Registration of Foreign Debt Borrowed by Enterprises	Fa Gai Ban Wai Zhai [2024] No. 299	National Development and Reform Commission	May 31, 2024

Note: The "Date of approval" in the above table is the date of signing of the respective approval, which may differ from the actual date of receipt by the Company.

APPENDIX I: COMPANY'S MAIN BUSINESS QUALIFICATIONS

- (1) In 1995, obtained license for operating foreign exchange business, the State Administration of Foreign Exchange (replaced by license of securities business in foreign currency in 2015)
- (2) In 1996, qualification of member of the Shanghai Stock Exchange, the Shanghai Stock Exchange
- (3) In 1997, qualification of member of the Shenzhen Stock Exchange, the Shenzhen Stock Exchange
- (4) In 1999, qualification for underwriting business, proprietary trading and brokerage business for domestic and overseas government bonds, corporate bonds and enterprise bonds, the CSRC
- (5) In 1999, obtained approval to enter the national interbank market, the PBOC
- (6) In 2000, qualification of member of National Debt Association of China, the National Debt Association of China
- (7) In 2001, qualification for RMB ordinary equities brokerage business, the CSRC
- (8) In 2002, qualification for securities investment advisory business, the CSRC
- (9) In 2002, qualification for entrusted investment management business, the CSRC
- (10) In 2004, obtained approval to become one of the first batch of sponsor institutions, the CSRC
- (11) In 2004, qualification for internet securities entrustment business, the CSRC
- (12) In 2004, qualification of sales agent for open-ended securities investment funds, the CSRC
- (13) In 2004, securities firm engaging in innovative activities, the SAC
- (14) In 2004, qualification of NSSF investment manager, the National Council for Social Security Fund
- (15) In 2005, obtained approval to set up collective asset management plans for CICC's short-term bonds, the CSRC
- (16) In 2005, qualification for underwriting business of commercial papers, the PBOC
- (17) In 2005, qualification for bond forward transactions business in the national interbank bond market, the PBOC
- (18) In 2005, qualification of bilateral market maker for block transactions of bonds, the Shanghai Stock Exchange

Appendix I: Company's Main Business Qualifications

- (19) In 2005, qualification for warrant trading business, the Shanghai Stock Exchange
- (20) In 2005, qualification of corporate annuity fund manager, the Ministry of Human Resources and Social Security of the People's Republic of China
- (21) In 2005, qualification for foreign exchange asset management business, the SAC
- (22) In 2006, qualification of first-class dealer for SSE 180 Trading Open-ended Index Securities Investment Fund (i.e. ETF), the Shanghai Stock Exchange
- (23) In 2006, qualification of NSSF offshore investment manager, the National Council for Social Security Fund
- (24) In 2006, qualification of Participant of China Securities Depository and Clearing Corporation, the China Securities Depository and Clearing Co., Ltd
- (25) In 2007, obtained approval for the proposal of third party custodian for settlement funds of client transactions, the Beijing Office of the CSRC
- (26) In 2007, qualification of dealer on Integrated Electronic Platform of Fixed-income Securities of the Shanghai Stock Exchange, the Shanghai Stock Exchange
- (27) In 2007, engaged in offshore securities investment management business as a QDII, the CSRC
- (28) In 2007, qualification for the business of SSE Fund Connect (上證基金通), the Shanghai Stock Exchange
- (29) In 2007, obtained approval to commence direct investment business (through the promotion and establishment of a wholly-owned direct investment company), the CSRC
- (30) In 2007, qualification to engage in interbank market interest rate swap business, the CSRC
- (31) In 2008, qualification of Class A Clearing Participant of China Securities Depository and Clearing Corporation, the China Securities Depository and Clearing Co., Ltd
- (32) In 2008, qualification for lead underwriting business of commercial papers, the PBOC
- (33) In 2008, obtained approval to set up collective asset management plan for gains from CICC's enhanced bonds, the CSRC

- (34) In 2009, qualification of member of the Tianjin Climate Exchange, the Tianjin Climate Exchange
- (35) In 2010, qualification to commence RMB ordinary equities proprietary trading, the CSRC
- (36) In 2010, qualification to provide introducing brokerage business to futures companies, the CSRC
- (37) In 2010, qualification of market maker in the national interbank bond market, the PBOC
- (38) In 2010, qualification to commence offshore securities investment specific asset management business, the CSRC
- (39) In 2010, qualification of ordinary clearing member of the Interbank Market Clearing House Co., Ltd., the Interbank Market Clearing House Co., Ltd.
- (40) In 2010, qualification for margin financing and securities lending business, the CSRC
- (41) In 2011, qualification for business of Nominated Advisers & Brokers on the Third Board (Agency Share Transfer System), the SAC
- (42) In 2011, obtained approval to increase agency sale institutions for collective asset management plan for gains from CICC's enhanced bonds and collective asset management plans for CICC's selective funds, the Beijing Office of the CSRC
- (43) In 2011, qualification of member of book-entry government bond underwriting syndicates from 2012-2014, the Ministry of Finance, the PBOC and the CSRC
- (44) In 2011, obtained approval to launch and set up investment funds for strategic emerging industries, the National Development and Reform Commission of China
- (45) In 2012, qualification to commence placing business for SME bonds, the SAC
- (46) In 2012, qualification for bond pledged quotation and repo transaction, the CSRC
- (47) In 2012, qualification of insurance funds investment manager, the China Insurance Regulatory Commission
- (48) In 2012, authorization for trading in securities under repurchase agreements, the Shanghai Stock Exchange

Appendix I: Company's Main Business Qualifications

- (49) In 2012, qualification to provide refinancing for margin financing and securities lending business, the China Securities Finance Corporation Limited (CSF)
- (50) In 2012, expanded the financing investment of bond pledged quotation and repo transaction, the Shanghai Stock Exchange
- (51) In 2012, qualification to establish a professional subsidiary for commencing real estate direct investment fund business, the CSRC
- (52) In 2013, qualification for over-the-counter trading business, the SAC
- (53) In 2013, authorization for stock pledged repo transaction, the Shanghai Stock Exchange and the Shenzhen Stock Exchange
- (54) In 2013, qualification for equities swap transaction business, the SAC
- (55) In 2013, qualification for agency business of financial products, the Beijing Office of the CSRC
- (56) In 2013, qualification for sponsor, brokerage business on the National Equities Exchange and Quotations (NEEQ), NEEQ
- (57) In 2013, qualification for witnessing account opening business, the China Securities Depository and Clearing Corporation Limited (CSDC)
- (58) In 2013, qualification for split conversion and merger conversion business of funds, the CSDC
- (59) In 2013, qualification of advisory service for military industry and confidential business (renewed in 2017), the State Administration for Science, Technology and Industry for National Defense
- (60) In 2013, authorization for trading in securities under repurchase agreement, the Shenzhen Stock Exchange
- (61) In 2014, qualification for mutual funds business (through the promotion and establishment of a wholly-owned fund company), the CSRC
- (62) In 2014, business for special institutional customers of insurance institutions, the China Insurance Regulatory Commission
- (63) In 2014, qualification for internet account opening business, the CSDC

- (64) In 2014, qualification for market making business on the National Equities Exchange and Quotations (NEEQ), NEEQ Co., Ltd.
- (65) In 2014, qualification for Southbound Trading (Shanghai-Hong Kong Stock Connect), the Shanghai Stock Exchange
- (66) In 2014, qualification for over-the-counter issuance of beneficiary certificates business, the China Securities Internet System Co., Ltd.
- (67) In 2015, qualifications for stock options brokerage business and proprietary trading business, the Shanghai Stock Exchange and the Shenzhen Stock Exchange
- (68) In 2015, qualification of internet finance business, the CSRC
- (69) In 2015, qualification of integrated custodian business for private funds, the China Securities Investor Protection Fund Corporation Limited
- (70) In 2015, qualification of security agency business for long-distance pledge and registration, the CSDC
- (71) In 2015, qualifications for spot precious metals agency business and spot gold proprietary trading business and member of the Shanghai Gold Exchange, the CSRC and the Shanghai Gold Exchange
- (72) In 2015, qualification of custodian business for securities investment funds, the CSRC
- (73) In 2016, qualification of standard bond futures centralized settlement business with Shanghai Clearing House, the Interbank Market Clearing House Co., Ltd.
- (74) In 2016, qualification for Southbound Trading (Shenzhen-Hong Kong Stock Connect), the Shenzhen Stock Exchange
- (75) In 2017, qualification for the northbound trading quotation bureau under bond connect granted by the National Interbank Funding Center, the China Foreign Exchange Trade System
- (76) In 2017, replaced the original permit to operate securities business with the permit to operate securities and futures business, the CSRC
- (77) In 2018, qualification for conducting pilot cross-border businesses, the CSRC
- (78) In 2018, qualification of first-class dealer for OTC options, the CSRC

Appendix I: Company's Main Business Qualifications

- (79) In 2019, qualification of core dealer for Credit Protection Contract, the Shanghai Stock Exchange
- (80) In 2019, pilot qualification of financing business through exercising incentive share options of listed companies, the Shenzhen Stock Exchange
- (81) In 2019, qualification of private fund services (including qualifications for quota registration business service and valuation and accounting business service), the Asset Management Association of China
- (82) In 2019, qualification of core dealer for Credit Protection Contract, the Shenzhen Stock Exchange
- (83) In 2019, qualification for main market maker business of listed funds, the Shanghai Stock Exchange
- (84) In 2019, qualification of member of China Banking Association, the China Banking Association
- (85) In 2019, qualification for conducting margin financing business on the science and technology innovation board, the CSF
- (86) In 2019, qualification for conducting market making business of commodity options, the CSRC
- (87) In 2019, authorization for trading in stock options business, the Shenzhen Stock Exchange
- (88) In 2019, qualification of the Credit Protection Certificate Creation Agency granted by the Shanghai Stock Exchange, the Shanghai Stock Exchange
- (89) In 2020, commenced interest rate option business on a pilot basis, the China Foreign Exchange Trade System
- (90) In 2020, pilot qualification of fund investment advisory business, the CSRC
- (91) In 2020, qualification of market maker for hot rolled coils futures, the Shanghai Futures Exchange
- (92) In 2020, filing of foreign exchange business on behalf of customers (to conduct the settlement and sale of foreign exchange for customers (including themselves) engaged in cross-border investment and financing transactions in compliance with laws and regulations; RMB structured products (QUANTO); foreign exchange trading business on behalf of customers), the State Administration of Foreign Exchange
- (93) In 2020, qualification to independently carry out the lead underwriting business for the debt financing instruments of non-financial enterprises, the National Association of Financial Market Institutional Investors

- (94) In 2020, qualification to conduct foreign exchange settlement and sales business, the State Administration of Foreign Exchange
- (95) In 2020, qualification of member of inter-bank foreign exchange market, the China Foreign Exchange Trade System
- (96) In 2020, qualification of the Credit Protection Certificate Creation Agency granted by the Shenzhen Stock Exchange, the Shenzhen Stock Exchange
- (97) In 2021, qualification for conducting market making business of commodity futures, the CSRC
- (98) In 2021, qualification for the stock options market making business, the CSRC
- (99) In 2021, qualification of member of the Beijing Stock Exchange, the Beijing Stock Exchange
- (100) In 2021, qualification for conducting southbound trading (“Southbound Trading”) business under the bond market connect between the Mainland and Hong Kong, the PBOC
- (101) In 2021, qualification for conducting market making business of government bond futures, the CSRC
- (102) In 2021, qualification for non-bank financial institutions to carry out the pilot business of the settlement and sale of foreign exchange on behalf of customers, the State Administration of Foreign Exchange
- (103) In 2022, qualification of general market maker for the Shenzhen Stock Exchange CSI 300 ETF options, the Shenzhen Stock Exchange
- (104) In 2022, qualification of general market maker for the Shanghai Stock Exchange SSE 50 ETF options and CSI 300 ETF options, the Shanghai Stock Exchange
- (105) In 2022, qualification of physical delivery business on Shanghai Futures Exchange for special unit customers, the Shanghai Futures Exchange
- (106) In 2022, qualification of general market maker for the Shanghai Stock Exchange CSI 500 ETF options, the Shanghai Stock Exchange
- (107) In 2022, qualification of market maker for industrial silicon options, the Guangzhou Futures Exchange
- (108) In 2023, qualification for stock index options market making business, the CSRC

Appendix I: Company's Main Business Qualifications

- (109) In 2023, qualification for conducting proprietary carbon emission permit trading business, the CSRC
- (110) In 2023, qualification of margin financing and securities lending business of the Beijing Stock Exchange, the Beijing Stock Exchange
- (111) In 2023, business qualification of market-making transactions in listed securities, the CSRC
- (112) In 2023, qualification of market maker of "Swap Connect Northbound", the China Foreign Exchange Trade System
- (113) In 2023, qualification of member of the Guangzhou-based China Emissions Exchange (proprietary), Guangzhou-based China Emissions Exchange
- (114) In 2023, qualification of member of the Shanghai Environment & Energy Exchange (carbon emission trading proprietary member), Shanghai Environment & Energy Exchange

APPENDIX II: CHANGES IN BRANCHES

I. CHANGES IN BRANCHES OF THE COMPANY

(I) Establishment of Branches

During the Reporting Period, the Company did not establish any branch.

(II) Change of Name of Branches

During the Reporting Period, there was no change of name of any branch.

(III) Relocation of Branches

No.	Name of branches before relocation	Name of branches after relocation	New address	Date of relocation
1	CICC Shandong Branch	CICC Shandong Branch	Room 2904, 29/F, Block A, Golden Times Square, No. 9999 Jingshi Road, Longdong Street, Lixia District, Jinan, Shandong	January 8, 2024
2	CICC Zhejiang Branch	CICC Zhejiang Branch	Room 1114, 11F, Zhongtian Qiantang Ginza, Shangcheng District, Hangzhou, Zhejiang	January 23, 2024
3	CICC Shanghai Branch	CICC Shanghai Branch	Units 2601, 2604A, 2604B-2607 and 2608B, 26/F; 27/F; 28/F; Units 2901-2903, 2904B and 2905-2908, 29/F; Units 3103A, 3103D, 3104A, 3104B, 3105 and 3106B, 31/F; 32/F; and Units 3301-3304A and 3306-3308, 33/F, No. 1233 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone	April 22, 2024
4	CICC SFTZ Branch	CICC SFTZ Branch	Unit 3106A, 31/F, AZIA Center, No. 1233 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone	April 22, 2024

(IV) Cancellation of Branches

During the Reporting Period, there was no cancellation of any branch.

(V) Transfer of Branches

During the Reporting Period, there was no transfer of any branch.

II. CHANGES IN SECURITIES BUSINESS OFFICES OF THE GROUP

(I) Newly-established Securities Business Offices

No.	Name of the newly-established securities business offices	Address of the newly-established securities business offices	Date of establishment
1	Xiangyang Tanxi Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Room 01, 16/F, Meilian Building, Intersection of Tanxi Road and Shuanghu Road, Xiangcheng District, Xiangyang, Hubei	January 19, 2024
2	Suzhou Kunshan Chuangye Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Room 2203-2205, Building 7, Xiangyu Cross-Strait Trade Center, No. 1588 Chuangye Road, Kunshan Development Zone	June 18, 2024

(II) Change of Name of Securities Business Offices

No.	Name of securities business offices before name change	Name of securities business offices after name change	Date of name change
1	Tianjin Wuqing Yongyang West Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Tianjin Wuqing Cuitong Road Securities Business Office of China CICC Wealth Management Securities Company Limited	January 16, 2024
2	Hangzhou Canhigh Center Securities Business Office of China CICC Wealth Management Securities Company Limited	Hangzhou Huancheng North Road Securities Business Office of China CICC Wealth Management Securities Company Limited	January 18, 2024
3	Shanghai Jing'an District Nanjing West Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Shanghai Lingang New Zone Securities Business Office of China CICC Wealth Management Securities Company Limited	April 10, 2024
4	Guiyang Huaguoyuan Street Securities Business Office of China CICC Wealth Management Securities Company Limited	Guiyang Zhonghua Middle Road Securities Business Office of China CICC Wealth Management Securities Company Limited	April 11, 2024
5	Guangzhou Binjiang East Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Guangzhou Huaxia Road Securities Business Office of China CICC Wealth Management Securities Company Limited	April 12, 2024

(III) Relocation of Securities Business Offices

No.	Name of securities business offices before relocation	Name of securities business offices after relocation	New address	Date of relocation
1	Tianjin Wuqing Yongyang West Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Tianjin Wuqing Cuitong Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Ground Floor, Building No. 35, Xiheyuan, Additional No. 21, No. 1 Cuitong Road, Dongpuwa Street, Wuqing District, Tianjin	January 16, 2024
2	Xiamen Hubin East Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Xiamen Hubin East Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Unit 3301, Block A, Xiamen China Resources Building, No. 93 Hubin East Road, Siming District, Xiamen	January 24, 2024
3	Hangzhou Jianghehui Securities Business Office of China CICC Wealth Management Securities Company Limited	Hangzhou Jianghehui Securities Business Office of China CICC Wealth Management Securities Company Limited	Rooms 1111, 1112, 1113, 11/F, Zhongtian Qiantang Ginza, No. 1300 Zhijiang Road, Shangcheng District, Hangzhou, Zhejiang	January 30, 2024
4	Shanghai Jing'an District Nanjing West Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Shanghai Lingang New Zone Securities Business Office of China CICC Wealth Management Securities Company Limited	Room 704, Building 3, Lane 9, Yunjuan North Road, Lingang New Zone, China (Shanghai) Pilot Free Trade Zone	April 10, 2024
5	Guiyang Huaguoyuan Street Securities Business Office of China CICC Wealth Management Securities Company Limited	Guiyang Zhonghua Middle Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Units 1, 2, 11, 12, 34/F, Guiyang THE ONE, No.2 Zhonghua Middle Road, Wenchangge Street, Yunyan District, Guiyang, Guizhou	April 11, 2024

Appendix II: Changes in Branches

No.	Name of securities business offices before relocation	Name of securities business offices after relocation	New address	Date of relocation
6	Guangzhou Binjiang East Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Guangzhou Huaxia Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Room 202, No. 10 Huaxia Road, Tianhe District, Guangzhou, Guangdong	April 12, 2024
7	Qingdao Hong Kong Middle Road Securities Business Office of China CICC Wealth Management Securities Company Limited	Qingdao Hong Kong Middle Road Securities Business Office of China CICC Wealth Management Securities Company Limited	12/F, Shangri-La Office Building Center, No. 9 Hong Kong Middle Road, Shinan District, Qingdao, Shandong	May 6, 2024

(IV) Cancellation of Securities Business Offices

During the Reporting Period, there was no cancellation of any securities business office.

(V) Transfer of Securities Business Offices

During the Reporting Period, there was no transfer of any securities business office.