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申萬宏源集團股份有限公司
SHENWAN HONGYUAN GROUP CO., LTD.

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

(Stock Code: 6806)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

The board of directors (the “**Board**”) of Shenwan Hongyuan Group Co., Ltd. (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2025. This interim results announcement, containing the full text of the 2025 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 the information to accompany preliminary announcement of interim results.

The Audit Committee of the Board has reviewed the interim results of the Company for the six months ended June 30, 2025.

This interim results announcement has been published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.swhygh.com) respectively.

The 2025 interim report of the Company will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited and the website of the Company respectively in due course, and will be dispatched to the H shareholders of the Company by means of receipt of corporate communications elected by the H shareholders of the Company.

By order of the Board
Shenwan Hongyuan Group Co., Ltd.
Liu Jian
Chairman

Beijing, PRC
August 29, 2025

As at the date of this announcement, the Board comprises Mr. Liu Jian and Mr. Huang Hao as executive Directors; Mr. Zhu Zhilong, Ms. Zhang Ying, Mr. Shao Yalou, Mr. Xu Yixin and Mr. Yan Jinguo as non-executive Directors; Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen and Mr. Zhao Lei as independent non-executive Directors.

- I. The Board of Directors, the Board of Supervisors and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the content 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 full legal responsibilities thereof.
- II. This interim report was considered and approved at the ninth meeting of the sixth session of the Board. 11 directors shall participate in the poll of the meeting and the actual number of directors participated was 11. No directors, supervisors or senior management declares the inability to warrant or disagreement with the truthfulness, accuracy and completeness of the content herein.
- III. Mr. Huang Hao, the legal representative, an executive director and the general manager of the Company, Ms. Ren Quansheng, the chief financial officer of the Company, and Mr. Liu Zhixiang, the person in charge of the planning and finance department of the Company, have declared that they warrant the truthfulness, accuracy and completeness of the financial statements in this interim report.
- IV. The interim condensed consolidated financial statements for 2025 prepared by the Group in accordance with the International Financial Reporting Standards are unaudited; KPMG has reviewed the interim financial information and issued the report on review in accordance with International Standard on Review Engagements 2410.
- V. The forward-looking statements in this interim report, including future plans and development strategies do not constitute substantive commitments of the Company to investors. Investors should be aware of the investment risks.
- VI. The Company has described details of the possibly existing risks including market risk, credit risk, liquidity risk, operational risk, policy risk, legal and compliance risk, risk of innovative businesses, reputational risk and exchange rate risk in this interim report. Investors are advised to read the “Management Discussion and Analysis” as set out in section III of this interim report carefully and pay special attention to the above-mentioned risk factors.
- VII. The interim profit distribution plan or the plan for conversion of capital reserve into share capital as considered by the Board of Directors during the Reporting Period
 1. Based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of June 30, 2025, a cash dividend of RMB0.35 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB876,398,059.60.
 2. Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the average benchmark exchange rate of RMB against HKD published by the People’s Bank of China five business days prior to the general meeting of the Company.

The Company will consider the amount of this interim profit distribution that has been paid out when determining the profit distribution plan for 2025. If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.

This proposal is subject to approval at the general meeting of the Company.
- VIII. This interim report of the Company is prepared in both Chinese and English. In the event of any discrepancy, the Chinese version should prevail.
- IX. The Company did not have any preferred shares during the Reporting Period.

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Section I Important Notice, Contents and Definitions

DOCUMENTS AVAILABLE FOR INSPECTION

- I. The Report on Review of Interim Financial Information (H-share).
- II. Originals of all the Company's documents and announcements publicly disclosed during the Reporting Period.
- III. Interim reports published in other securities markets.



DEFINITIONS

In this interim report, unless the context otherwise requires, the following terms shall have the following meanings:

Term	Definition
“Company” or “Shenwan Hongyuan Group”	Shenwan Hongyuan Group Co., Ltd. (申萬宏源集團股份有限公司)
“Group”	the Company and its subsidiaries
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“general meeting”	the general meeting of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“controlling shareholder” or “JIC”	China Jianyin Investment Ltd. (中國建銀投資有限責任公司)
“actual controller” or “Central Huijin”	Central Huijin Investment Ltd. (中央匯金投資有限責任公司)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Shenzhen Stock Exchange”	Shenzhen Stock Exchange
“Shanghai Stock Exchange”	Shanghai Stock Exchange
“Beijing Stock Exchange”	Beijing Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“CFFEX”	China Financial Futures Exchange (中國金融期貨交易所)
“Shenwan Hongyuan Securities”	Shenwan Hongyuan Securities Co., Ltd. (申萬宏源證券有限公司)
“Hongyuan Huifu”	Hongyuan Huifu Capital Co., Ltd. (宏源匯富創業投資有限公司)
“Hongyuan Huizhi”	Hongyuan Huizhi Investment Co., Ltd. (宏源匯智投資有限公司)



Term	Definition
“Hongyuan Futures”	Hongyuan Futures Co., Ltd. (宏源期貨有限公司)
Shenwan Hongyuan Financing Services”	Shenwan Hongyuan Financing Services Co., Ltd. (申萬宏源證券承銷保薦有限責任公司)
“Shenyin & Wanguo Alternative Investment”	Shenyin & Wanguo Alternative Investment Co., Ltd. (申銀萬國創新證券投資有限公司)
“Shenwan Futures”	Shenwan Futures Co., Ltd. (申銀萬國期貨有限公司)
“Shenyin & Wanguo Investment”	Shenyin & Wanguo Investment Co., Ltd. (申銀萬國投資有限公司)
“Shenwan Hongyuan Asset Management”	Shenwan Hongyuan Securities Asset Management Co., Ltd. (申萬宏源證券資產管理有限公司)
“SWS Research”	SWS Research Co., Ltd. (上海申銀萬國證券研究所有限公司)
“SWS MU”	SWS MU Fund Management Co., Ltd. (申萬菱信基金管理有限公司)
“Fullgoal Fund”	Fullgoal Fund Management Co., Ltd. (富國基金管理有限公司)
“SWHY International”	Shenwan Hongyuan (International) Holdings Limited (申萬宏源(國際)集團有限公司)
“A Share(s)”	domestic ordinary shares of the Company with nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in RMB
“H Share(s)”	overseas listed foreign ordinary shares of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in HK dollars
“ETF”	exchange-traded fund(s)
“FICC”	fixed income, currencies and commodities
“IPO”	initial public offering
“ABS”	asset-backed securities
“PE”	private equity investment
“FOF”	a fund which specially invests in other securities investment funds
“ESG”	environmental, social and corporate governance



Section I Important Notice, Contents and Definitions (continued)

Term	Definition
“FRB”	the Board of Governors of the Federal Reserve System
“margin financing and securities lending”	provision of collateral by investors to securities firms who are qualified for conducting margin financing and securities lending business to borrow funds for securities purchases (margin financing) or to borrow and sell securities (securities lending)
“NEEQ”	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
“ChiNext Board”	the growth enterprise board launched by the Shenzhen Stock Exchange
“Net Capital”	equals net assets minus risk-adjusted financial assets minus other risk-adjusted assets and risk-adjusted contingent liabilities plus or minus capital from other adjustments recognized or approved by the CSRC
“STAR Market”	the Science and Technology Innovation Board of the Shanghai Stock Exchange
“stock-backed lending”	a transaction in which a securities firm provides financing to qualified clients who pledge their stocks as collateral
“structured notes”	marketable securities issued by securities firms with the payment of principal and return linked to specific underlying assets
“CCER”	China Certified Emission Reduction
“TA System”	Transfer Agent System
“VaR”	value at risk
“PB System”	prime brokerage system
“EBITDA”	earnings before interest, taxes, depreciation and amortization
“SSE Composite Index”	the Shanghai Stock Exchange composite index
“SZSE Component Index”	the Shenzhen Stock Exchange component index
“WIND”	Wind Information Co., Ltd. (萬得信息技術股份有限公司), a service provider of financial data, information and software in Mainland China
“CHOICE”	Eastmoney Choice Financial Terminal, a data platform which provides professional financial data service to financial institutions
“Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法)
“Securities Law”	the Securities Law of the People’s Republic of China (中華人民共和國證券法)



Term	Definition
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“CG Code”	Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“HK\$”, “HKD” or “HK dollars”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“US dollar” or “USD”	United States dollars, the lawful currency of the United States
“%”	percent
“Reporting Period”	the six months from January 1, 2025 to June 30, 2025

In the 2025 interim report, any discrepancies between the last digit of total shown and the last digit of the sum of the amounts listed are due to rounding.



Section II Company Profile and Key Financial Indicators

I. COMPANY PROFILE

Stock name	SWHY	Stock code	000166 (Shenzhen Stock Exchange); 6806 (Hong Kong Stock Exchange)
Stock exchanges on which the shares are listed	Shenzhen Stock Exchange, Hong Kong Stock Exchange		
Chinese name of the Company	申萬宏源集團股份有限公司		
Abbreviation of Chinese name of the Company	申萬宏源		
English name of the Company	Shenwan Hongyuan Group Co., Ltd.		
Abbreviation of English name of the Company	Shenwan Hongyuan		
Legal representative of the Company	Mr. Huang Hao		
Authorized representatives	Mr. Liu Jian, Mr. Xu Liang		
Joint company secretaries	Mr. Xu Liang, Mr. Wong Wai Chiu		

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Securities affairs representative
Name	Mr. Xu Liang	Mr. Xu Liang
Address	20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC	20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC
Telephone	0991-2301870, 010-88085333	0991-2301870, 010-88085333
Facsimile	0991-2301779	0991-2301779
Email address	swhy@swhysc.com	swhy@swhysc.com

III. OTHER INFORMATION

(I) Contact Method of the Company

Registered office of the Company	Room 2001, 20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC
Postal code of the registered office of the Company	830011
Office address of the Company	20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC; No. 19, Taipingqiao Street, Xicheng District, Beijing, the PRC
Postal code of the office address of the Company	830011; 100033
Principal place of business in Hong Kong	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
Company website	www.swhygh.com
Email address of the Company	swhy@swhysc.com

(II) Information Disclosure and Location for Inspection of Documents

Newspapers designated for disclosure of the Company's A Share information	China Securities Journal, Securities Times, Shanghai Securities News
Website of stock exchange for disclosure of the A Share interim report of the Company	Shenzhen Stock Exchange: www.szse.cn
Name and website of media for disclosure of the A Share interim report of the Company	Cninfo website: www.cninfo.com.cn
Website of stock exchange for disclosure of the H Share interim report of the Company	HKExnews: www.hkexnews.hk
Location for inspection of interim report of the Company	the office of the Board of the Company, 20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC



(III) Other Relevant Information

Share Registrars

A Share: China Securities Depository and Clearing Corporation Limited,
Shenzhen Branch
22-28/F, Shenzhen Stock Exchange Building, 2012 Shennan Blvd.,
Futian District, Shenzhen, Guangdong, the PRC

H Share: Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East,
Wanchai, Hong Kong

Legal Advisors

Alliance J&S Law Firm (domestic legal advisor)
Room 1910, Tower 2, Guanghua Chang'an Building, No. 7 Jianguomen
Inner Street, Dong Cheng District, Beijing, the PRC

Clifford Chance (Hong Kong legal advisor)
27/F, Jardine House, One Connaught Place, Central, Hong Kong

IV. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

Accounting data and financial indicators set out in this report have been prepared in accordance with the International Financial Reporting Standards.

Unit: Thousand Yuan Currency: RMB

Item	The Reporting Period	The corresponding period of last year		Increase/decrease as compared with the corresponding period of last year (%)
		Before adjustment	After adjustment	
Total revenue and other income	16,501,636	15,899,662	13,120,708	25.77
Profit before income tax	5,985,429	3,359,549	3,359,549	78.16
Profit for the period attributable to shareholders of the Company	4,284,169	2,128,072	2,128,072	101.32
Net cash generated from/(used in) operating activities	19,760,846	-9,417,732	-9,417,732	N/A
Basic earnings per share (in RMB per share)	0.17	0.08	0.08	112.50
Weighted average return on equity (%)	4.00	2.09	2.09	Increased by 1.91 percentage points

Item	As of the end of the Reporting Period	As of the end of last year		Increase/decrease as compared with the end of last year (%) After adjustment
		Before adjustment	After adjustment	
Total assets	682,052,615	697,596,593	697,596,593	-2.23
Total liabilities	545,432,290	564,247,667	564,247,667	-3.33
Total equity attributable to shareholders of the Company	108,473,771	104,784,097	104,784,097	3.52
Share capital	25,039,945	25,039,945	25,039,945	—
Equity per share attributable to shareholders of the Company (in RMB per share)	4.33	4.18	4.18	3.59
Gearing ratio (%) ^{Note}	75.61	76.81	76.81	Decreased by 1.20 percentage points

Notes: 1. Considering the practical guidelines of the relevant regulatory authorities and the economic substance of the related transactions, the Group made a change in accounting policy related to contracts for buying and selling bulk commodities that fail the own-use scope exception. Previously, for contracts involving the sale of bulk commodities, the Group recognised sales revenue and cost of sales when the customer obtained the control of the commodity. Considering the practical guidance issued by the relevant regulatory authority and the economic substance of these transactions, effective from January 1, 2025, such transactions the Group are accounted for as net settlement of the sales contracts without recognising any sales revenue or cost of sales. The impact of this change in accounting policy has been applied retrospectively, and comparative figures have been adjusted accordingly.

2. Gearing ratio = (Total liabilities – Accounts payable to brokerage clients – Proceeds from underwriting securities received on behalf of customers)/(Total assets – Accounts payable to brokerage clients – Proceeds from underwriting securities received on behalf of customers) *100%

V. DIFFERENCES IN ACCOUNTING DATA UNDER DOMESTIC AND INTERNATIONAL ACCOUNTING STANDARDS

In terms of profit for the period and profit for the period attributable to the shareholders of the Company for January to June 2025 and January to June 2024, and total equity and total equity attributable to shareholders of the Company as of June 30, 2025 and December 31, 2024, there's no difference between the data set out in the financial statements disclosed by the Company prepared in accordance with International Financial Reporting Standards and that prepared in accordance with China Accounting Standards for Business Enterprises.



VI. NET CAPITAL AND THE RELEVANT RISK CONTROL INDICATORS (CALCULATED BASED ON THE DATA OF THE PARENT COMPANY OF SHENWAN HONGYUAN SECURITIES)

Unit: Thousand Yuan Currency: RMB

Item	As of the end of the Reporting Period	As of the end of last year	Increase/decrease as compared with the end of last year
Core Net Capital	67,055,543	66,054,820	1.51%
Supplementary Net Capital	21,020,000	24,360,000	-13.71%
Net Capital	88,075,543	90,414,820	-2.59%
Net assets	125,590,986	123,761,120	1.48%
Total risk capital reserves	21,980,347	23,542,895	-6.64%
Total on-balance sheet & off-balance sheet assets	369,883,496	389,249,305	-4.98%
Risk coverage ratio	400.70%	384.04%	Increased by 16.66 percentage points
Capital leverage ratio	18.54%	17.37%	Increased by 1.17 percentage points
Liquidity coverage ratio	169.56%	199.70%	Decreased by 30.14 percentage points
Net stable funding ratio	141.58%	152.05%	Decreased by 10.47 percentage points
Net Capital/net assets	70.13%	73.06%	Decreased by 2.93 percentage points
Net Capital/liabilities	25.08%	24.32%	Increased by 0.76 percentage point
Net assets/liabilities	35.77%	33.30%	Increased by 2.47 percentage points
Equity securities and derivatives held/Net Capital	34.12%	29.20%	Increased by 4.92 percentage points
Non-equity securities and derivatives held/Net Capital	325.91%	347.70%	Decreased by 21.79 percentage points



- Notes:
1. The data listed in the table above has been calculated according to the Provision on the Calculation Basis for Risk Control Indicators of Securities Companies (《證券公司風險控制指標計算標準規定》) became effective on January 1, 2025;
 2. The data listed in the table above is unaudited.

During the Reporting Period, the risk control indicators with Net Capital and liquidity as the core of the parent company of Shenwan Hongyuan Securities Co., Ltd. remained in compliance with the relevant requirements of the Measures for the Risk Control Indexes Management of Securities Companies (《證券公司風險控制指標管理辦法》) of the CSRC.

VII. REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Board has reviewed and confirmed the Company's Report on Review of Interim Financial Statements disclosed in accordance with International Financial Reporting Standards for the six months ended June 30, 2025, and has no objection against matters including the accounting policies and practice adopted by the Company.



Section III Management Discussion and Analysis

I. INDUSTRY OF THE COMPANY DURING THE REPORTING PERIOD

(I) Basic Information of the Industry of the Company during the Reporting Period

In the first half of 2025, China's economic operation was generally stable, the growth of new driving forces was accelerated, and new progress was made in high-quality development. Meanwhile, the turbulence in the international financial market has had a significant impact on the development of China's capital market. The Party Central Committee and the State Council have always attached great importance to the development of the capital market. They have made decisions and arrangements at many important meetings, emphasizing the need to "maintain the stability and vitality of the capital market", and multiple departments have coordinated to implement a comprehensive set of measures to stabilize the market, which effectively promoted the recovery and improvement of the capital market. With the release of the combined effects of policies and the integrated effects of reforms, the securities industry demonstrated strong resilience and development potential in the first half of 2025.

During the Reporting Period, China's securities industry mainly showed three major development characteristics:

1. The deepening of the capital market reform was accelerated, laying the foundation for the high-quality development of the securities industry

During the Reporting Period, the "1+N" reform measures for the capital market continued to deepen, and the basic institutional system of the capital market was constantly improved. In terms of financing, the capital market accelerated the development of a diversified equity financing system and built a capital market ecosystem that is more conducive to supporting the development of new productive forces by deepening the reforms of the STAR Market and the ChiNext Board. The implementation of the "Six M&A Measures" and the revised "Administrative Measures for Major Asset Restructuring of Listed Companies" and other policies has shown significant effectiveness, which further enhanced the vitality of mergers and acquisitions in the A-share market and supported the growth and strengthening of technology enterprises. The introduction of the "1+6" policy measures to deepen the reform of the STAR Market further enhanced the inclusiveness and adaptability of the stock market. In terms of the investment, the capital market attracted more medium- and long-term funds such as insurance funds and mutual funds, and improved market returns, thus building a cycle of "long-term capital, long-term investment and long-term bull market". With the continuous improvement of the basic system construction of the capital market and the continuous optimization of the market ecology, the securities industry has ushered in a new stage of high-quality development.

2. The pace of M&A and restructurings in the securities industry was accelerated, gradually forming a differentiated competitive landscape

Against the backdrop of comprehensive deepening of the capital market reform and accelerated high-level opening up, the securities industry has gradually formed a differentiated development pattern. Large securities firms have become stronger and better by virtue of their strong capital strength, comprehensive business structure, leading innovation capabilities and comprehensive risk management, and specialized small- and medium-sized securities firms focused their efforts on areas such as the "professionalism, refinement, specialization and novelty" on the Beijing Stock Exchange and the ChiNext Board, pursuing a strategy of refinement, regionalization and differentiation. During the Reporting Period, several M&A and restructurings in the industry made significant progress,



and the pace of industry consolidation accelerated. In the future, it is expected to form a diversified pattern of differentiated development among large securities companies, small and medium-sized boutique securities companies and regional securities companies, which will jointly serve different participants in the multi-level capital market.

3. Adhered to serving the real economy and accomplished the “Five Priorities” on finance

The securities industry has clearly defined its functional positioning, actively served national strategies, enhanced its capacity to support the real economy, and deeply understood the political and people-oriented nature of financial work. It adhered to investor-oriented and was committed to providing in-depth and warm financial services. During the Reporting Period, the General Office of the State Council issued the “Guiding Opinions on Accomplishing the ‘Five Priorities’ on Finance”. The securities industry has integrated serving the “Five Priorities” on finance into its own development strategy and continuously increased resource investment and talent development efforts. In terms of technology finance, the securities industry actively built a full-cycle financial service model that matches the development of new productive forces, and leveraged the role of the capital market in promoting technological innovation and upgrading emerging industries. In terms of green finance, the securities industry intensified its layout of green finance projects to support the development of green industries and serve the comprehensive green transformation of the economy and society. In terms of inclusive finance, the securities industry actively served small and medium-sized enterprises, implemented the rural revitalization strategy, promoted the downward extension of financial services, and attached importance to the role of financial services in improving people’s livelihood and well-being. In terms of pension finance, the securities industry actively served pension management institutions and the pension industry, and developed pension products and related services in a coordinated manner based on the pension needs of residents. In terms of digital finance, the securities industry actively promoted the marketization and capitalization of data elements, and enhanced the digitalization and intelligence of financial services by strengthening the use of intelligent tools.

(II) Industry Position of the Company

As a comprehensive financial service provider based on the capital market, the Company has witnessed the development of the securities industry of the PRC, experienced multiple market cycles and established a long-standing, comprehensive and high-quality leading position in the securities industry of China, making positive contributions to national strategies and the real economy. The Company fully exerts the dual structure advantages of “investment holding group + securities subsidiaries”, upholds steady operation and strict risk control, and with the focus on the needs of customers of corporate finance, personal finance, institutional services and trading as well as investment management, etc., the Company constantly enriches the investment business fields, optimizes the asset allocation structure, accelerates the business coordination and continues to improve the sustainable investment model, so as to strive to create a closed loop of comprehensive financial services.

During the Reporting Period, the Company thoroughly implemented the decisions and arrangements of the CPC Central Committee and the State Council, practiced the political and people-oriented nature of financial work, firmly adhered to the general tone of seeking progress while maintaining stability, persisted in the development orientation of returning to its roots and focusing on the main businesses, and continuously implemented the important achievements of serving the “Five Priorities” on finance; seized



major opportunities of capital market reform, strengthened its functions as a “gatekeeper” of the capital market, a “service provider” of direct financing and a “manager” of social wealth, deeply promoted business development and reform and transformation, strictly adhered to the bottom line of avoiding major risks, and unswervingly followed the path of financial development with Chinese characteristics. The market competitiveness has been continuously enhanced, achieving steady growth in business performance and steady progress in high-quality development.

II. PRINCIPAL BUSINESS ENGAGED BY THE COMPANY

(I) Principal Business Engaged by the Company during the Reporting Period

As an investment holding group, the Company is committed to providing diversified financial products and services to clients by relying on the capital market and focusing on securities businesses. Utilizing the dual structure of “investment holding group + securities subsidiaries”, the Company has established a business development model with differentiated competitive advantages. The Company’s business mainly focuses on four segments, including enterprise finance, personal finance, institutional services and trading, as well as investment management. The specific business structure is as follows:

Enterprise Finance		Personal Finance	Institutional Services and Trading	Investment Management
Investment Banking	Principal Investment			
<ul style="list-style-type: none"> • Equity financing • Debt financing • Financial advisory 	<ul style="list-style-type: none"> • Equity investment • Debt investment • Other investment 	<ul style="list-style-type: none"> • Securities and futures brokerage • Margin financing and securities lending • Stock-backed lending • Agreed repurchase securities trading • Sales of financial products 	<ul style="list-style-type: none"> • Prime brokerage • Research and consultation • Proprietary trading 	<ul style="list-style-type: none"> • Asset management • Mutual fund management • Private equity fund management



1. Enterprise finance

The Company's enterprise finance business consists of investment banking business and principal investment business. Investment banking business provides equity underwriting and sponsorship, debt underwriting and financial advisory services for corporate clients; and principal investment business mainly comprises equity investment and debt investment of non-listed companies.

2. Personal finance

The Company's personal finance business serves the comprehensive financial needs of individuals and non-professional institutional investors. It provides services such as securities and futures brokerage, margin financing and securities lending, stock-backed lending, agreed repurchase securities trading, sales of financial products and investment advisory through the combination of online and offline channels.

3. Institutional services and trading

The Company's institutional services include prime brokerage and research and consultation services for professional institutional clients; in the meantime, the Company is also engaged in the trading of FICC, equity and equity-linked securities, based on which the Company offers sales, trading, hedging and OTC derivatives services to institutional clients.

4. Investment management

The Company's investment management business consists of asset management, mutual fund management and private equity fund management services.

There were no material changes to the principal business and business model of the Company during the Reporting Period.



(II) Major Awards and Honors Granted during the Reporting Period

Shenwan Hongyuan Securities

— National Industrial Information Security Development Research Center

- 2024 Innovative Practice Case in Information Technology Product Service Guarantee

— Shanghai Financial Trade Union Working Committee

- First Prize of Innovation Cases in the Shanghai Financial Staff Merit Competition

— Shanghai Financial Risks Prevention and Resolution Mechanism

- 2025 Shanghai Outstanding Publicity Works for Preventing and Combating Illegal Financial Activities – Graphic and Text Category (Second Prize), Video Category (Excellence Award)

— Xuhui District People's Government, Shanghai City

- First batch of “New Quality Service Provider”

— Securities Association of China

- Reflections and Recommendations on the Debt Issues of Local Governments in China – 2024 Outstanding Key Research Project Award

— ChinaBond Financial Pricing Center Limited Company

- 2024 China Bond Index User Comprehensive Evaluation “Innovation Leading Pioneer Institution” Award

— China Association for Public Companies

- Best Practice Case of Rural Revitalization

— Cloud Application Branch of China Computer Users Association

- 2024 Yunying “Highest Achievement Project”

— China Foreign Exchange Trade System (National Interbank Funding Center)

- 2024 Market Innovation Business Institution – Bond Underwriting and Distribution (Underwriter)
- Market Innovation Business Institution
- X-Bond Treasury Star

— Shenzhen Stock Exchange

- 2024 Bond Market Making Pioneer Award
- 2024 Top 100 Bond Trading Institutions
- 2024 Pioneer Institutions in Bond Trading (Brokers Proprietary)
- 2024 Outstanding Option Market Maker
- 2024 Market Maker AA Rating

— Shanghai Stock Exchange

- Outstanding Underwriter of Industrial Bonds
- Outstanding Underwriter of Corporate Bonds
- Outstanding Underwriter of Government-supported Institution Bonds
- 2024 Outstanding Underwriter of Local Government Bonds
- 2024 Market Maker AA Rating
- 2024 Member Investor Education and Protection Work – Specialized Award for Investor Education in Universities, Specialized Award for Member Cooperation in Investor Education Activities, Specialized Award of “I am a Shareholder” Activity and Outstanding Practice Case of Investor Protection

— Shanghai Clearing House

- Outstanding Green Finance Business Innovation Institution Award
- Outstanding Participant Award for Standard Bond Forward Agency Clearing Business



Shanghai Gold Exchange

- 2024 Outstanding Special Member

Shanghai Environment and Energy Exchange

- Carbon Finance Practice Award

Xinhua Net

- Selected Case for the “Green Finance Practice” at the 11th Financial Enterprise Social Responsibility Forum

www.cls.cn

- 2025 Second “Wealth Management • Huazun Award” – Best Investment Advisory Team Award, Best ETF Ecosystem Award and Best Digital Wealth Management Award
- 2025 Best ETF Ecosystem Award

Structured Retail Products

- 2025 Best Distributor in China – Securities Company
- 2025 Best Performance Award in China – Securities Company
- 2025 Best ESG Product Solution Award in China

New Fortune

- The 7th New Fortune Best Investment Advisor – Best Investment Advisory Team Award and Outstanding Organization Award
- 18th New Fortune Best Local Investment Bank (7th Place) and Best ESG-Practicing Investment Bank

Shenwan Futures

The Committee for Inheriting the Spirit of Lei Feng of the Research Association of Ideological and Political Work of China Financial Institutions and the Volunteer Committee for Inheriting the Spirit of Lei Feng of the China Volunteers Association

- Lei Feng Activity Demonstrative Unit of Financial System

Agricultural and Rural Affairs Bureau of Gushi County, Henan Province

- Honorary Certificate for Rural Revitalization

The Party Group of the Bureau of Commerce of Macheng City of the CPC

- Advanced Joint Construction and Co-construction Party Organization

Agricultural and Rural Affairs Bureau of Hezhang County

- Letter of Commendation

Agricultural and Rural Affairs Bureau of Nankang District, Ganzhou City

- Honorary Certificate for Rural Revitalization

Shanghai Futures Exchange

- Honorary Certificate for Special Work of Supporting Agriculture with Natural Rubber

Shanghai Financial Association

- Third Prize for Outstanding Research Achievements in the Reform and Development of Shanghai's Financial Industry in 2022-2023

Beijing National Institute of Financial Standardization Co., Ltd.

- Second Prize of Key Research Topics on Financial Standardization for 2023 to 2024



Hongyuan Futures

China Futures Association

- Selected Case of 2024 Outstanding Trader Education Case Library
- “Research on Intelligent Risk Monitoring Mechanism of Futures Company Based on New Quality Productivity” won ‘Good’ evaluation

Shanghai Futures Exchange

- The Company’s “Insurance + Futures” project in Hainan Baisha County was rated as good

China Rural Credit Cooperative Newspaper (中國農村信用合作報)

- Won the Typical Case of High-Quality Development of Financial Strengthening of Agriculture Led by Party Building

Beijing Futures Association

- Champion of the 17th Beijing Futures Industry Sports Competition

China Futures Association

- Shortlisted as Excellent Case of “2024 Futures Operation Organization Serving Real Economy”

Zhengzhou Commodity Exchange

- The “Insurance + Futures” Best Publicity Award in 2024 of Zhengzhou Commodity Exchange
- The “Insurance + Futures” Best Settlement Award in 2024 of Zhengzhou Commodity Exchange
- The “Insurance + Futures” Excellent Project in 2024 of Zhengzhou Commodity Exchange

Shenwan Hongyuan Financing Services

WIND

- 2024 WIND Best Investment Bank – Best NEEQ Chief Securities Firm

New Fortune

- 18th Best M&A Investment Bank (5th Place)

SWS Research

Securities Times, New Fortune magazine

- Most Influential Research Institutions (shortlisted in for 22 consecutive years) and Domestic Gold Medal Research Teams (shortlisted for 22 consecutive years), 1st Place for the Best ESG Practice Research Institute, 2nd Place of the Best Company Research Team of the Beijing Stock Exchange, 3rd Place of the Most Influential Research Institute, 4th Place of the Best Domestic Research Team, 4th Place of Research Team on Energy and Materials Industry, 5th Place of the Research Team on Financial Industry, 7th Place of the Research Team on Technology Industry, 7th Place of the Best Sales Service Team, and 8th Place of the Research Team on Consumer Industry

Shanghai Securities News

- 7th Place of “Most Influential Securities Research Institute” Award in 2024 Best Analyst Award

Securities Market Weekly

- 4th Place of the Best Research Institute”, 5th Place of the Local Gold Research Team and 5th Place of the Most Influential Institution in the 18th Session Crystal Ball Awards for Sell-side Analysts



└ 21st Century Business Herald

- Annual Influence Securities Research Institute Award, 2024 Best Institution Award for Serving New Quality Productive Forces and High-quality Development and 2024 Best Research Institute Award for Overseas Investment

└ China Securities Journal

- Best Golden Bull Research Institution of 2024 Securities Analyst Golden Bull Award

└ Shanghai Financial Trade Union

- Women's Collective of the 2024 Shanghai Financial System Staff Theme Merit Competition and Second Prize of the Case of Protecting Investors' Rights and Interests

Shenwan Hongyuan Asset Management

- └ The Second Conference on High Quality Development of Asset Securitization for Finance Leasing and the Innovative Financing Award of the Year of the China Financing Leasing Industry (Golden Spring Award)
 - 2024 Best Asset Management Institution Award in the Financing Leasing Industry

SWHY International

- └ The First Forum of the Alliance of Outstanding Institutions for Chinese Overseas Bonds hosted by the Shanghai Development Research Foundation
 - 2024-2025 "Most Influential Underwriter Award"

└ China Securities Technology DMI Platform

- 2024 Best Underwriter of Dim Sum Bonds

└ WST Pro/SereSbond

- The Eighth (2024) Annual Selection of Outstanding Institutions and Best Transactions of Chinese-funded Offshore Bonds: Best Underwriter of Urban Investment Bonds

Shenyin & Wanguo Investment

- └ The "Good Product Finance (好品金融)" event in 2025 (Hosted by the Financial Committee Office of the Shandong Provincial Committee of the CPC, Shandong Branch of the People's Bank of China, Shandong Regulatory Bureau of the National Financial Regulatory Administration, the Shandong Regulatory Bureau of the China Securities Regulatory Commission and Dazhong News Group)
 - The "Good Product Finance (好品金融) – Five Priorities Innovative Product (Technology Finance)" Award in 2025



III. ANALYSIS ON CORE COMPETITIVENESS

In accordance with strategic requirements, the Company fully utilizes its established advantages to promote the coordinated development of each business segment coordinately, and actively builds an investment holding group with securities business as its core, thus forming its own core competitiveness, which is mainly reflected in the following aspects:

(I) Leading Comprehensive Strength

Due to the strong advantages in respect of shareholders, abundant capital strength and extensive brand influence, as well as rich customer resources and comprehensive outlet distribution, the Company has achieved good operating results and its comprehensive competitiveness ranked at the forefront of the securities industry. Adhering to the customer-centric development concept, the Company comprehensively promotes the development, transformation and innovation of the securities business and proactively expands the investment business centering on the securities business, which continuously consolidates and enhances its comprehensive financial service capabilities.

(II) Comprehensive Business Layout

The Company has improved the whole industry chain service system based on the capital market and continuously consummated the product lines and service lines under securities business. With full licenses and leading business capabilities, the Company has achieved good development momentum and its position in the industry improves steadily. The Company proactively expands its investment layout of the capital market and securities business, to promote the efficient and coordinated development of securities business and investment business.

(III) Favorable Regional Advantage

Closely following the national development strategy, the Company promotes the establishment of a regional development pattern featuring linkage and resource synergy between the eastern and western regions of China. While establishing an extensive layout in traditional advantageous areas including Shanghai and Xinjiang, the Company deeply taps the development opportunities arising from the construction of “Five Centers” and free trade zone in Shanghai, proactively cooperates with the development of the western region and the “Belt and Road Initiative”, and continues to deepen the prospective layout in the areas including Guangdong-Hong Kong-Macao Greater Bay Area, Beijing-Tianjin-Hebei Region and Great Southwest Region, to further establish important regional growth drivers.

(IV) Effective Risk Management

The Company attaches great importance to legal and compliance operation and internal control construction. It has established a comprehensive risk management system at group level covering all aspects and all staff throughout its entire business process, continuously improved risk policy, optimized risk identification and response, and effectively controlled operation risks, with risk control indicators of Shenwan Hongyuan Securities in compliance with the regulatory requirements. Moreover, its business maintains sustainable development momentum, providing a guarantee for the further improvement of the Company’s comprehensive strength.



(V) Well-established Talent Mechanism

The Company adheres to the people-oriented principle, upholds the concept of employing those with integrity, competence and merit and giving full scope to the talents, and creates an open, equal, competitive, merit-based and applicable employment environment. The Company continuously improves the human resources development system with market-oriented mechanism as the core, and promotes the interests sharing between the Company, shareholders and employees to provide strong and enduring career security for employee's long-term development and self-value realization.

IV. PRINCIPAL BUSINESS ANALYSIS

The Company insisted on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, kept a foothold in the development orientation of state-owned financial enterprises, gathered the development synergy of Shenwan Hongyuan, aimed to build a first-class investment bank, deeply integrated national strategies with its own development, and drove business transformation through three main lines, of "functional guidance, differentiated layout and modern governance". In terms of business, the Company continuously accelerated the transformation and upgrading of business model, focused on building three pillars of "large wealth and large asset management", "large institutions and large transactions", and "large investment banking and large investment", and promoted the coordinated and balanced development of light and heavy capital businesses. In terms of management, the Company deepened market-oriented and professional reforms, continuously accelerated the empowerment of financial technology, and consolidated the three cornerstones of "culture, talent, and governance". During the Reporting Period, the Company actively responded to changes and took the initiative to seek transformation. All aspects of its operation and management were carried out in an orderly manner. The Company also firmly held the bottom line of financial risks. The operating performance steadily improved.

(I) General Condition

In the first half of 2025, the Company achieved total revenue and other income of RMB16,502 million, representing a year-on-year increase of 25.77%; profit before income tax of RMB5,985 million, representing a year-on-year increase of 78.16%; profit for the period attributable to shareholders of the Company of RMB4,284 million, representing a year-on-year increase of 101.32%; basic earnings per share of RMB0.17, representing a year-on-year increase of 112.50%; and weighted average return on equity of 4.00%, representing a year-on-year increase of 1.91 percentage points. As at June 30, 2025, total assets of the Company amounted to RMB682,053 million, representing a decrease of 2.23% from the beginning of the year; total equity attributable to shareholders of the Company amounted to RMB108,474 million, representing an increase of 3.52% from the beginning of the year.

**(II) Principal Business Analysis**

Shenwan Hongyuan Group is comprised of subsidiaries in the fields of securities, investment, fund and futures, and has four major business segments including enterprise finance, personal finance, institutional services and trading, and investment management. The Company continues to build the whole industry chain of investment and financial services relying on the capital market to provide diversified financial products and services to customers.

Information on each business segment of the principal business is as follows:

Unit: Thousand Yuan Currency: RMB

Segment	Total revenue ^{Note}	Total expenses	Profit margin before income tax (%) ^{Note}	Change in total revenue as compared to the corresponding period of last year (%)	Change in total expenses as compared to the corresponding period of last year (%)	Change in profit margin before income tax as compared to the corresponding period of last year (percentage point)
Enterprise finance	2,369,591	1,573,413	33.60	53.18	23.71	15.82
Including: Investment banking	922,946	593,468	35.70	23.45	-7.28	21.32
Principal investment	1,446,645	979,945	32.26	80.99	55.11	11.30
Personal finance	5,752,376	4,208,230	26.84	14.35	4.18	7.14
Institutional services and trading	8,039,801	4,588,765	42.92	30.86	7.67	12.29
Investment management	723,690	529,621	26.82	-1.47	1.30	-1.99
Total	16,885,458	10,900,029	35.45	25.49	7.96	10.48

Notes: 1. Total revenue = Total revenue and other income + Shares of profit of associates and joint ventures

2. Profit margin before income tax = Profit before income tax / (Total revenue and other income + Shares of profit of associates and joint ventures) * 100%



1. Enterprise Finance Business

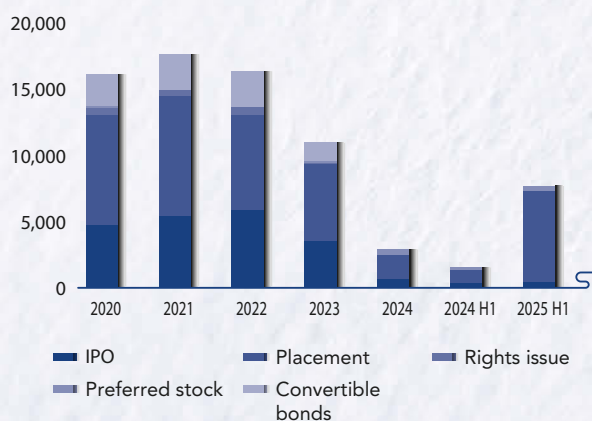
Targeting enterprise clients, our enterprise finance business consists of investment banking business and principal investment business. The investment banking business includes equity financing, debt financing and financial advisory, while the principal investment business includes equity investment, debt investment and other investment. During the Reporting Period, the enterprise finance business segment of the Company recorded total revenue of RMB2,370 million, representing a year-on-year increase of 53.18%, including RMB923 million from the investment banking business segment, representing a year-on-year increase of 23.45%; and RMB1,447 million from the principal investment business segment, representing a year-on-year increase of 80.99%.

(1) Investment banking business

Market environment:

Statistics of Domestic Share Issuance

Unit: '00 million Currency: RMB

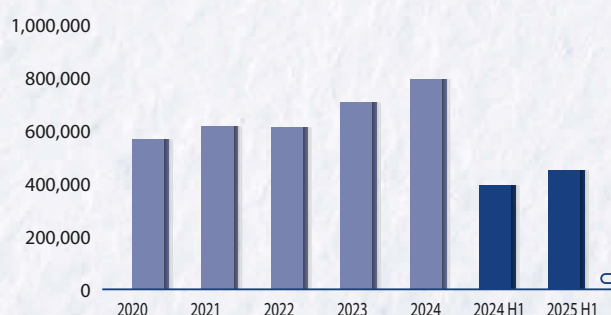


Notes:

1. Source: WIND;
2. Based on the data on the listing date

Statistics of Domestic Bond Issuance (under full consolidated basis)

Unit: '00 million Currency: RMB



Notes:

1. Source: WIND;
2. Based on the data on the issuance date



a. Equity financing

In the domestic market, in the first half of 2025, equity financing in the A-share market saw a year-on-year recovery, but it still remained at a low level. During the Reporting Period, the entire market completed a total of 130 equity financing projects (cash type), the number of enterprises decreased by 9.09% year-on-year, and the equity financing scale (cash type) was RMB688.014 billion, representing a year-on-year increase of 430.08%; and completed 51 IPO projects, the number of enterprises increased by 15.91% year-on-year, and the financing scale was RMB37.355 billion, representing a year-on-year increase of 14.96%; and completed 79 refinancing projects (cash type), the number of enterprises decreased by 20.20% year-on-year, and the financing scale was RMB650.659 billion, representing a year-on-year increase of 568.71%. (WIND, based on the data on the listing date, excluding exchangeable bonds, 2025)

In the overseas market, with the adjustment of domestic economic and financial policies, coupled with factors such as the recovery of market liquidity, the equity financing market in Hong Kong witnessed a strong recovery in the first half of 2025. The amount of equity financing in the Hong Kong market was HKD280.830 billion, representing a year-on-year increase of 322.46%. In particular, the total amount of IPO financing was HKD107.061 billion, representing a year-on-year increase of 701.29%. (Hong Kong Stock Exchange, June 2025)

b. Debt financing

In the domestic market, in the first half of 2025, the issuance of bonds in the domestic market was generally stable and positive. In terms of issuance scale, the scale of credit bond issuance reached RMB10.35 trillion, representing a year-on-year increase of 6.40%, and the financing scale and quantity of industrial entities have become new growth points. In terms of interest rates, the interest rate of 10-year treasury bonds hit a historical low of 1.60% at the beginning of the year. After the Spring Festival, the market interest rate experienced a pullback and once rebounded to 1.90%. Since the second quarter, it has returned to the downward range. With the decline in financing costs and the improvement in issuance efficiency, investors' demand for the allocation of medium and long-term credit bonds has significantly increased, driving a trend toward longer maturities in bond issuance.



In the overseas market, the Chinese funded offshore bond market has experienced significant volatility due to multiple factors, including adjustments to global monetary policy, changes in market liquidity, international trade tariff policies, and a tightening regulatory environment. As of June 30, 2025, the issuance number of Chinese funded offshore bonds was 488, with a total issuance size of approximately USD72.246 billion. The total issuance size increased by approximately 35% year-over-year, while the total number of issuances decreased by approximately 5% year-over-year. (Bloomberg, June 2025)

c. Financial advisory

In the domestic market, in the first half of 2025, the CSRC issued the amended Administrative Measures for Major Asset Restructuring of Listed Companies, and following new policies such as the new “National Nine Guidelines”, “STAR Eight Measures” and “Six M&A Measures”, continued to reactivate the M&A and restructuring market, and the number of M&A and restructuring transactions subject to review increased significantly. In the first half of 2025, there were 13 M&A and restructuring projects reviewed and approved by the exchange, representing a year-on-year increase of 550%, which approached the total number of 14 M&A and restructuring projects approved throughout 2024, indicating a significant recovery in the M&A and restructuring market.

Operating measures and results:

The Company carries out investment banking business principally through subsidiaries including Shenwan Hongyuan Securities.

The Company insisted on implementing national strategies and serving the real economy as the core, effectively brought its professional advantages into play, strengthened strategic guidance, practically identified its responsibilities and missions, and focused on its main responsibilities and businesses. The Company also expanded and deployed strategic national projects and special business varieties, supported the development of enterprises featured by “professionalism, refinement, specialization and novelty”, strategic emerging industries and frontier technology enterprises, assisted in the transformation and upgrading of enterprises in the key links and core points in the advanced manufacturing industries and industry chains. The Company insisted on the organic unification of economic responsibility and social responsibility, continuously improved its financial service capabilities for major national development strategies, actively played its role as a bridge between the capital market and the real economy, and continued to cultivate a business ecology that follows national strategies. The specific measures are as follows:



Serving national strategies	Specific measures
Serving technological self-reliance and self-improvement	<p>Equity financing: during the Reporting Period, Shenwan Hongyuan Financing Services actively participated in the construction of financial-backed innovation system, fully exerted the advantages of comprehensive financial services of “investment banking + investment + research”, and strengthened the financial support for enterprises with key core technologies, enterprises featured by “professionalism, refinement, specialization and novelty”, strategic emerging industries and future industries. In particular, the company assisted Huitong Technology (301601.SZ), a provider of overall technical solutions for high-end chemical engineering equipment and products, in listing on the ChiNext Board, assisted Hongjing Optech (301479.SZ), a high-tech enterprise engaged in optical cameras and camera modules, in listing on the ChiNext Board and becoming the first successfully listed intelligent automotive supply chain enterprise in 2025, and assisted Anji Micro (688019.SH), a hard-tech enterprise, in successfully issuing convertible bonds; and the company provided equity financing totaling RMB2.926 billion for six strategic emerging industry enterprises.</p>
	<p>Shenwan Hongyuan (H.K.) closely followed changes in the capital market and regulatory policies, and took advantage of overseas capital market services to support technological innovation finance and serve new quality productive forces. The reserve of IPO sponsorship for Hong Kong-listed companies in the fields of technology and new energy has significantly increased.</p> <p>Debt financing: during the Reporting Period, the Company issued a total of RMB19.381 billion in science and technology innovation bonds, representing a year-on-year increase of 126.86%. As the issuer, the Company issued the first batch of science and technology innovation bonds for securities companies in the entire market, and served as the lead underwriter for science and technology innovation financial bonds issued by eight banks including Industrial and Commercial Bank of China and Bank of China.</p>
Serving green finance	<p>Equity financing: during the Reporting Period, Shenwan Hongyuan Financing Services successfully sponsored the IPO project of Zerun Tech (301636.SZ), a new energy electrical technology enterprise, on the ChiNext Board, raising a total of RMB528 million; completed the issuance of convertible bonds of Chongqing Water, raising a total of RMB1.9 billion; and assisted customers in the development of green, low-carbon and environmental infrastructure.</p>
	<p>Debt financing: during the Reporting Period, the Company successively issued a total of 21 bonds including green bonds and carbon neutrality bonds, with actual underwriting size of RMB11.916 billion, representing a year-on-year increase of 191.36%. The Company successively promoted large state-owned banks such as Agricultural Bank of China, Bank of Beijing and Industrial and Commercial Bank of China to issue green bonds in the interbank market, among which the green financial bonds of Industrial and Commercial Bank of China were the first floating rate green financial bonds issued by a commercial bank in the market.</p> <p>During the Reporting Period, Shenwan Hongyuan (H.K.) actively served the green development strategy, and the actual underwriting amount of relevant offshore bonds projects was approximately RMB715 million, representing a year-on-year increase of 71.25%.</p>




Serving national strategies	Specific measures
Serving the “Belt and Road Initiative”	Equity financing: during the Reporting Period, Shenwan Hongyuan Financing Services, as a joint lead underwriter, successfully assisted the IPO of Hyper Strong (688411.SH) on the STAR Market. The energy storage intelligent manufacturing base built by the company in Jiuquan, Gansu Province, contributes to the development of energy storage industry in the northwest region and is expected to provide support for energy projects in countries along the “Belt and Road Initiative”.
	Debt financing: during the Reporting Period, the Company underwrote nine bonds related to the “Belt and Road Initiative” as a lead underwriter. In addition, Shenwan Hongyuan (H.K.) implemented the national “Belt and Road Initiative” work deployment, served the dual loops at home and abroad, and supported relevant debts projects with an underwriting amount of approximately RMB6.020 billion, representing a year-on-year increase of 24.64%.
Serving the inclusive finance policy	Equity financing: Shenwan Hongyuan Financing Services took the NEEQ business and the Beijing Stock Exchange as the starting point for serving SMEs, and continuously assisted innovative SMEs to seek for new growth points. Since the opening of the Beijing Stock Exchange, the number of listed companies on the Beijing Stock Exchange sponsored by the company ranked second in the market. During the Reporting Period, Shenwan Hongyuan Financing Services completed a total of 11 listings and private placements on the NEEQ, ranking sixth in the market, including assisting five national enterprises featured by “professionalism, refinement, specialization and novelty” in listing on the NEEQ, and assisting SMEs in financing a total of RMB1.966 billion.
	Debt financing: During the Reporting Period, the Company underwrote 14 inclusive finance bonds (including bonds supporting small, medium and micro-sized enterprises and agriculture, rural areas and farmers) as a lead underwriter, with an actual underwriting size of RMB7.032 billion, representing a year-on-year increase of 101.94%.






a. Equity financing:

In terms of domestic equity financing, during the Reporting Period, the Company provided equity underwriting for 8 enterprises, ranking seventh in the industry; the total equity underwriting scale was RMB13.226 billion, ranking eleventh in the industry. Among them, the number of IPO underwritings was five, ranking third in the industry; the underwriting scale was RMB2.095 billion, ranking sixth in the industry. In terms of refinancing, the Company completed three refinancing projects in the first half of 2025, ranking eleventh in the market in terms of number of projects. (WIND, based on the data on listing date, excluding exchangeable bonds, 2025)

In addition, the Company proactively developed inclusive finance business, and fully promoted the development of small and medium-sized enterprises. During the Reporting Period, the Company completed a total of 11 NEEQ directed offerings and listings, ranking sixth in the industry. As of the end of the Reporting Period, the Company provided continuous supervision for 546 NEEQ-listed enterprises, ranking second in the industry, including 181 enterprises on the innovative layer, ranking second in the industry; the Company accumulatively recommended 868 enterprises for listing, ranking first in the industry; the Company provided 954 private placements for listed enterprises, ranking first in the industry; and the Company conducted equity financing in an amount of RMB38.97 billion for listed enterprises, ranking second in the industry (CHOICE, based on the data on the listing date; internal statistics of the Company). Since the opening of the Beijing Stock Exchange, the Company has completed a total of 23 issuance and listing projects on the Beijing Stock Exchange (including select tier), raising RMB4.461 billion, both ranking second in the industry in terms of the number of completed projects and the amount of funds raised. (WIND, based on the data on the listing date, 2025)

 NEEQ	Continuous supervision for 546 NEEQ-listed enterprises	Continuous supervision for 181 enterprises at the innovative level	Both ranking second
	Number of enterprises accumulatively recommended for listing	Times of provision of private placements for listed enterprises	Total amount of equity financing for listed enterprises
	868 (Ranking first)	954 (Ranking first)	RMB38.97 billion (Ranking second)

 Beijing Stock Exchange	Cumulative underwriting of 23 enterprises	Accumulatively raised proceeds of RMB4.461 billion
	 Second	 Second

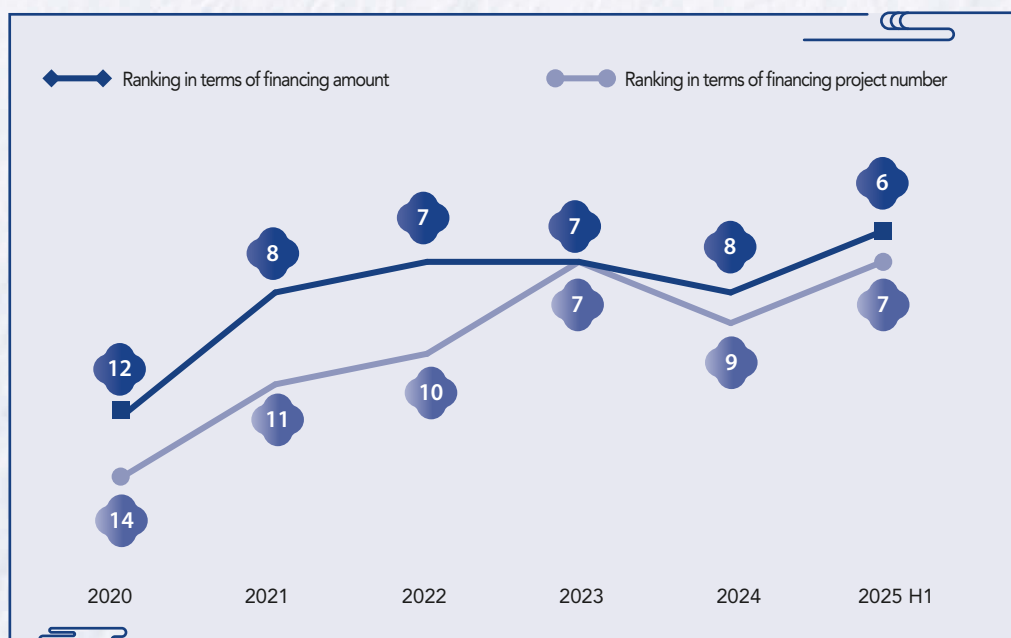


In terms of overseas equity financing business, the Company closely followed changes in the capital market and regulatory policies, continuously strengthened the integrated linkage between domestic and overseas markets, constantly enhanced professional capabilities, and accelerated the layout of international investment banking business. During the Reporting Period, the Company participated in four Hong Kong IPO underwriting projects.

b. Debt financing

In terms of domestic debt financing business, the Company's debt financing business maintained a stable development trend, with significant growth in the amount and number of lead underwriting for various types of bonds, and the industry ranking and market influence maintained at a considerable level. During the Reporting Period, the scale and number of underwritings as a lead underwriter for the whole range of corporate bonds (corporate bonds + financial bonds + enterprise bonds + non-financial enterprise debt financing instruments) both reached record highs. Among them, the number of lead underwriting was 441, representing a year-on-year increase of 37.38%; and the lead underwriting scale was RMB169.003 billion, representing a year-on-year increase of 21.53%, ranking sixth in the industry in terms of the scale of lead underwriting. (WIND, 2025)

Ranking of the Company's Debt Financing Since 2020



Note: Based on the data of corporate bonds, financial bonds, enterprise bonds and debt financing instruments of non-financial enterprises



The Company actively implemented the requirements of serving national strategies, and expanded the deployment of projects serving national strategies and featured business types. During the Reporting Period, most of proceeds from bond issuance were applied in key areas such as technology and innovation, dual-carbon development and inclusive finance. The Company actively helped to broaden financing channels for small, medium and micro-sized enterprises.

In terms of overseas debt financing business, the Company continued to intensify its project development and cross-border business synergy, precisely empowered the real economy, and actively explored green bonds, Yulan Bonds and other overseas debt projects of quality enterprises leveraging on finance. The Company completed 114 overseas bond projects during the Reporting Period. In particular, the Company participated in the issuance of multiple currency bonds, including “Yulan Bonds”, the world’s first non-financial enterprise dollar-denominated bonds issued by Shandong Yihe Holding Group Co., Ltd., Japanese Yen Bonds issued by Dongtai Huimin and Euro Bonds issued by Jiangsu Tenghai, etc. In the first half of 2025, Shenwan Hongyuan (H.K.) won the “Most Influential Underwriting Institution Award” issued by the Shanghai Development Research Foundation.

c. Financial advisory

In terms of domestic financial advisory business, during the Reporting Period, the number of financial advisory projects of the Company (based on the data of first disclosure) was seven, ranking seventh in the industry; the total transaction amount was RMB17.514 billion. (WIND, 2025)

In terms of overseas financial advisory business, during the Reporting Period, the Company continued to expand the financial advisory projects such as M&A and restructurings, with nine additional financial advisory projects.

**Outlook for the second half of 2025:**

In the second half of 2025, the investment banking business is expected to maintain growth resilience amid the synergy of policy dividends and market expansion, and industry competition will shift from “scale expansion” to “quality competition”. The Company will accelerate the transformation from traditional project-focused investment banking business model to client-centered one, actively respond to national policies, serve the national strategy, help the development of the real economy, give full play to the role of state-owned financial enterprises, and effectively play the role of intermediary as the “gatekeeper” and “service provider” of the capital market. Based on its rich capital market experience, the Company will continue to build up its resource integration capabilities, and enhance the effectiveness of the collaborative model of “industry research + production research + investment banking” to comprehensively consolidate comprehensive capabilities in terms of capital, pricing, sales, collaboration, risk control and technology; and the Company will serve the life cycle comprehensive financial service needs of customers, promote internationalization and domestic and international integration strategies, and continue to seize the opportunities brought by the interconnection of domestic and foreign markets, so as to build a large investment banking ecosystem of the entire industry chain.

(2) Principal investment business**Market environment:**

In the first half of 2025, the equity investment market accelerated its restructuring amidst in-depth policy guidance and changes in capital structure, showing distinctive features of “the rise of patient capital, focus on hard technology, and diversified exit ways”. During the Reporting Period, under the policy guidance of “patient capital”, capital was significantly tilted towards the early stage of “hard technology” fields such as semiconductors and artificial intelligence, and long-term capital was encouraged to “invest in emerging enterprises, small enterprises and hard technology enterprises”. Meanwhile, the exit mechanism continued to be broadened, the IPO channel has improved marginally, the A-share policy has loosened the listing conditions for unprofitable technology enterprises, the Hong Kong stock market has seen a small peak of IPOs of consumer enterprises, and the M&A market has become significantly more active, which has provided a more flexible exit path for equity investment.

Against this background, the strategic value and responsibility of the principal investment business of securities firms has become more prominent. Through in-depth participation in the integration of the industrial chain and the cycle of technological innovation, the principal investment of securities firms not only provides capital support for the invested enterprises, but also plays an indispensable role in serving the real economy, promoting the development of new-quality productive forces and optimizing the structure of the capital market through the grafting of the professional capacity of the capital market and the resources of comprehensive financial services.



Operating measures and results:

The Company and certain of its subsidiaries including Shenwan Hongyuan Securities conduct the principal investment business.

In the first half of 2025, the Company's principal investment business actively served the national strategy, fully supported the high-quality transformation and development of the real economy, and fully utilized its comprehensive financial advantages and strategic synergies.

Hongyuan Huizhi actively served the real economy. Led by the "Five Priorities", it continued to make efforts in the areas of industrial parks, guaranteed housing, urban renewal, and relief and risk reduction, and continued to improve its public REITS business strategy, improved the quality of post-investment management, and further enhanced its investment capability. During the Reporting Period, Hongyuan Huizhi launched key REIT projects such as Xinda Guangzhou Urban Renewal Project, Chengdu Xingcheng Urban Renewal Project, Shanghai Construction Engineering Guaranteed Rental Housing Project, and Shanghai Real Estate Guaranteed Rental Housing Project, and completed investments in LianDong Science and Technology Innovation Industrial Park REIT, Zhangjiang Industrial Park REIT, and Yuanlian Suzhou Bio-Pharmaceutical Industrial Park Fund, and also focused on promoting the financing and bonding project of Tianheng Real Estate, a financing platform in Beijing, and the financing and bonding project of Chengdu City Investment in Sichuan, and the Company's high-quality development has been steadily promoted.

Shenwan Innovation Investment continued to deepen its investment and research drive and comprehensive financial capabilities, increased project coverage, and promoted investment deployment in relevant fields, thereby enhancing the quality of its services to national strategies. During the Reporting Period, it completed the placement of two national strategic projects.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to closely respond to national strategic needs and focus on "Five Priorities" to implement the investment business layout. The Company will continue to upgrade its business model, optimize "one account, on policy" client services, and build a multi-level investment system covering PRE-REITS, initial public offering and expansion of strategic placements, and additional placements in the secondary market. We will also increase investment support in areas such as technology, inclusive, green, elderly care and digitalization. Meanwhile, we will continue to deepen our synergistic services and explore the innovative synergistic model of "investment + investment banking + fund management" in order to continuously enhance our core competitiveness.



2. Personal Finance Business

The personal finance business of the Company mainly covers securities brokerage, futures brokerage, margin financing and securities lending, stock-backed lending and sales of financial products. During the Reporting Period, the personal finance business segment of the Company recorded total revenue of RMB5,752 million, representing a year-on-year increase of 14.35%.

(1) Securities brokerage business

Market environment:

In the first half of 2025, the capital market continued the main tone of strict supervision and stable development, and under the continuous promotion of various deepening reform measures, the market operation became more standardized, and the investor confidence gradually increased. At the beginning of the year, the market experienced a phased adjustment due to the impact of external factors, and with the continued release of policy advantages and the steady recovery of economic fundamentals, the A-shares regained the upward trend in the second quarter. During the Reporting Period, the SSE Composite Index, the Shanghai and Shenzhen 300 Index and the ChiNext Price Index raised by 2.76%, 0.03% and 0.53% respectively, and the market activity was significantly increased; the turnover of the Shanghai and Shenzhen markets amounted to RMB159.36 trillion in the first half of 2025, representing an increase of approximately 58.81% over the corresponding period in 2024. Driven by policy support, business innovation and digital transformation, the securities industry has achieved performance growth and structural optimization, and the scale of its fund investment, ETF and other products has continued to expand, industry concentration has been further increased, and the ability to provide intelligent and digital services has been significantly enhanced.

Operating measures and results:

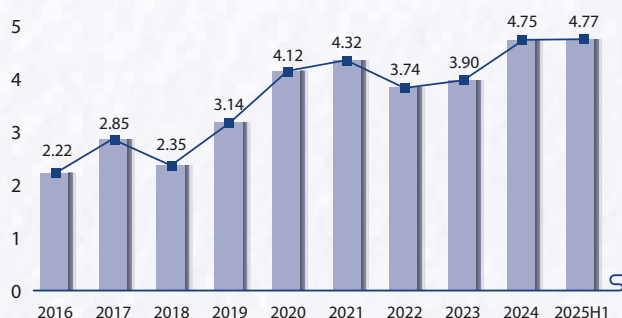
The Company carries out securities brokerage business principally through its subsidiaries including Shenwan Hongyuan Securities.

During the Reporting Period, the Company's securities brokerage business continued to focus on its main responsibilities and core business, fully implemented the concept of customer-centeredness, and continuously enhanced its core competitiveness. Focusing on the construction of "channel power, service power, product power, digital power and refined management capability", the Company increased investment in layout, improved matrix customer service, continued to enrich comprehensive financial service means, improved market response capability, consolidated and enhanced basic business, basic customers and basic services, and accelerated the building of the Company's wealth management brand. During the Reporting Period, net income from agency trading business amounted to RMB2.011 billion, representing a year-on-year increase of 44.32%, with 510,000 new clients, representing a year-on-year increase of 15.54%. As at the end of the Reporting Period, the assets under custody of clients' securities amounted to RMB4.77 trillion, representing an increase of 0.51% as compared with the end of the previous year, with the total number of clients exceeding 10 million, and the client and asset base further strengthened.



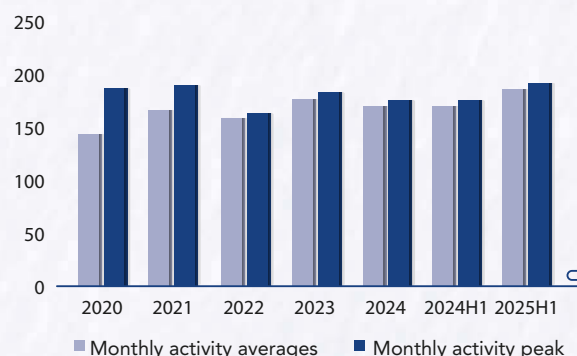
Market value of client's securities under the custody

Unit: trillion Currency: RMB



Average monthly activity of customers on mobile trading client side

Unit: 0'000



In addition, the Company's brokerage business accelerated the integration of technology, continued to improve our self-developed one-stop digital wealth management platform "Shencai Youdao APP", and actively explored the innovative application of cutting-edge technologies such as large models and artificial intelligence in the brokerage business by integrating the Company's comprehensive financial service resources. It continued to strengthen its digitalization capabilities and enhanced its service efficiency, providing small and medium-sized investors with wider, better, more convenient and more efficient digital inclusive financial services. In terms of securities investment advisory, it continued to strengthen its service product matrix construction, and around the concept of "professional services create value", continued to make efforts in the five major dimensions of trading, allocation, methodology teaching, long-term accompaniment and private customization, and endeavored to build a warm and co-growth investment advisory service system.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to deepen its wealth management philosophy of "customer-centered, technology-driven, and professional value creation", strengthen on the construction of the "five powers" of channel power, service power, product power, digital power and refined management capability, and build a comprehensive service system of "intelligent terminal + three-dimensional service + professional investment advisor + ecosystem". The Company will enhance the efficiency and accuracy of customer service, continuously accelerate research empowerment and product empowerment, promote the accelerated transformation of wealth management to buyer-side investment advisory model, and make every effort to create the distinctive brand image as an "expert in asset allocation in the whole market" of Shenwan Hongyuan.



(2) *Futures brokerage business*

Market environment:

In the first half of 2025, the domestic futures market demonstrated strong resilience amidst the tariff war in the United States and the impact on the global financial market. New products were listed one after another, the futures industry accelerated its opening up to the outside world, and the ability of the futures market to serve the real economy continued to improve. During the Reporting Period, the cumulative turnover of the domestic futures market amounted to 4.076 billion lots and RMB339.73 trillion respectively, representing a year-on-year increase of 17.82% and 20.68% respectively (China Futures Association, 2025).

Operating measures and results:

The Company carries out futures brokerage business principally through subsidiaries Shenwan Futures and Hongyuan Futures.

In the first half of 2025, Shenwan Futures continuously optimized the layout of the client side, channel side and team side, and focused on breakthroughs in institutional client service, investment consulting business, wealth management business and OTC derivatives business. In the face of declining market interest rates and fierce competition in the industry, the overall operation of Shenwan Futures was relatively stable with good momentum of development. During the Reporting Period, the cumulative turnover of Shenwan Futures was 121 million lots, representing a year-on-year growth of 29.09%, and the average daily equity was RMB27.683 billion, representing a year-on-year growth of 18.71%; taking the basis trade and warehouse services of standard warehouse receipts as the key, the Company promoted the use of futures and other derivatives tools by enterprises for risk management, served the development of the real economy, and helped to implement the “six stabilisations and six guarantees”.

In the first half of 2025, Hongyuan Futures actively utilized its futures function to serve the national strategy. In the face of the complex and volatile internal and external situations, it focused on stabilizing operations, promoting development and preventing risks, and focused on its main duties and responsibilities to enhance its core competitiveness. During the Reporting Period, Hongyuan Futures achieved a year-on-year growth of 19.57% in average daily customer interest, representing a year-on-year growth of 27.42% in turnover and a year-on-year growth of 10.53% in handling fee income, all of which were higher than the average market rate of increase; the cumulative scale of service industry clients increased by 16.6% year-on-year, and it organized and launched 8 “insurance + futures” projects with a notional principal of RMB205 million.



Outlook for the second half of 2025:

In the second half of 2025, in terms of the futures brokerage business, the Company will resolutely implement the fundamental purpose of serving the real economy, profoundly grasp the politics and people's nature of financial work, focus on the "Five Priorities" on finance, and continue to deepen the integration of its main responsibilities and business with the real economy; it will insist on grasping increment, stabilizing the stock and promoting the transformation, and continue to expand the scale of its brokerage business and to expand the sources of business income; it will also insist on expanding the scale of its asset management business by focusing on the supply of quality products; insist on striking a balance between risk and return to enhance the quality of the development of its risk management business; insist on strengthening synergies within the system and extending the value chain of its customers; and continue to strengthen compliance and risk management, strictly adhere to the red line of compliance, and building up a solid bottom line of risk, so as to steadily promote the Company's high-quality development.

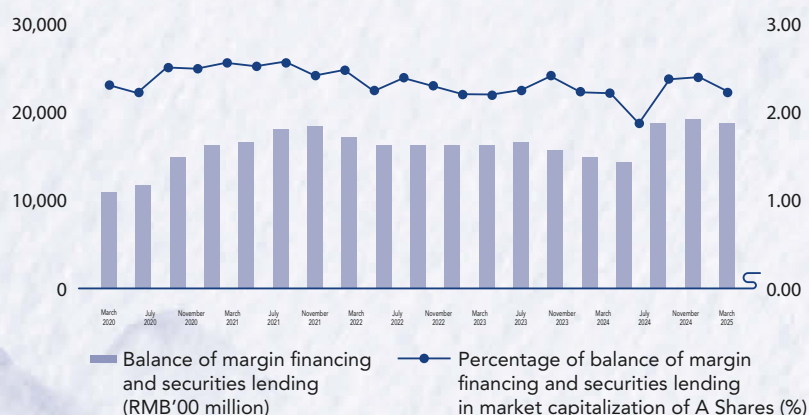
(3) Margin financing and securities lending business

Market environment:

In the first half of 2025, the A-share market stabilized after a general turbulence, and trading activity increased significantly. The scale of margin financing and securities lending business in the entire market fluctuated with the market, and the overall scale remained generally consistent with that at the end of last year. As of the end of June 2025, the balance of margin financing and securities lending business amounted to RMB1,850.452 billion, representing a decrease of 0.76% compared with the end of last year (WIND, 2025).

Margin financing and securities lending market condition

Unit: trillion Currency: RMB





Operating measures and results:

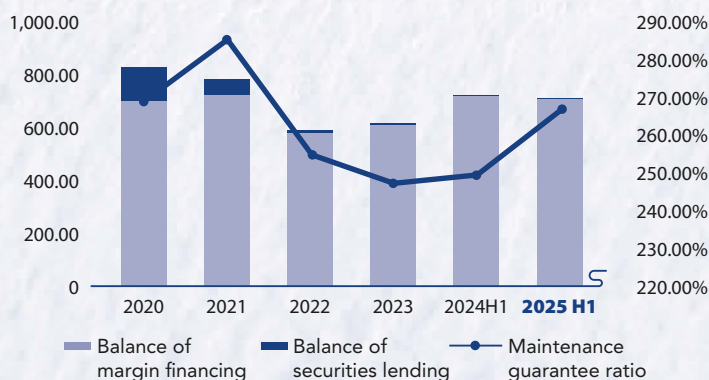
The Company carries out margin financing and securities lending business principally through its subsidiaries including Shenwan Hongyuan Securities.

During the Reporting Period, the Company continued to strengthen its technological capabilities, accelerated the iteration of digitization and optimization of the trading system, and vigorously promoted the transformation of institutionalization to enhance the service capability of institutional clients. The Company improved the pricing and allocation mechanism of its securities financing business and optimized the penetration verification method for securities financing clients. The Company implemented the requirements of comprehensive horizontal and vertical supervision to enhance the level of compliance management of margin financing and securities lending business.

As at the end of the Reporting Period, the balance of the Company's margin financing and securities lending business amounted to RMB71.292 billion, with the balance of the financing business amounting to RMB70.872 billion and the balance of the securities financing business amounting to RMB420 million (based on the data of securities company' regulatory reporting). The average guarantee ratio of the Company's overall margin financing and securities lending was 266.54%.

Implementation of margin financing and securities lending of the Company

Unit: '00 million Currency: RMB





Outlook for the second half of 2025:

In the second half of 2025, the Company will closely track market dynamics and regulatory policies, and continue to strengthen the foundation of its credit business based on stable operation. The Company will continue to strengthen its system platform, enhance service quality and customer experience, deepen institutionalization, enrich business strategies and steadily promote business development. Meanwhile, the Company will continue to optimize the risk management of credit business, strengthen the penetrating verification of the margin financing and securities lending business, prevent non-compliant transactions, protect the legitimate rights and interests of investors, and promote the high-quality development of our margin financing and securities lending business.

(4) *Stock-backed lending business*

Market environment:

In the first half of 2025, A-shares showed sideways oscillations under the dual influence of international trade and geopolitics. As a result of market uncertainty, the number of shares pledged and the number of shares pledged by major shareholders declined in the entire market. Since April 2025, the market value of pledged shares in the entire market has rebounded. Overall, the risk of the stock-backed market in the first half of 2025 was generally manageable, and the business logic shifted from expansion in scale to optimization in structure.

Operating measures and results:

The Company carries out stock-backed lending business principally through its subsidiaries including Shenwan Hongyuan Securities.

During the Reporting Period, the Company's stock-backed lending business followed the business philosophy of high-quality development, continued to optimize and improve the risk management system for stock-backed business, and promoted the development of new stock-backed business in a steady manner. As at the end of the Reporting Period, the balance of stock-backed business financed by the Company's own funds amounted to RMB1.617 billion, representing an increase of 15.24% as compared with the beginning of the year.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to provide high-quality financing services to shareholders of listed companies by selecting favourable industries and quality financing entities. Taking the stock-backed business as the key, the Company will do its best to serve the "Five Priorities" on finance, to serve the real economy and to promote the high-quality development of the business.



(5) *Agreed repurchase securities trading business*

Market environment:

During the Reporting Period, the agreed repurchase securities trading business showed positive development, driven by both falling domestic financing rates and market demand.

Operating measures and results:

During the Reporting Period, the Company further improved the agreed repurchase business system, optimized the model for admission of underlying securities and strengthened the risk management requirements. Meanwhile, the Company continued to enrich the types of agreed repurchase business and to optimize the business approval process, with a view to promoting the high-quality development of the agreed repurchase business. As at the end of the Reporting Period, the scale of the Company's agreed repurchase business amounted to RMB53.80 million, representing an increase of 2,095.92% as compared with the end of last year, and the weighted average performance guarantee ratio was 302.92%.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to adhere to the policy-oriented principle of "small amount, high efficiency and good convenience" and provide high-quality financing services to small and medium-sized shareholders of listed companies on the basis of risk prevention and control.

(6) *Sales of financial products business*

Market environment:

During the Reporting Period, the domestic macro-economy continued its steady recovery and capital market reforms continued to deepen. Leveraging on their strong capital, extensive business presence and strong brand influence, large brokerage firms provided comprehensive and one-stop financial services, enriching the large wealth management industry and intensifying competition and cooperation. As one of the means of asset allocation services for investors, the ability to sell financial products has gradually become one of the important standards for measuring the quality of the wealth management business of brokerage firms.

Operating measures and results:

The Company carries out the sales of financial products business principally through its subsidiaries including Shenwan Hongyuan Securities.

The sales of financial products of the Company include sales of financial products developed by ourselves and third parties, including mutual securities investment funds, private securities investment funds, trust plans, asset management schemes and other financial products.



In the first half of 2025, the Company focused on the “Five Priorities” on finance, and took meeting customers’ diversified allocation needs as the core to create a comprehensive package of financial services to meet the needs of “large wealth management”, and relied on the “product power, service power, digital power, channel power, and refined management capability” to strengthen the productization of its advantageous business resources, continued to promote the construction and quality of its product system, increased the distribution of fixed income products, indexed products and fixed income products, and established a differentiated customer service system to provide customized services and products according to the different needs and risk-bearing capacity of its customers, and has resolutely carried out the financial regulatory measures to prevent financial risks.

During the Reporting Period, the Company actively built an indexed product ecosystem and vigorously introduced index funds, facilitated the allocation of domestic and overseas medium- and long-term funds, and allocated domestic core assets; optimized financial services for the elderly, and continued to supply pension products to protect residents’ “pockets of money” in their old age; and expanded its cross-border wealth management services by leveraging the opportunity of “Cross-border Wealth Management” program. The Company continued to expand its service scene and strived to improve the quality of its services. Relying on financial technology, the Company created specialized, one-stop integrated fund service solutions to help customers with fund planning and asset allocation, and actively promoted the conversion of some of the funds in residents’ medium- and long-term savings into medium- and long-term capital in the capital market, so as to satisfy customers’ demand for preservation of and growth in their wealth at a high level and to continue to strengthen the sense of appreciation among investors. Meanwhile, the Company has also been keeping abreast of market dynamics and practicing inclusive finance. Relying on two types of brokerage products, namely, certificates of income and exchange-pledged quoted repurchase, the Company enlarged its wealth management business reservoir, and helped its wealth management develop in a high-quality manner.

During the Reporting Period, the Company sold financial products amounting to RMB343.712 billion, representing a year-on-year increase of 36.57% from the corresponding period of last year, of which RMB311.931 billion were self-developed financial products and RMB31.780 billion were agency sales of third-party financial products.

**Outlook for the second half of 2025:**

In the second half of 2025, the Company will continue to promote the transformation of “customer-centric” wealth management, accelerate the construction of platformized, configured and differentiated product systems around the needs of clients in different lifecycles, continue to improve the financial toolbox, and strive to provide clients with one-stop services while creating star products. The Company will continue to strengthen investment research capabilities and product risk assessment system, enhance the excavation and screening of potential managers and high-quality products, strictly control the introduction of assessment, and continue to introduce new products amidst the rotation and evolution of the market. The Company will focus on expanding our product portfolio and deploying indexed products”, and accelerate the enhancement of the promotion of ETF investment and education. The Company will strengthen its asset allocation capabilities and expand the footprint of indexed products and high-end customized business to provide customers with more comprehensive wealth management solutions. The Company will also take the individual pension and fund investment business as means to satisfy the medium- and long-term investment needs of investors, and contribute to the construction of the investment ecosystem of “long-term capital and long-term investment” and the promotion of the high-quality development of its product sales business.

3. Institutional Services and Trading Business

The institutional services and trading business include prime brokerage services, research and consultation, FICC sales and trading, equity sales and trading business as well as derivatives business. During the Reporting Period, the Company’s institutional services and trading business segment recorded total revenue of RMB8,040 million, representing a year-on-year increase of 30.86%.

(1) Prime brokerage business**Market environment:**

In the first half of 2025, domestic prime brokerage businesses demonstrated steady growth driven by a recovering capital market and favorable policy support. With heightened activity in equity markets, securities firms saw significant revenue increases from proprietary trading and brokerage services, fueling growing demand for prime brokerage business, which in turn led to a significant growth in institutional transactional capital intermediary services driven by brokerage clients’ needs. Along with the intensifying industry competition, the prime brokerage business was evolving toward comprehensiveness and intelligence, where risk management capabilities and capital strength have become critical competitive differentiators.



Operating measures and results:

The Company carries out the prime brokerage business, which include trading units leasing, PB System, listed company services and fund administration services, principally through its subsidiaries including Shenwan Hongyuan Securities.

In the first half of 2025, under the changes of the industry such as the reduction of fund fees, in order to cope with the increasingly fierce competition in the industry, the institutional business further deepened and strengthened its investment research base, focused on its main responsibilities, and relied on the strong research strength and brand influence of its controlling subsidiary, SWS Research, further solidified the business foundation, and to gradually build up the second yield curve of the restructured income, which helped the Company's institutional business to develop from homogeneous price competition to high-quality services.

In terms of trading units leasing, the Company realized revenue of RMB216 million during the Reporting Period; the proportion of transactions rose significantly, among which, the trading proportion of split commission of funds was 3.89%, representing an increase of 0.74 percentage point compared to the end of 2024; and the trading proportion of assurance was 4.34%, representing an increase of 0.75 percentage point compared to the end of 2024.

As for the PB System, as of the end of the Reporting Period, there were 1,439 customers with asset scale of approximately RMB914.329 billion. The "SWHYMatrix" high-speed trading platform continued to improve its functions and optimize its performance, and can provide institutional customers with rich functions and algorithms of trading terminal system. As of the end of the Reporting Period, the product scale of the "SWHYMatrix" high-speed trading platform of the Company reached RMB26.29 billion.

As for the listed company services, during the Reporting Period, the Company built a comprehensive financial service matrix for listed companies featuring the characteristics of Shenwan Hongyuan, with focus on three dimensions of share management, wealth management and market value management; and established a service system covering the entire business chain, including share repurchase, equity incentive, shareholding increase or decrease and market value management. In particular, the Company provided share repurchase services to a total of over a hundred listed companies, and provided employee equity incentive service for a total of 70 listed companies with over 19,000 participants.



In terms of fund administration services, during the Reporting Period, the Company's custodian business line relied on the highly efficient and professional integrated fund management platform to further improve the administrator service system and professionally empower the administrators to operate in compliance with the regulations, forming a three-pronged synergy of internal coordination, independent marketing and operational optimization to actively meet the challenges of the industry. As of the end of the Reporting Period, the Company had 84 new products under custody, ranking tenth among brokerage custodians in terms of the number of new products under custody. The Company's fund operation service has passed the ISAE 3402 international accreditation for eight consecutive years and obtained the ISAE 3402 Type II accreditation for the first time and its fund custody business has passed the ISAE 3402 international accreditation for five consecutive years, achieved a better level of compliance and risk control. The Company has won the tender for the service business of pilot private equity funds for long-term investment of a large insurance company; and has made a breakthrough in the service business of offshore asset management products, with a scale exceeding RMB4.0 billion. The cross-border service has become a new growth point of the Company's service business. The "Series of Activities to Support Quality and Promote Development, and Enhance the Operational Capability of A Thousand Managers" has achieved remarkable results, and the influence of publicity has been enhanced. The Company's financial technology empowered the custody and operation service business, TA business system, performance analysis system and other innovation transformation, the main business system function has been upgraded; the Company has realized the T+0 function of the valuation system, which has significantly improved its business efficiency and strengthened the competitiveness of the core of the Company's custody and operation services business.

Outlook for the second half of 2025:

In the second half of 2025, the Company will follow the trend of market reform to transform and develop its business, focus on playing the role of platform driving, deeply explore customer needs, and deepen the upgrade of its products, business, research and services; create a more specialized and systematic synergistic service system, enhance the level of specialized and intelligent services for its institutional business, push forward the efficient and high-quality development of its institutional business, and strive to build a more competitive institutional ecosystem.



(2) *Research and consultant business*

Operating measures and results:

The Company carries out the research and consultant business principally through SWS Research.

In the first half of 2025, SWS Research insisted on the general key tone of “seeking progress while maintaining stability, high-quality development”, actively respond to the fee reduction reform of mutual fund, focused on its main business, and concentrated on transformation. Relying on the “investment research + industry research + political research” three-in-one research system, it closely followed the national strategic deployment, and empowered and supported the development of various businesses with professional research.

Firstly, serving the national strategies with professional research. SWS Research intensified its research layout in the technology sector. At the beginning of the year, it accurately seized the AI technology investment opportunity brought by DeepSeek, and its intelligent investment research and training products have been highly recognized by customers. It continuously deepened research on ESG and green finance, and has released the annual report on green finance research for four consecutive years, providing research support for institutional investors in ESG investment. It released the white paper on new materials for humanoid robots and the biopharmaceutical industrial chain map, etc., to empower and support the sustainable development of the new quality productive force fields. It has carried out policy research in multiple areas, actively voiced its opinions at critical times, and helped stabilize market expectations. Secondly, improving the integrated research system for A-shares, Hong Kong stocks and US stocks, and enhancing the online dissemination of research products. To better serve the needs of Chinese enterprises going global and investors’ global asset allocation, SWS Research continuously increased its research layout in Hong Kong and US stocks, innovated research methodologies, and achieved full coverage of research in all fields of A-shares, Hong Kong stocks and US stocks. Through channels such as video accounts, SWS Research continued to enhance the recognition and influence of its products in the mass market and among wealth-related customers, thereby achieving nearly a million views on online live stream and leading the industry in terms of video account indicators. Thirdly, innovating traditional ways of releasing research reports, and attempting to produce dehydration research reports. Through the dehydration research reports, SWS Research further expanded the reach of its research products and enhanced its brand influence. By closely following market hotspots and holding various special conferences, it promptly provided professional interpretations and investment suggestions to clients, strengthened client stickiness, and achieved dual improvement in its brand image and client sense of gain.

Outlook for the second half of 2025:

In the second half of 2025, SWS Research will continue to focus on the “Five Priorities” on finance, fully empower the development of new quality productive forces, deepen the integrated system construction of “investment research + industry research + political research”, continue to innovate in valuation methods, research systems, cross-border services and other aspects, enhance the professional and international standards of research, and further expand its brand influence.



(3) *Proprietary trading*

① FICC sales and trading business

Market environment:

During the Reporting Period, the bond market was affected by the tightening of funds, the suppression of risk appetite and the tariff game, with yields rising and then falling, and the overall characteristics of low interest rates, low spreads and high volatility, making it more difficult for bonds to be traded.

Operating practices and results:

The Company mainly conducts FICC sales and trading business through Shenwan Hongyuan Securities and other subsidiaries.

In terms of the FICC sales and trading business, the Company actively responded to market changes, insisted on in-depth investment and research, and steadily participated in market trading. The Company seized the opportunity of the market adjustment window, increased the allocation of high-quality coupon assets, and actively participated in the stage trading of curves and basis differentials in the narrowly fluctuating market. Meanwhile, the Company continued to optimize our position structure and concentrated its positions in highly liquid and highly rated assets. The Company further improved its “fixed income +” asset allocation and promoted the transformation of bond proprietary investment into multi-asset investment in bonds, commodities and foreign exchange, thereby continuously expanding asset classes and profitability.

During the Reporting Period, the Company proactively promoted business innovation, conducted the first cross-border yield swap business for proxy U.S. bond funds, further enriched the types of cross-border yield swaps and helped clients with their global asset allocation; the Company completed the first day of trading of 3-year and 7-year CDB standard bond forward physical delivery contracts, further expand the trading targets of interbank interest rate derivatives. Meanwhile, the Company earnestly fulfilled its social responsibilities as a central enterprise, focused on the “Five Priorities” on finance, took serving national strategies as the top priority in daily operation and management. During the Reporting Period, the Company conducted the first newly-issued CCER emission reduction transaction, marking the Company in the field of green finance to take a solid step forward, took practical action to fulfill the responsibility and commitment of the financial central enterprises, and helped the national “dual-carbon” goal realization; the Company and Kunlun Bank jointly launched the “Shenwan Hongyuan Securities – Kunlun Bank – Xinjiang Local Bond Joint Quotation Basket” as the first Xinjiang bond basket in the inter-bank market, to enhance the trading activity and liquidity of Xinjiang local bonds, and to support the high-quality development of Xinjiang’s regional economy with innovative financial services; and the Company organized special events to popularize the application of financial derivatives in real enterprise, so as to help enhance the risk management capability of enterprises.



In terms of sales and trading business, the Company fully utilized its customer resources and professional advantages in bond sales, deeply implemented the “Five Priorities” on finance, actively implemented national strategies, and continued to offer suggestions and contribute efforts to major work deployments such as serving the real economy and inclusive finance. During the Reporting Period, the Company’s sales scale of interbank non-financial corporate debt financing instruments and local bonds both ranked among the top in the market.

Outlook for the second half of 2025:

In the second half of 2025, the Company’s FICC sales and trading business will continue to adhere to the “three profit curves” strategic idea: Firstly, the Company will consolidate the first profit curve based on multi-strategy bonds, and give full play to the investment and research advantages of the capital-heavy business, respond steadily to changes in market conditions, base on in-depth investment research and judgment, and stabilize the allocation of basic assets. Secondly, the Company will accelerate the layout of the second profit curve including cross trade and investment consulting businesses, continue to promote the development of cross trade business, strengthen the construction of quotation capacity at the trading end, and provide more structured products to meet market demand. The Company will also launch in-depth financial innovation, enrich financial service tools and means, improve the supply of integrated financial products, vigorously promote the development of light capital businesses oriented to customer needs, and serve the diversified financial needs of entity customers. Thirdly, the Company will persist in exploring the third profit curve of multi-assets and multi-strategies, improve the allocation of multi-assets portfolios, and strive to achieve excellent investment and operation performance.

② Equity sales and trading business

Market environment:

In the first half of 2025, the market performance generally showed a volatile recovery trend, with SSE Composite Index rising 2.76%, SZSE Component Index rising 0.48%, and Shanghai and Shenzhen 300 Index rising 0.03%. The market showed certain resilience in despite of multiple internal and external pressures such as the impact of tariffs.



Operating practices and results:

The Company carries out the equity sales and trading business principally through its subsidiaries including Shenwan Hongyuan Securities.

In the first half of 2025, the Company's equity sales and trading business continued to improve its business model and optimize its self-managed portfolio and asset allocation under the business guideline of "controllable risks, scientific allocation, clear expectation and stable returns". During the Reporting Period, the Company steadily promoted the construction of a complex portfolio comprising equity, non-equity, onshore, offshore, OTC and off-exchange assets, in order to fully enrich and diversify the sources of income of the portfolio. On this basis, the Company was proactive in seeking breakthroughs and effectively regulated its portfolio exposure to capitalize on market opportunities. During the Reporting Period, the structure of the business portfolio and the efficiency of earnings were both significantly improved.

Meanwhile, the Company adhered to the political and people-oriented position of financial work, and resolutely implemented services for national strategies. On the one hand, the Company actively practiced the "Five Priorities" on finance by means of investment and market-making. In terms of ETF market-making business, the Company continued to increase its investment in technology financial fund products such as the STAR Composite Index and Artificial Intelligence of the ChiNext Board, and provided market-making services for more than 60 equity ETFs of more than 20 fund companies in the fields related to new quality productive forces; the market-making business on the ChiNext Board has cumulatively provided the market with liquidity of over RMB900 million to boost technology finance. The market-making business on NEEQ continued to provide liquidity support to micro, small and medium-sized enterprises and served the construction of multi-level capital market; the market-making business on Beijing Stock Exchange provided liquidity of nearly RMB500 million to the market to support inclusive finance. Meanwhile, through allocating relevant ETFs, participating in REITs strategic placements and new issuances, the Company has continuously increased its investment in green finance, pension finance, digital finance and serving high-level opening up, contributing positively to serving the construction of the real economy. On the other hand, in the face of the market volatilities caused by the trade negotiations between China and the United States, the Company has actively utilized the swap facilitation and other policy businesses, practiced the concept of patient capital and long-term capital investment, and actively participated in the maintenance of market stability and played the role of the "ballast" in the market, so as to contribute its strength to the maintenance of the stable development of the capital market.



Outlook for the second half of 2025:

In the second half of 2025, the Company's equity sales and trading business will continue to uphold the concept of "value investment and long-term investment", consolidate the cash flow of business income, reduce the volatility of portfolio income, and build up a long-term development model; on this basis, the Company will take into account the flexibility of the portfolio and fully grasp the investment opportunities in the market in the second half of the year. Meanwhile, the Company will continue to combine functional businesses such as exchange facilitation business and market-making business, and firmly promote the exploration of the profit model that combines profitability and functionality of self-operated investments by state-owned financial institutions, so as to strike a balance between the primary responsibility of preserving and increasing the value of state-owned assets and the social responsibility of state-owned financial institutions to serve the country through finance.

③ Derivatives business

Market environment:

In the first half of 2025, the global economic and financial environment was complicated, the uncertainty of the international geopolitical situation continued, domestic macro policies continued to be strengthened and their effects were gradually realized. The economy as a whole maintained a stable operation. As for the equity market, except for the short-term volatility in April 2025, the overall performance of the A-share and Hong Kong stock markets was stable and upward, with significant year-on-year improvement in trading activity, providing a healthy and favorable environment for the development of the derivatives business.



Operating measures and results:

The Company carries out the derivatives business principally through Shenwan Hongyuan Securities and other subsidiaries.

In the first half of 2025, the Company's derivatives business maintained its competitive edge, responded to market changes and actively expanded its business, ranking among the top in the industry. In terms of the OTC business, the Company grasped market opportunities, strengthened the empowerment of investment research and financial technology, and intensified customer base development, resulting in significant year-on-year growth in the number of new customers and transaction size, and doubling of business revenue, of which, the OTC options business maintained its leading position in the industry by continuing to optimize its hedging strategy through refined division of labor and efficient market research and judgment. In terms of the cross-border business, the Company actively grasped the development opportunities arising from the fast-growing demand for two-way allocation of domestic and overseas funds, enhanced hedging transaction efficiency and optimized system construction, and continued to maintain high growth in business scale and revenue. In terms of the on-the-exchange market-making business, the Company continued to take the systematic capacity building of "low latency, high turnover, accurate pricing and optimized pricing" as the key to enhance the pricing ability of market-making products, and business revenue continued to grow, with five new options market-making licenses gained during the Reporting Period, making the number of licenses rank the first tier in the industry. The strategic index system was gradually optimized and improved, with a number of new indices developed during the Reporting Period. The client-oriented business model continued to expand, and the scale of new transactions increased significantly year-on-year.

Based on its professional advantages in derivatives pricing and trading, the Company has actively practiced and served national strategies, and achieved high-quality business development. The Company strengthened the creation of products related to the "Belt and Road Initiative". In the first half of the year, the cumulative issuance of structured notes linked to Belt and Road ETFs amounted to RMB425 million, effectively guiding the allocation of capital to the areas related to the "Belt and Road Initiative"; the Company promoted the effective connection between the creation of financial products and village revitalization, and so far, it has issued more than RMB1.0 billion of structured notes products of the "rural revitalization public welfare endowment-type"; the Company utilized OTC derivatives tools to assist listed companies in repurchase, reduced risks and costs in the process of repurchase, enhanced the convenience of repurchase transactions, and effectively reduced the risk of drastic fluctuations in share prices through hedging transactions.



During the Reporting Period, the derivatives business of the Company obtained 5 option market maker licenses, the details of which are as follows:

Type	Exchange	Market-making product	Time
Commodity	Zhengzhou Commodity Exchange	Bottle chip options	Obtained qualification of general market maker in May 2025
		Short fiber options	Obtained qualification of general market maker in May 2025
	Shanghai Futures Exchange	Natural rubber options	Obtained qualification of main market maker in February 2025
		Cast aluminum alloy options	Obtained qualification of main market maker in June 2025
	Dalian Commodity Exchange	Pure benzene options	Obtained qualification of main market maker in June 2025

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to expand and strengthen its capital intermediation business led by its derivatives business, and continuously enhance its efforts to serve the real economy and national strategies, so as to contribute to the development of the economy and the construction of the capital market. The Company will fully integrate its judgment of the domestic and overseas market situation and, in terms of product issuance, the Company will further explore the needs of clients, innovate, optimize and enrich the product structure, and extend the product system; in terms of hedging transactions, the Company will refine parameter management, and continue to iterate the model to further enhance the efficiency of hedging; in terms of cross-border business, the Company will satisfy the diversified needs of clients for cross-border transactions, and further contribute to the opening up of the capital market at a high level. In terms of the on-market market-making business, the Company will actively fulfill its function of activating capital market liquidity and strive to obtain more market-making qualifications to further enhance its influence. In terms of the strategic index business, the Company will continue to enrich the system of strategic indexes for broad asset classes and expand the scale of client transactions. The Company will further capitalize on its strengths in derivatives business to build a “derivatives + N” integrated service chain, which will be developed in conjunction with other businesses of the Company.



4. Investment Management Business

The investment management business consists of asset management, mutual fund management and private equity fund management. During the Reporting Period, the Company's investment management business segment recorded total revenue of RMB724 million, representing a year-on-year decrease of 1.47%.

(1) Asset management business

Market environment:

Since 2025, in face of the complex and severe external market condition, stricter regulatory rules, intensified stock market volatility, lower interest rates and asset shortages, the development of the asset management industry has been under pressure. During the Reporting Period, the launch of a series of policies continuously promoted the securities firms to return to their roots. The release of the Action Plan for Promoting the High-quality Development of Mutual Funds (《推動公募基金高品質發展行動方案》) proposes to promote the dual improvement of asset management and comprehensive wealth management capabilities towards investors, which is not only the requirements for the high-quality development of the mutual fund industry, but also the direction of the transformation of the securities firms and the asset management industry; the release of the Implementation Plan for Promoting the Entry of Long- and Medium-Term Capital into the Market (《關於推動中長期資金入市工作的實施方案》) helps improve the proportion and stability of A-share investment of commercial insurance funds, optimize the investment ecology of the capital market, and create potential business opportunities for asset management of securities firms. The internal and external collaboration in the asset management industry continued to deepen, forming a differentiated development path. Competition in the industry continued to intensify, and the asset management industry has ushered in a new development pattern.

Operating measures and results:

The Company carries out the asset management business principally through Shenwan Hongyuan Asset Management, SWS MU, Shenwan Futures and Hongyuan Futures.

The asset management business of the Company is based on the core tasks of "transformation of active management ability" and "professional reform", adheres to customer benefits in priority, develops its own competitive advantages, takes the initiative in promotion of the transformation, restructuring, exerting the business advantages of fixed income, "fixed income + derivatives" and FOF products, focuses on the deployment of construction of the investment and research, product planning, channel service, business collaboration and other systems. As of the end of the Reporting Period, the Company's asset management scale was RMB193.875 billion, representing an increase of 5.97% compared with that at the end of last year. Of which, the active management asset scale was RMB186.529 billion (including special asset management business), the active management scale accounted for 96.21%, representing an increase of 2.21 percentage points as compared with the end of last year, and the proportion of the active management scale has steadily increased. During the Reporting Period, 81 new asset management products have been established, representing an increase of 46 products or 131.43% compared with the same period last year. The Company actively expanded the scale of inclusive financial products such as large-scale



collective products for public institutions, with the total scale of large-scale collective products for public institutions amounting to RMB27.069 billion, representing an increase of 0.70% as compared with the end of last year. In terms of channels, the Company made efforts to expand fixed-income outsourcing and agency sales businesses, and continuously improved the product duration structure. The Company continued to deeply develop the channel expansion, and increased product penetration rate on the basis of full coverage of mainstream channels such as state-owned joint-stock banks and wealth management subsidiaries. Guided by actively practicing and serving the national strategies, the ABS business gave full play to its professional advantages in asset securitization, and carried out various inclusive finance asset securitization businesses to help improve residents' consumption levels. During the Reporting Period, the Company won the Innovative Financing Award of the Year at the second High-Quality Development Conference of Financial Leasing Asset Securitization and the China Financial Leasing Industry of the Year – the Asset Management Institution Award of the 2024 Best Financial Leasing Industry.

Typical ABS cases

**Inclusive financial
asset securitization
business**

- (1) On January 2, 2025, the Perfect Life Tranche 4 Asset-backed Specialized Plan was formally established with a total scale of RMB470 million. The product focuses on solving the problems of financing difficulties and slow financing of individual industrial and commercial households and other independent groups, providing them with funding support and enabling more common citizens to enjoy quality financial services.
- (2) On May 15, 2025, the Huifeng Linghe Tranche 1 Asset-backed Specialized Plan was formally established with a total size of RMB133 million. The underlying assets of the product are personal consumer loans, which are widely used in the areas of home appliances, education, medical care and travel, helping consumers to smooth their consumption cycle and improve their quality of life, and contributing to the high-quality development of the consumer market.
- (3) On May 27, 2025, the Anhe Tranche 12 (Two New) Asset-backed Specialized Plan was formally established with a total scale of RMB1.032 billion. The product is practically in line with the Circular of the Action Plan for Promoting Large-scale Equipment Replacement and Consumer Goods Replacement with Old Ones, which continues to optimize the management of registration of pre-owned vehicle transactions and promotes the facilitation of transactions.

**Outlook for the second half of 2025:**

In the second half of 2025, the Company's asset management business will continue to focus on its main responsibilities and businesses, seize the opportunities of long-term capital investment in the market, actively serve the national strategies and strive to improve the core competitiveness of the asset management business. The Company will consolidate and improve the investment research system and enhance the active management capability; strengthen product planning and continuously enrich the product system; strengthen internal collaboration, optimize and expand the sales system; strengthen technological empowerment and comprehensively deepen the construction of financial technology; strictly control the risk bottom line, lay a solid foundation for transformation and development, and promote the high-quality development of the asset management business.

(2) Mutual fund management business**Market environment:**

In recent years, along with the rapid growth of social net wealth, the domestic mutual fund industry has been developing rapidly, and has become a rather important institutional investor in the capital market, playing an active role in increasing the proportion of direct financing, promoting the reform and development of the capital market, serving residents' demand for wealth management, and serving the real economy and the country's major strategies. During the Reporting Period, the release of the Action Plan for Promoting the High-quality Development of Mutual Funds (《推動公募基金高品質發展行動方案》) and other series of policies promoted the continuous deepening of mutual fund reforms, accelerated the transformation of mutual funds from focusing on "scale" to "returns". Based on the latest data disclosed by the Asset Management Association of China, as at the end of June 2025, there were 12,905 mutual fund products under management of 164 mutual fund management organizations, with a total net value of RMB34.39 trillion. The mutual funds have become an important medium for the entry of medium- and long-term capital into the market and an indispensable part of residents' asset allocation. During the Reporting Period, the mutual fund business remained stable and upward trend in overall, with the accelerating pace of product innovation, deepening fee rate reforms, rapid development in fund investment advisory business, and consolidating high-quality development foundation and conditions.

Operating measures and results:

The Company carries out the mutual fund management business principally through Shenwan Hongyuan Securities, SWS MU and Fullgoal Fund.

The Company implemented the concept of finance for the people for wealth management business and the requirements of the action plan for high-quality development of mutual funds, proactively developed buy-side investment advisory business, continued to expand the coverage and depth of services by focusing on asset allocation and value-added, investment advisory services and financial technology; the Company proactively practiced the concept of inclusive finance service, vigorously deployed an investment advisory combination strategy of cash management, fixed-income, and fixed-income + quasi-low starting point funds, and helped residents preserve and increase their wealth; and the Company effectively served the needs of liquidity management of real entities, and realized the stable improvement of the



scale of mutual fund investment advisory business. As of the end of the Reporting Period, the retained size of the mutual fund investment advisory business of the Company increased by over 60% compared with the end of 2024, with a total of over 70,000 contracted clients, and the average time for customers to use investment advisory services exceeded 1,400 days.

In the face of significant changes in the industry operation situation, SWS MU insisted on the “investment and research based on ESG, and people-oriented” principle, firmly implemented the strategy of “deepening reform, balanced focus and continuous digitization”, and strived to achieve “competing for the first place, improving quality and efficiency”. As of the end of the Reporting Period, the mutual fund management scale of SWS MU was RMB82.8 billion, and the scale of non-monetary mutual fund management was RMB70.6 billion.

Fullgoal Fund proactively implemented the spirit of the Action Plan for Promoting the High-quality Development of Mutual Funds (《推動公募基金高品質發展行動方案》), adhered to diversified business layout, and continuously promoted the high-quality development of the company’s businesses. The company continuously refined the investment management capability, continuously improved the product layout, and committed to enhancing the product supply capacity and customer service capacity of inclusive finance. The company has been deeply engaged in various pension finance business, with its management scale continuously growing. As of the end of the Reporting Period, the total assets under its management exceeded RMB1.7 trillion, including over RMB1.1 trillion of mutual funds under management.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to adhere to the investor-centered approach, firmly promote the high-quality transformation to buyer-side investment advisory model, and adhere to the equal emphasis on the two ends of the “investment” and “advisory”. While promoting the iteration and upgrading of the research framework, strategy system and portfolio echelon, through professional, stable and long-term service accompaniment, the Company will strengthen the foundation of investor trust, build the brand of buyer-side investment advisory business, act as a good manager of the residents’ assets, and play the role of a good service provider and companion in the process of preserving and increasing the value of the wealth management of the residents, and practically push forward the optimization of the industry ecosystem. SWS MU will continue to improve the quality and efficiency of serving national strategies and the real economy, strengthen the construction of core competitiveness, deepen reforms, adhere to balanced focus, make efforts on talent increment, product increment and customer base increment, and effectively improve quality and efficiency. Fullgoal Fund will further strengthen the construction of various capabilities, optimize product structure, enhance compliance and risk control, establish a diversified and three-dimensional investor service system, improve investor returns, and serve the entry of medium- and long-term capital into the market.



(3) *Private equity fund management business*

Market environment:

The capital market reform continues to advance, and the financial system continues to strengthen its supporting role in the real economy and actively serves national strategies. On the market side, with the full implementation of the registration system, the survival of the fittest will become more obvious; on the asset side, the technology innovation attributes of the capital market continue to increase, and the financing channels for high-quality technology companies are further broadened; on the capital side, the medium and long-term capital is guided into the market and the long-term capital and patient capital is encouraged. Focusing on the main line of comprehensively deepening capital market reform and continuously preventing financial risks, industry legislation has been continuously improved. In recent years, the Regulations on the Supervision and Administration of Private Equity Investment Funds (《私募投資基金監督管理條例》), the Measures for the Administration of Private Asset Management Business of Securities and Futures Operating Institutions (《證券期貨經營機構私募資產管理業務管理辦法》) and the Management Norms for Private Investment Fund Subsidiaries of Securities Companies (《證券公司私募投資基金子公司管理規範》) have been promulgated and revised to continuously regulate fund raising, investment operations and other links.

Operating measures and results:

The Company carries out the private equity fund management business principally through Hongyuan Huifu and Shenyin & Wanguo Investment.

In the first half of 2025, Hongyuan Huifu actively fulfilled the mission and commitment as a state-owned investment institution, served the development of new quality productive forces and carried out investment business based on the “Five Priorities” on finance. The company continued to intensify the “early-stage investment, investment in small-scale entities, long-term investment and investment in key and core technology (投早、投小、投長期、投硬科技)”, completed investment in various projects, and continued to promote the invested projects to enter the capital market; the company managed the investment and operation of parent funds under management, promoted and established industrial sub-funds focusing on new energy, new materials, electronic information and other fields. Besides, the company strengthened fund business cooperation with central enterprises in the industry, cooperated the promotion and establishment of industrial investment funds. The company carried out investments around the customers’ industrial layout, and continuously enriched high-quality asset reserves. As of the end of the Reporting Period, Hongyuan Huifu had 32 funds under management, with a subscription scale of RMB17.1 billion.



During the Reporting Period, by fully exerting the role of the private fund management platform of the Company, Shenyin & Wanguo Investment regarded the implementation of national strategies as the primary task of daily work, earnestly fulfilled the “Five Priorities”, actively deployed in certain strategic emerging industries such as biomanufacturing, commercial aerospace and low-altitude economy, and established a full range of equity investment funds including PE investment funds, industrial investment funds, FOFs, local government funds, M&A funds, private placement funds and mezzanine funds. Through “PE +” business models such as PE + industrial group and PE + government investment platform, it empowered the industrial group and government investment platform to expand the scale, build ecology and layout emerging industries, and improved integration capability of the industry to obtain better financial returns for customers. As of the end of the Reporting Period, the total cumulative management scale of Shenyin & Wanguo Investment exceeded RMB17.5 billion, more than 70 enterprises were invested, and the average annualized yield of projects withdrawn was approximately 13.46%. During the Reporting Period, the Yantai Guofeng Shenwan Aerospace Fund (煙台國豐申萬航太基金), initiated and established by the Company, was awarded the 2025 “Quality Finance – Innovative Products (Technology Finance) of Five Priorities ” award, which is the only case of securities firms shortlisted.

Outlook for the second half of 2025:

In the second half of 2025, the Company will continue to actively respond to the national strategies, promote the integrated service for national strategies and the Company’s high-quality development, intensify investment and business layout focusing on strategic emerging industries and future industries, continue to improve its ability to serve the national strategies, duly complete the key investment projects, and enrich the reserve of high-quality assets that can be securitized. Meanwhile, the Company will intensify post-investment management and deepen the coordination of “investment + investment banking”. In terms of private equity funds, the Company will speed up the establishment of industrial sub-funds, continue to steadily expand the management scale of private equity funds, continuously enrich investor reserves, complete the withdrawal of fund investment projects, and continuously improve fund operation efficiency.



V. ANALYSIS OF FINANCIAL STATEMENTS

(I) Analysis of Consolidated Statements of Profit or Loss

1. Composition of revenue

Unit: Thousand Yuan Currency: RMB

Item	For the Reporting Period	For the corresponding period last year	Change in amount	Change in percentage (%)
Fee and commission income	4,678,577	3,622,034	1,056,543	29.17
Interest income	4,365,959	4,511,930	-145,971	-3.24
Net investment gains	7,296,682	4,853,073	2,443,609	50.35
Other income and gains	160,418	133,671	26,747	20.01
Total revenue and other income	16,501,636	13,120,708	3,380,928	25.77
Share of profit of associates and joint ventures	383,822	335,004	48,818	14.57

From January to June of 2025, the Group achieved total revenue and other income of RMB16,502 million, representing a year-on-year increase of RMB3,381 million or 25.77%, which included:

- (1) Fee and commission income of RMB4,679 million, representing a year-on-year increase of RMB1,057 million or 29.17%, mainly due to the year-on-year increase in income from the securities brokerage business and the underwriting and sponsorship business;
- (2) Interest income of RMB4,366 million, representing a year-on-year decrease of RMB146 million or 3.24%, mainly due to the year-on-year decrease in interest income from financial institutions;
- (3) Net investment gains of RMB7,297 million, representing a year-on-year increase of RMB2,444 million or 50.35%, mainly due to the year-on-year increase in net realized gains from disposal of financial instruments at fair value through profit or loss and the year-on-year decrease in unrealised fair value changes of derivative financial instruments;
- (4) Other income and gains of RMB160 million, representing a year-on-year increase of RMB27 million or 20.01%, mainly due to the year-on-year increase in government subsidies.

**2. Composition of expenses**

Unit: Thousand Yuan Currency: RMB

Item	For the Reporting Period	For the corresponding period last year	Change in amount	Change in percentage (%)
Fee and commission expenses	995,914	780,090	215,824	27.67
Interest expenses	4,167,192	4,567,031	-399,839	-8.75
Staff costs	4,011,283	3,262,762	748,521	22.94
Depreciation and amortization expenses	464,579	453,965	10,614	2.34
Tax and surcharges	79,978	54,005	25,973	48.09
Other operating expenses	1,020,023	896,210	123,813	13.82
Credit impairment losses	117,228	78,604	38,624	49.14
Provision for impairment against other assets	43,832	3,496	40,336	1,153.78
Total expenses	10,900,029	10,096,163	803,866	7.96



From January to June 2025, the Group had total expenses of RMB10,900 million, representing a year-on-year increase of RMB804 million or 7.96%, mainly attributable to the impact of staff costs, interest expenses and fee and commission expenses, which included:

- (1) Staff costs of RMB4,011 million, representing a year-on-year increase of RMB749 million or 22.94%, mainly due to the year-on-year increase in the salaries, bonuses and allowances;
- (2) Interest expenses of RMB4,167 million, representing a year-on-year decrease of RMB400 million or 8.75%, mainly due to the year-on-year decrease in the interest expenses for long-term bonds;
- (3) Fees and commissions expenses of RMB996 million, representing a year-on-year increase of RMB216 million or 27.67%, mainly due to the year-on-year increase in the expenses for securities brokerage business and the expenses for futures brokerage business;
- (4) Other expenses mainly included fee and commission expenses, depreciation and amortization expenses, tax and surcharges, credit impairment losses and provision for impairment against other assets.

(II) Analysis of Consolidated Statements of Cash Flows

As of June 30, 2025, the Group's cash and cash equivalents amounted to RMB53,860 million, representing an increase of RMB6,239 million as compared with RMB47,621 million as at June 30, 2024. The change in cash and cash equivalents from January to June 2025 amounted to a net cash inflow of RMB2,508 million, representing an increase of RMB1,659 million in cash inflow as compared with the net cash inflow of RMB849 million for the same period of 2024. Among them, net cash inflow from operating activities from January to June 2025 amounted to RMB19,761 million, representing an increase in inflow of RMB29,179 million as compared with the net cash outflow of RMB9,418 million for the same period of 2024, mainly due to the increase in cash inflow from financial assets sold under repurchase agreements; net cash inflow for investing activities from January to June 2025 amounted to RMB4,742 million, representing a decrease in inflow of RMB14,065 million as compared with the net cash inflow of RMB18,807 million for the same period of 2024, mainly due to the decrease in cash inflow from disposal of financial assets at fair value through other comprehensive income; net cash outflow for financing activities from January to June 2025 amounted to RMB21,994 million, representing an increase in outflow of RMB13,453 million as compared with net cash outflow of RMB8,541 million for the same period of 2024, mainly due to the increase in cash repaid for long-term bonds, the decrease in cash obtained from the issuance of short-term debt instruments and the increase in cash obtained from the issuance of long-term bonds.



(III) Overall Analysis of Statements of Financial Position

Unit: Thousand Yuan Currency: RMB

Item	As of the end of the Reporting Period		As of the end of last year		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Non-current assets						
Property and equipment	1,219,205	0.18	1,313,340	0.19	-94,135	-7.17
Right-of-use assets	751,356	0.11	859,306	0.12	-107,950	-12.56
Investment properties	36,766	0.01	39,009	0.01	-2,243	-5.75
Other intangible assets	381,702	0.06	407,274	0.06	-25,572	-6.28
Interest in associates and joint ventures	4,088,115	0.60	4,170,776	0.60	-82,661	-1.98
Financial assets measured at amortized cost	497,662	0.07	1,034,064	0.15	-536,402	-51.87
Financial assets at fair value through other comprehensive income	77,532,795	11.37	73,294,415	10.51	4,238,380	5.78
Financial assets held under resale agreements	824,780	0.12	315,507	0.05	509,273	161.41
Financial assets at fair value through profit or loss	6,849,423	1.00	6,279,125	0.90	570,298	9.08
Refundable deposits	27,813,447	4.08	21,795,817	3.12	6,017,630	27.61
Deferred tax assets	918,908	0.13	1,621,025	0.23	-702,117	-43.31
Other non-current assets	394,400	0.06	416,926	0.05	-22,526	-5.40
Total non-current assets	121,308,559	17.79	111,546,584	15.99	9,761,975	8.75



Item	As of the end of the Reporting Period		As of the end of last year		Increase/Decrease	
	Percentage		Percentage		Percentage	
	Amount	(%)	Amount	(%)	Amount	(%)
Current assets						
Accounts receivable	2,549,572	0.37	6,005,511	0.86	-3,455,939	-57.55
Other receivables and prepayments	1,125,049	0.17	1,384,690	0.19	-259,641	-18.75
Margin accounts receivable	73,895,535	10.83	74,844,217	10.73	-948,682	-1.27
Financial assets measured at amortized cost	2,301,364	0.34	1,478,743	0.21	822,621	55.63
Financial assets at fair value through other comprehensive income	55,662,673	8.16	61,733,391	8.85	-6,070,718	-9.83
Financial assets held under resale agreements	12,706,915	1.86	12,074,249	1.73	632,666	5.24
Financial assets at fair value through profit or loss	253,133,060	37.11	263,244,475	37.74	-10,111,415	-3.84
Derivative financial assets	4,403,796	0.65	8,895,889	1.28	-4,492,093	-50.50
Clearing settlement funds	10,750,255	1.58	10,829,210	1.55	-78,955	-0.73
Cash held on behalf of brokerage clients	108,511,772	15.91	111,689,377	16.01	-3,177,605	-2.85
Cash and bank balances	35,704,065	5.23	33,870,257	4.86	1,833,808	5.41
Total current assets	560,744,056	82.21	586,050,009	84.01	-25,305,953	-4.32
Total assets	682,052,615	100.00	697,596,593	100.00	-15,543,978	-2.23



Item	As of the end of the Reporting Period		As of the end of last year		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Current liabilities						
Loans and borrowings	1,521,645	0.28	672,001	0.12	849,644	126.43
Short-term debt instruments issued	39,369,979	7.22	49,057,674	8.69	-9,687,695	-19.75
Placements from other financial institutions	4,007,538	0.73	3,318,823	0.59	688,715	20.75
Accounts payable to brokerage clients	121,823,106	22.34	122,496,183	21.71	-673,077	-0.55
Employee benefits payable	2,893,135	0.53	1,874,693	0.33	1,018,442	54.33
Other payables and accruals	61,426,612	11.27	60,276,965	10.67	1,149,647	1.91
Contract liabilities	163,073	0.03	45,247	0.01	117,826	260.41
Current tax liabilities	65,514	0.01	87,598	0.02	-22,084	-25.21
Financial assets sold under repurchase agreements	191,041,532	35.03	186,005,634	32.97	5,035,898	2.71
Lease liabilities	299,766	0.05	329,477	0.06	-29,711	-9.02
Derivative financial liabilities	5,913,605	1.08	7,546,247	1.34	-1,632,642	-21.64
Financial liabilities at fair value through profit or loss	9,570,752	1.75	14,453,521	2.56	-4,882,769	-33.78
Long-term bonds due within one year	18,801,330	3.45	35,896,278	6.36	-17,094,948	-47.62
Total current liabilities	456,897,587	83.77	482,060,341	85.43	-25,162,754	-5.22



Item	As of the end of the Reporting Period		As of the end of last year		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Non-current liabilities						
Long-term bonds	83,576,086	15.32	77,252,222	13.69	6,323,864	8.19
Non-current employee benefits payable	4,008,932	0.74	4,018,362	0.71	-9,430	-0.23
Deferred tax liabilities	150,802	0.03	48,140	0.01	102,662	213.26
Lease liabilities	468,285	0.09	546,832	0.10	-78,547	-14.36
Other non-current liabilities	330,598	0.05	321,770	0.06	8,828	2.74
Total non-current liabilities	88,534,703	16.23	82,187,326	14.57	6,347,377	7.72
Total liabilities	545,432,290	100.00	564,247,667	100.00	-18,815,377	-3.33
Share capital	25,039,945	18.33	25,039,945	18.78	-	-
Reserves	46,740,383	34.21	46,003,489	34.50	736,894	1.60
Retained profits	36,693,443	26.86	33,740,663	25.30	2,952,780	8.75
Total equity attributable to shareholders of the Company	108,473,771	79.40	104,784,097	78.58	3,689,674	3.52
Non-controlling interests	28,146,554	20.60	28,564,829	21.42	-418,275	-1.46
Total equity	136,620,325	100.00	133,348,926	100.00	3,271,399	2.45

- As of June 30, 2025, the Group had total non-current assets of RMB121,309 million, representing an increase of RMB9,762 million from the beginning of the year, mainly due to the increase of RMB6,018 million in refundable deposits as compared with the beginning of the year and the increase of RMB4,238 million in the financial assets at fair value through other comprehensive income as compared with the beginning of the year. As of June 30, 2025, the Group had total non-current liabilities of RMB88,535 million, representing an increase of RMB6,347 million from the beginning of the year, mainly due to the increase of RMB6,324 million in long-term bonds from the beginning of the year.
- As of June 30, 2025, the Group had total current assets of RMB560,744 million, representing a decrease of RMB25,306 million from the beginning of the year, mainly due to the decrease of RMB10,111 million in financial assets at fair value through profit or loss from the beginning of the year, and the decrease of RMB6,071 million in financial assets at fair value through other comprehensive income from the beginning of the year. As of June 30, 2025, the Group had total current liabilities of RMB456,898 million, representing a decrease of RMB25,163 million from the beginning of the year, mainly due to the decrease of RMB17,095 million in long-term bonds due within one year from the beginning of the year, the decrease of RMB9,688 million in short-term debt instruments issued from the beginning of the year.

**3. Financing channels and structure of long- and short-term liabilities of the Company***(1) Financing channels of the Company*

The Company's major financing channels include interbank lending, structured notes, corporate bonds, subordinated bonds, short-term corporate bonds, short-term financing bills, short-term borrowings and equity financing, etc. In accordance with relevant laws and regulations, the Company may utilize short-term, medium-term and long-term financings based on its own funding needs to support its business development.

(2) Analysis of the structure of long-term and short-term liabilities of the Company

Unit: Thousand Yuan Currency: RMB

Item	As of the end of the Reporting Period	As of the end of last year
Long-term bonds (including long-term bonds due within one year)	102,377,416	113,148,500
Short-term debt instruments issued	39,369,979	49,057,674
Placements from other financial institutions	4,007,538	3,318,823
Loans and borrowings	1,521,645	672,001
Total	147,276,578	166,196,998

In the above liabilities, RMB83,576 million had a financing period of more than one year while RMB63,700 million had a financing period of less than one year, accounting for 56.75% and 43.25% of the aforesaid debt, respectively. In addition to borrowings and debt financing instruments, the Company also raised funds through on-the-exchange and OTC repurchases. At the end of the Reporting Period, the balance of financial assets sold under repurchase agreements was RMB191,042 million, and the financing terms were all less than one year. As of the end of the Reporting Period, the Company had no outstanding debts overdue and had sound overall solvency, and its liquidity risks were controllable.

(3) Liquidity management policies and measures of the Company

The Company has established a comprehensive risk management system and liquidity risk management mechanism based on the management goal of "strengthening the self-owned funds management, safeguarding the security of self-owned funds, improving the efficiency of using self-owned funds and controlling the risk of using self-owned funds". The Company has also continuously improved its liquidity reserve management system and focused on the matching of assets and liabilities in terms of scale, duration and structure to enhance the diversity of financing channels and conducted emergency drills for liquidity risk, effectively preventing liquidity risks. During the Reporting Period, the Company maintained sufficient liquidity reserves, and the regulatory indicators such as liquidity coverage ratio and net stable funding ratio were in compliance with regulatory standards.

(4) *Analysis of financing capabilities of the Company*

The Company has formed an integrated financing system comprising various financing methods, such as interbank lending in the interbank market, bond repurchase in the interbank market and exchange market, public and non-public issuance of long- and short-term corporate bonds, issuance of perpetual subordinated bonds, issuance of subordinated bonds, issuance of structured notes and margin refinancing through China Securities Finance Corporation Limited.

The Company operates in a compliant manner with a good reputation and credit record, and it also maintains good cooperative relations with commercial banks and has sufficient bank credit limits and strong profitability and solvency. Therefore, the Company has robust short-term and long-term financing capabilities.

(5) *Material contingent liabilities*

As of June 30, 2025, the Company did not have any material contingent liabilities.

4. **Key assets overseas**

Unit: Thousand Dollar Currency: HK\$

Details of the assets	Formed reason	Assets scale	Location	Operating model	Revenue	Assets overseas as a percentage of the Company's total equity	Whether there is significant impairment risk
Shenwan Hongyuan (International) Holdings Limited	Investment	25,468,204	Hong Kong	Wholly-owned subsidiary	631,654	3.56%	No

(IV) **Changes in the Scope of Consolidation of Financial Statements**

During the Reporting Period, there were no material changes in the scope of consolidation of the Group.

(V) **Changes in Significant Accounting Policies and Accounting Estimates**

During the Reporting Period, considering the practical guidance issued by the relevant regulatory authority and the economic substance of relevant transactions, the Group made a change in accounting policy related to physical settlement of contracts to buy or sell bulk commodities that fail the own-use exception. For details, please refer to Note "4. Changes in accounting policies" to the interim condensed consolidated financial report. There were no significant accounting errors requiring rectification occurred in the Group.

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

For assets with restricted ownership or use rights, please refer to Notes "17, 23, 24 and 35" to the interim condensed consolidated financial statements.



VI. ANALYSIS OF INVESTMENTS

(I) Interest in Associates and Joint Ventures

Unit: Thousand Yuan Currency: RMB

Investment amount at the end of the Reporting Period	Investment amount at the end of the corresponding period of last year	Change (%)
4,088,115	4,170,776	-1.98

(II) Material Equity Investments

No material equity investments were acquired by the Company during the Reporting Period.

(III) Material Non-equity Investments

No material non-equity investments by the Company were in progress during the Reporting Period.



(IV) Investments in Financial Assets

1. Investments in securities

Unit: Thousand Yuan Currency: RMB

Security type	Security code	Security abbreviation	Initial investment cost	Accounting measurement model	Opening book value	Gains or loss arising from changes in fair value for the period	Accumulated fair value changes included in equity	Purchase amount for the period	Sales amount for the period	Profit and loss during the Reporting Period	Closing book value	Accounting item	Sources of funds
Bond	250006.IB	25 Interest-bearing Government Bonds 06	12,107,182	Fair value	-	18,094	-	18,531,383	6,400,025	59,485	12,182,112	Financial assets at fair value through profit or loss	Self-owned funds
Bond	2500002.IB	25 Super Long-term Special Government Bonds 02	6,757,470	Fair value	-	-8,825	-330	19,602,968	12,825,386	34,880	6,772,208	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	250007.IB	25 Interest-bearing Government Bonds 07	4,478,160	Fair value	-	-1,403	-	40,896,883	36,404,091	38,103	4,498,000	Financial assets at fair value through profit or loss	Self-owned funds
Bond	2500801.IB	25 Special Government Bonds for Capital Contribution 01	3,978,827	Fair value	-	1,441	-	4,455,335	469,554	5,554	3,990,890	Financial assets at fair value through profit or loss	Self-owned funds
Bond	240215.IB	24 Guokai 15	2,905,505	Fair value	-	-1,517	-	6,281,699	3,327,618	13,308	2,963,931	Financial assets at fair value through profit or loss	Self-owned funds
Bond	250011.IB	25 Interest-bearing Government Bonds 11	2,571,769	Fair value	-	-238	1,616	5,962,325	3,386,134	4,001	2,579,936	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	210005.IB	21 Interest-bearing Government Bonds 05	2,303,803	Fair value	108,562	6,182	-	3,946,718	1,739,202	9,478	2,328,573	Financial assets at fair value through profit or loss	Self-owned funds
Bond	240025.IB	24 Interest-bearing Government Bonds 25	2,111,174	Fair value	-	4,610	1,044	10,048,332	7,932,106	3,271	2,130,658	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	250203.IB	25 Guokai 03	2,060,398	Fair value	-	959	-	12,092,114	10,019,719	-2,472	2,074,156	Financial assets at fair value through profit or loss	Self-owned funds
Bond	2120107.IB	21 Zheshang Bank Perpetual Bonds	1,834,548	Fair value	1,864,860	-	16,448	-	-	-	1,881,308	Financial assets at fair value through other comprehensive income	Self-owned funds
Other securities investments held at the end of the period			350,865,434		405,090,790	1,576,146	990,085	2,513,712,954	2,565,832,579	9,352,007	354,575,204		
Total			391,974,270		407,064,212	1,595,449	1,008,863	2,635,530,711	2,648,336,414	9,517,615	395,976,976		

- Notes: 1. This table includes domestic and overseas financial assets measured at fair value and amortized cost held during the Reporting Period, such as equities, funds, bonds and trust products.
2. This table is sorted by the ratio of the book value at the end of the period to the total securities investment of the Company at the end of the period and only contains the top ten securities held by the Company at the end of the period.
3. Other securities investments refer to investments in other securities other than the top ten securities.
4. Gains and losses during the Reporting Period include investment income, gains or loss arising from changes in fair value and credit impairment losses on the securities held by the Company during the Reporting Period.

2. Investments in derivatives

N/A



VII. USE OF PROCEEDS

- (I) During the Reporting Period, the Company had no securities issuance for fund raising such as issuance of shares and convertible corporate bonds.
- (II) Use of proceeds from corporate bonds issued by the Company during the Reporting Period and proceeds raised before the Reporting Period and extended to the Reporting Period

Unit: Ten thousand Yuan Currency: RMB

Year of fund raising	Way of fund raising	Total proceeds	Total proceeds used in the current period		Total proceeds used cumulatively		Total proceeds with changed use during the Reporting Period		Proportion of total proceeds with changed use cumulatively		Total unused proceeds	Use and destination of unused proceeds	Proceeds that have been idle for more than two years
			the current period	used	used	used	changed use	changed use	changed use	changed use			
2021	Public issuance of corporate bonds to professional investors	800,000.00	-	800,000.00	-	-	-	-	-	-	-	N/A	-
2022	Public issuance of corporate bonds to professional investors	955,000.00	-	955,000.00	-	-	-	-	-	-	-	N/A	-
2023	Public issuance of corporate bonds to professional investors	740,000.00	-	740,000.00	-	-	-	-	-	-	-	N/A	-
2024	Public issuance of corporate bonds to professional investors	405,000.00	-	405,000.00	-	-	-	-	-	-	-	N/A	-
2025	Public issuance of corporate bonds to professional investors	480,000.00	400,349.70	400,349.70	-	-	-	-	-	-	79,650.30	Placed under the specific account of proceeds	-
Total	-	3,380,000.00	400,349.70	3,300,349.70	-	-	-	-	-	-	79,650.30		

Description of the overall use of proceeds

The Company used the proceeds in strict accordance with the use specified in the prospectus, and the unused proceeds are deposited in the special account for proceeds.

(III) Commitment for proceeds

N/A

(IV) Changes of proceeds

N/A

VIII. MATERIAL ASSETS AND EQUITY INTERESTS DISPOSAL

During the Reporting Period, the Company had no disposal of any material assets or equity interests. As of the end of the Reporting Period, the Company has no other plans for material investments or for material investments in or acquisition of capital assets in the future.

IX. ANALYSIS OF MAJOR SUBSIDIARIES AND INVESTEEES

(I) Major Subsidiaries

Unit: Thousand Yuan Currency: RMB

Name of company	Type of company	Principal businesses	Registered capital	Total asset	Total equity	Profit for the period
Shenwan Hongyuan Securities Co., Ltd.	Wholly-owned subsidiary	Securities business; securities investment consulting; securities investment fund sales agency; custodian business for securities investment funds. (For projects subject to approval according to laws, business activities may not be carried out until they are approved by relevant authorities. The specific projects shall be subject to the approval or license documents from relevant authorities)	53,500,000	641,662,128	134,351,257	4,726,242
Hongyuan Futures Co., Ltd.	Wholly-owned subsidiary	Commodity futures brokerage, financial futures brokerage and futures investment consulting	1,000,000	16,976,640	1,437,611	28,943
Hongyuan Huizhi Investment Co., Ltd.	Wholly-owned subsidiary	Investment, assets management, investment management, corporate management consulting and investment consulting	2,000,000	5,458,565	2,190,668	39,531
Hongyuan Huifu Capital Co., Ltd.	Wholly-owned subsidiary	Entrepreneurship investment, entrepreneurship investment consulting service, provision of entrepreneurial management service for startup enterprises and participation in setting up entrepreneurial investment enterprises and entrepreneurial investment management advisory institutions	500,000	766,871	645,671	72,916
Shenwan Hongyuan Industrial Investment Management Company Limited	Wholly-owned subsidiary	Investment, assets management and investment consulting service. (For the special projects subject to approval according to law, they can be carried out only after approval from relevant departments)	200,000	243,092	240,325	17,210
Shenwan Hongyuan Securities (Western) Co., Ltd.	Wholly-owned subsidiary	Securities brokerage, securities investment consulting, margin financing and securities lending, agency sales of financial products, agency sales of securities investment funds, provision of intermediate introduction business for futures companies (the above businesses are limited to Xinjiang, Gansu, Shaanxi, Ningxia, Qinghai and Tibet), securities proprietary business (for securities brokerage clients in Xinjiang, Gansu, Shaanxi, Ningxia, Qinghai and Tibet only). (For the projects subject to approval according to law, they can be carried out only after approval from relevant departments)	5,700,000	20,795,913	9,200,683	319,904



Section III Management Discussion and Analysis (continued)

Name of company	Type of company	Principal businesses	Registered capital	Total asset	Total equity	Profit for the period
Shenwan Hongyuan Financing Services Co., Ltd.	Wholly-owned subsidiary	Securities underwriting (excluding bond types other than convertible bonds) and sponsoring, financial advisory in relation to securities transactions and securities investment activities	1,000,000	1,245,317	1,038,916	-15,615
Shenwan Futures Co., Ltd.	Controlling subsidiary	Commodity futures brokerage, financial futures brokerage, futures investment consulting service, assets management and fund sales	1,441,588	34,645,591	4,518,847	100,767
SWS MU Fund Management Co., Ltd.	Controlling subsidiary	Fund management business, initiation and establishment of funds and other businesses approved by the CSRC (including sales of funds initiated and established by itself)	150,000	1,727,220	1,437,990	32,840
Shenyin & Wanguo Alternative Investment Co., Ltd.	Wholly-owned subsidiary	Conducting investment activities with self-owned funds. (Other than the projects subject to approval according to laws, operations shall be carried out independently with business licenses)	2,500,000	2,941,265	2,915,345	95,844
SWS Research Co., Ltd.	Controlling subsidiary	Securities investment consulting business	20,000	295,521	72,836	-8,666
Shenyin & Wanguo Investment Co., Ltd.	Wholly-owned subsidiary	Private equity fund	1,000,000	1,098,231	1,033,578	4,726
Shenwan Hongyuan Securities Asset Management Co., Ltd.	Wholly-owned subsidiary	Securities asset management	2,500,000	2,944,804	2,739,508	61,403
Shenwan Hongyuan (International) Holdings Limited	Wholly-owned subsidiary	Investment holdings	HK\$4,070,920 thousand	HK\$25,468,204 thousand	HK\$5,330,337 thousand	HK\$173,177 thousand

Note: The above data of subsidiaries is unaudited.

(II) Major Investee

Unit: Thousand Yuan Currency: RMB

Name of company	Type of company	Principal businesses	Registered capital	Total asset	Total equity	Profit for the period
Fullgoal Fund Management Co., Ltd.	Associate	Publicly offered securities investment fund management, fund sales, specific customer assets management.	520,000	15,543,208	9,017,161	924,050



(III) Acquisition and Disposal of Subsidiaries, Branch Companies and Securities Branches during the Reporting Period

1. Acquisition and disposal of subsidiaries and branch companies during the Reporting Period

During the Reporting Period, the Company did not acquire or dispose of any subsidiaries or any branch companies.

2. Acquisition and disposal of subsidiaries, branch companies and securities branches by Shenwan Hongyuan Securities, a subsidiary of the Company, during the Reporting Period

(1) Establishment and disposal of subsidiaries by Shenwan Hongyuan Securities

During the Reporting Period, Shenwan Hongyuan Securities did not newly establish any subsidiaries.

During the Reporting Period, Shenwan Hongyuan (International) Holdings Limited, a subsidiary of Shenwan Hongyuan Securities, completed the winding-up and cancellation of its subsidiary, Shenwan Hongyuan Holdings (B.V.I.) Limited.

(2) Establishment and cancellation of branch companies and securities branches by Shenwan Hongyuan Securities

During the Reporting Period, Shenwan Hongyuan Securities did not approve to establish any branch companies nor cancel any branch companies.

During the Reporting Period, Shenwan Hongyuan Securities approved to open 1 new securities branch in Zhongyuan District, Zhengzhou, Henan Province; the Tongzhou securities branch, Beijing and the Xing'an Street securities branch, Chifeng, Inner Mongolia, being approved to be opened by Shenwan Hongyuan Securities, were completed the construction and duly opened.

During the Reporting Period, Shenwan Hongyuan Securities approved to cancel three securities branches including the Station Road securities branch, Wenzhou, the Xintuo Road securities branch, Daxie, Ningbo and the North Yunjuan Road securities branch, Pudong New District, Shanghai, the cancellation was undergoing and no securities branches were officially closed down.

X. STRUCTURED ENTITIES UNDER CONTROL OF THE COMPANY

The Company manages or invests in a number of structured entities. In order to assess whether the Company has control over the structured entities, it mainly considers the extent of decision making and participation in establishing relevant structured entities, the aggregated economic interest (including the gain from holding a direct investment and expected remuneration) set out in the contractual arrangement, as well as the scope of decision-making authority over the structured entities. If the Company determined that it has power over, has exposure to variable returns from its involvement with, and has ability to use its power to affect the amount of its returns from the structured entities, it will include the structured entities in the consolidated financial statement as the Company has control over the structured entities.



As at June 30, 2025, the consolidated structured entities of the Company included asset management schemes issued and managed by the Company and trust schemes directly invested but issued by third parties, etc. The book value of net assets of the abovementioned consolidated structured entities is RMB81,030 million.

XI. RISKS FACED BY THE COMPANY AND ITS COUNTERMEASURES

According to the analysis on the macroeconomic situation, industry development trend, regulatory environment and the Company's own conditions, the Company's major risk factors are mainly market risk, credit risk, liquidity risk, operational risk, policy risk, legal compliance risk, risk of innovative businesses, reputation risk and exchange rate risk.

(I) Market risk

The market risk exposure is mainly concentrated in the proprietary investment business and other businesses. During the Reporting Period, all investment businesses achieved relatively stable returns generally. At the end of the period, the VaR (95% for one day) of the proprietary investment business of Shenwan Hongyuan Securities (including subsidiaries) was RMB233 million. The current external environment is complex, geopolitical risks are constant and the global economic growth momentum is insufficient. China's economic development still faces the challenges of insufficient effective demand and weakening expectations, uncertainty factors increases and market risk management faces great challenges.

The countermeasures taken by the Company include but are not limited to: 1. closely monitoring the macroeconomic situation and financial evolution trends, strengthening the follow-up analysis and research and judgment on the changes in macroeconomic data, intensifying the research on the risk characteristics and future change trends of large-scale assets, dynamically adjusting portfolio exposures and making timely and proactive responses; 2. optimizing a quantitative risk indicator assessment system, including risk measurement indicators such as VaR, beta, volatility, Greek letters, interest rate basis point value, duration and investment concentration, and utilizing a combination of various methods or tools such as stress test and sensitivity analysis for measurement and assessment; 3. continuously improving the multi-level risk control indicators system of "risk appetite – risk tolerance – risk limit", covering equity proprietary investment, non-equity proprietary investment, derivatives and other types of business exposed to market risk; 4. establishing the whole-process management mechanism of models, strengthening model validation and model risk assessment, enhancing the backtest and inspection of VaR model of various financial assets, and fully playing the role of VaR model in asset portfolio risk management; 5. conducting dynamic monitoring and graded pre-warning of risk control indicators, measuring and monitoring market risk limit-related indicators on a daily basis, conducting a comprehensive dynamic assessment on the Company's overall market risk, and taking effective countermeasures on a timely basis; and 6. prior to the launch of major investment projects, strictly carrying out the project risk analysis, and having the risk control department issue risk assessment reports independently.



(II) Credit risk

Credit risk exposure mainly existed in the areas of financing business (margin financing and securities lending and stock pledged repurchase business), fixed-income proprietary business, OTC derivatives trading business and non-standard investment. During the Reporting Period, the Company updated and optimized the internal rating model, improved the functions of the overseas entity rating model, strengthened the analysis and monitoring of regional risks in urban investment, and enhanced the risk monitoring of the margin financing and securities lending business. The Company did not experience significant credit risk events, and all business operations were generally stable. The current domestic credit market is characterized by low interest rates as a whole, with credit spreads showing a compressing trend in overall. The government has continuously promoted the debt elimination policies and property stabilization policies, which have improved the credit market environment. However, real estate, urban investment and small and medium-sized financial institutions are still the main sources of risk in the credit market.

The countermeasures taken by the Company include but are not limited to: 1. continuing to optimize the unified internal rating system of the Company and its subsidiaries, and strengthening the access management of business entities; 2. implementing the unified same customer management and control mechanism with the actual controller as the main body to achieve the unified credit extension of the same customer within the scope of the Company and its subsidiaries; 3. monitoring negative public sentiment information across the market, establishing default pre-warning mechanism based on secondary market prices, corporate interest spreads, implied ratings and other information, and applying the monitoring and warning results to credit risk management practices such as updating of rating results, adjustment of credit lines, and restrictions on access to negative list; 4. taking targeted credit risk control measures for key businesses: ① for financing business, continuing to optimize the financing business structure, focusing on the analysis of credit status and repayment ability of financing entities, controlling the concentration of financing targets, strengthening dynamic mark-to-market, and improving the risk disposal process; ② for debt securities investment business, allocating bonds with high credit rating and good liquidity, improving the bond credit rating center, following up on regulatory policies and market changes in a timely manner, and optimizing quantitative indicators such as risk limits; ③ for OTC derivatives business, improving the risk limit indicators and pre-approval criteria, optimizing financial models such as credit extension, default risk exposure measurement and deposits measurement, enhancing the mark-to-market management of performance deposits, and improving the pressure test mechanism of credit risk of counterparties; and 5. establishing management process for disposing of default of risk assets, and based on specific circumstances of the event of default, promptly disposing of, dealing with and mitigating credit risks in various ways such as additional collateral, realization of collateral, early termination of contract and litigation recovery.



(III) Liquidity risk

During the Reporting Period, the central bank implemented moderately loose monetary policies through RRR cuts, interest rate cuts, structural monetary policy tools and other means, stabilized the financial market, and promoted the continued economic recovery. For the liquidity risk, on the one hand, the Company continuously improved its liquidity reserve management system, strengthened the total amount and structure management of high-quality liquidity assets and had relatively sufficient liquidity reserve; on the other hand, taking into consideration the macro market environment, the Company reasonably adjusted the proportion of assets with various maturity periods, balanced the distribution of debt maturities, increased the diversity of financing channels, optimized the structure of liability maturities, dynamic monitored cash flow gaps and carried out the liquidity risk emergency plan drills, thus effectively preventing the occurrence of liquidity risk. During the Reporting Period, the liquidity risk of the Company was generally controllable, and the two liquidity regulatory indicators, i.e. the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR), met the regulatory standards. The current monetary policy remains moderately loose, but attention needs to be paid to uncertainties caused by tax period disturbances and changes in the policy environment of major external economies.

The countermeasures taken by the Company include but are not limited to: 1. strengthening research and judgment of financial market conditions, closely following monetary policy trends of the central bank, making comprehensive capital planning, and continuously optimizing the structure of high-quality current assets to ensure the Company's business capital needs and due debt repayment; 2. strengthening the dynamic monitoring of liquidity risk status, continuously tracking and evaluating the information including liquidity regulatory indicators, cash flow gap and liquidity reserve, and carrying out liquidity risk pre-warning work; 3. optimizing the liquidity risk measurement model, improving the capabilities to predict changes in cash flow from operations and analyze gaps; 4. conducting stress test of liquidity risk on a regular basis to assess liquidity pressure in the event of substantial expansion of business scale and extreme market changes, strengthening the stress assessment on liquidity risk of the OTC derivatives business, and preparing response plans for liquidity impact in advance; 5. carrying out the liquidity risk emergency drills, assessing the Company's response to liquidity risk, continuously perfecting liquidity emergency scenarios, improving the practical performance of emergency drills and enhancing Company's capabilities to respond to liquidity crisis; 6. important business units (including subsidiaries) shall establish a liquidity risk emergency management mechanism, carry out regular liquidity risk emergency drills, and prevent the transmission of business liquidity risks to the Company; and 7. improving liquidity risk limit indicators of subsidiaries and enhancing daily risk monitoring to strengthen the liquidity risks management of subsidiaries.



(IV) Operational risk

Operational risk exists in the Company's various business processes and operation management, mainly due to factors such as operational errors of personnel, system defects, imperfect procedures and external events. During the Reporting Period, the Company actively took countermeasures against risk events and endeavored to defuse the risk, well ensuring the normal business operation of the Company. Besides, the Company adopted the measures including optimization of review mechanism, standardization of business processes, improvement of system defects and carrying out business training, to effectively avoid the occurrence of significant operational risk incidents. With the constant enrichment of business types, the continuous expansion of business scale, the widespread use of information systems, etc., the operational risks faced by the Company have also increased, which has brought a certain challenge to the operational risk management.

The countermeasures taken by the Company include but are not limited to: 1. constantly improving the operational risk management mechanism and further strengthening operational risk management requirements; 2. strengthening the foresight of operational risk management and carrying out in-depth operational risk assessment, especially before the launch of new businesses and new systems, carrying out special self-assessment work to identify and control potential risks in advance; 3. continuously improving the front-end control functions of the business system, implementing systematic control over important links and reducing manual operations; 4. strengthening the risk assessment, functional verification and daily monitoring of the information system, formulating information system security emergency plans and carrying out emergency drills; and 5. continuing to conduct publicity of typical risk cases and business training, intensifying assessment on staff errors, and constantly improving their business capabilities and risk management awareness.

(V) Policy risk

The Company's overall operations and development of businesses are greatly affected by policies. On the one hand, changes in national macroeconomic policies and interest rate policies will affect the trend of the securities market, which will cause direct and important impact on the operations and business development of securities companies; on the other hand, regulatory authorities have published a series of regulatory policies to continuously improve the capital market management rules, emphasize the standardized development of business, and put forward new requirements for securities companies to improve professional service capabilities and risk management level.



The countermeasures taken by the Company include but are not limited to: 1. insisting on serving the overall national strategies, focusing on the main responsibilities and main business, positively serving the “Five Priorities” on finance and the construction of the “Belt and Road Initiative”, assisting in implementation of the national key strategies and the construction of a financial power, and promoting the high-quality development of real economy; 2. strengthening the research and analysis of the macroeconomic situation and industry dynamics, dynamically adjusting risk control policies and business strategies in due course, improving the perspectiveness and initiative of risk management, and effectively preventing business risks that may arise during the implementation of policies; 3. paying close attention to changes and trends of regulatory policies, strengthening communication and contact with regulatory authorities, analyzing and interpreting regulatory policies related to main businesses, and conducting special training to improve the policy acumen of employees; and 4. strictly implementing the relevant regulations of the regulatory authorities, improving the institutional and system construction of relevant businesses, and strengthening risk management and control, to ensure the healthy development of businesses.

(VI) Legal compliance risk

During the Reporting Period, the CSRC successively issued supporting rules for the “1+N” policies and systems such as investment banking business, brokerage business and programmed transaction management, systematically strengthened the construction of the basic system of the capital market, and guided securities companies to actively play their functional roles and effectively fulfill the responsibilities of direct financing as a “service provider”, the “gatekeeper” of the capital market and the “manager” of social wealth. In addition, the regulatory authorities continued to implement the concept of strict supervision in their daily supervision work, strengthened the crackdown on financial fraud in the investment banking field, continuously improved the supervision on law enforcement system and mechanism, optimized the execution connection mechanism, and reshaped the capital market ecology. The legal compliance management of securities companies faces greater challenges.

The countermeasures taken by the Company include but are not limited to: 1. continuously strengthening the promotion of the “1+N” policy in the capital market, and organizing all units to implement new regulations effectively; 2. continuously strengthening the construction of compliance culture, preparing and issuing the “Compilation of Regulatory Cases”, the “Legal Compliance Information News” and the “New Regulation Express”, and strengthening legal compliance training and case warning education; 3. continuing to improve the legal compliance management system, strengthening the construction of the legal compliance personnel team, and enhancing compliance assessment and accountability; 4. strictly conducting compliance review, strengthening the compliance self-inspection and inspection in key areas, carrying out targeted compliance hazard investigation, and effectively preventing and resolving compliance hazards; and 5. carrying out special compliance work such as anti-money laundering and information barrier, strictly implementing the requirements of customer appropriateness management, and strengthening the management of customer transaction behavior.



(VII) Risk of innovative businesses

The Company steadily carries out business innovation and expands innovative businesses in an orderly manner. The innovative business structure and product types are becoming increasingly complex, and the corresponding risk control mechanism and standards need to be continuously strengthened.

The countermeasures taken by the Company include but are not limited to: 1. improving the working rules related to innovative business review, and strengthening the audit of the innovative businesses of the Company and its subsidiaries; 2. improving corresponding rules of innovative businesses, and strengthening the reserve of innovative business talents, to ensure steady development of innovative businesses on the basis of systems, talents and other supporting measures in place; 3. including the new businesses, new models and new products of subsidiaries in the Company's hierarchical review and decision-making system, and based on the primary evaluation by subsidiaries, conducting a secondary evaluation and review by the Company's risk management department; 4. incorporating the risk monitoring and pre-warning of innovative businesses to the daily risk management work, and dynamically adjusting the control threshold based on business operation situation; 5. strengthening the construction of innovative business information technology system, and continuously improving various system functions such as business management and risk monitoring, to give full play to the support and guarantee role of the system for businesses; and 6. regularly conducting tracking management of innovative businesses, conducting tracking retrospective evaluation on the risk return as well as effectiveness of risk management and control measures of innovative businesses, then incorporating the retrospective evaluation results into the annual risk management performance assessment, continuously improving the risk management and control measures of innovative businesses and promoting the steady development of innovative businesses.

(VIII) Reputation risk

During the Reporting Period, the Company established a reputation risk management framework with clear responsibilities, and through the adoption of measures such as strengthening top-level design, organizing monitoring and prevention networks, and developing emergency response mechanisms, the Company did not experience any significant reputational risk events. Currently, the securities industry is more concerned by public opinion, and the extensive use of new media and We-Media has brought more challenges to reputation risk management and control. The importance of reputation risk management has becoming increasingly prominent.

The countermeasures taken by the Company against reputation risks include but are not limited to: the Company has incorporated the reputation risk management into the comprehensive risk management system, and established a reputation risk management framework, division of responsibilities, and management requirements with clear responsibilities. The Company followed the management principle of prevention as the main point, and defined the reputation risk report coordination mechanism, identification and evaluation mechanism as well as emergency disposal mechanism. Besides, the Company, through effective public opinion monitoring system, implemented the public opinion monitoring, and conducted the public opinion classification and hierarchy management. The Company actively identified and resolved the reputation risk in daily operation and management, and actively respond to various reputation risk events in a much proper manner.



(IX) Exchange rate risk

Most of the Company's assets, liabilities, revenue, costs and expenses are expressed in RMB. Foreign currency assets, liabilities and income account for a relatively small proportion. The underlying assets linked to the Company's cross-border derivatives business and the assets held by its overseas subsidiaries in their operating activities are mainly denominated in foreign currencies such as Hong Kong dollars and US dollars, which expose to certain exchange rate risks.

The countermeasures taken by the Company include but are not limited to: strengthening the analysis and research and judgment on the exchange rate trend, monitoring exchange rate risk, setting the foreign exchange risk exposure limit, exploring the use of foreign exchange forward, futures, options, swaps and other ways to hedge the exchange rate risk, and effectively controlling the exchange rate risk. In the future, with the advancement of the Company's international business layout and the progress of RMB internationalization, the Company will further strengthen the prospective study on exchange rate, and take reasonable and effective measures to hedge and manage exchange rate risks in a timely manner.

XII. OPERATING PLAN AND THE RELEVANT MEASURES FOR THE NEXT REPORTING PERIOD

In the second half of 2025, the Company will insist on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and unswervingly implement the arrangements of the central decisions. Focusing on normal and long-term study and education as well as inspection and rectification, taking the opportunities of formulating a new round of strategic development plan, the Company will insist on the work style of being pragmatic and responsible, continuously enhance core competitiveness through deepening talent team building and system and mechanism reforms, actively seize development opportunities, constantly maintain a solid growth momentum, and stride forward toward the goal of "building a first-class investment banking and investment institution with higher positioning and steady steps."

XIII. FORMULATION AND IMPLEMENTATION OF MARKET VALUE MANAGEMENT SYSTEM AND VALUATION ENHANCEMENT PLAN

In 2025, in accordance with the Certain Opinions of the State Council on Strengthening Supervision and Preventing Risks and Promoting High-quality Development of Capital Market (《國務院關於加強監管防範風險推動資本市場高質量發展的若干意見》) and the Regulatory Guidelines for Listed Companies No. 10 – Market Value Management (《上市公司監管指引第10號—市值管理》) of the CSRC, as well as other relevant laws, administrative regulations, regulatory documents and the Articles of Association, the Company studied and formulated the Market Value Management System of Shenwan Hongyuan Group Co., Ltd., which was considered and approved at the sixth meeting of the sixth session of the Board of the Company. The Company firmly established the investor-oriented consciousness, further standardized the Company's market value management behavior on the basis of the system, adhered to the standardized operation, focused on the main business and sound operation, and continued to improve the quality of the Company and enhance the value of investment.

Whether the Company has disclosed a valuation enhancement plan

☐ Yes ☒ No



XIV. IMPLEMENTATION OF THE “DOUBLE ENHANCEMENT OF QUALITY AND RETURNS” ACTION PLAN

In order to deeply practice the investor-oriented concept, effectively improve the quality and investment value of listed companies, and safeguard the interests of all shareholders of the Company, the Company has actively responded to the call of the Shenzhen Stock Exchange for “Double Enhancement of Quality and Returns” and formulated the action plan of “Double Enhancement of Quality and Returns”, proposing four initiatives, such as adhering to the investor-oriented principle and enhancing investor returns, strengthening functional positioning and fulfilling the main responsibilities and main businesses, adhering to the strategic leadership and improving core competitiveness, and adhering to the “double-wheel drive” of corporate governance and information disclosure, and enhancing the quality and effectiveness of governance and building value for development. For details, please refer to the Announcement of the “Double Enhancement of Quality and Returns” Action Plan of Shenwan Hongyuan Group Co., Ltd. published by the Company on February 29, 2024 in the China Securities Journal, Securities Times, and Shanghai Securities News and on Cninfo website (www.cninfo.com.cn). During the Reporting Period, the Company actively implemented the relevant work in the program as follows:

(I) Adhered to investor-oriented and strengthened investor returns

The Company firmly established the awareness of returning to shareholders. Since the listing in 2015, the Company has insisted on the implementation of cash dividends for ten consecutive years, with the total amount of cash dividends exceeding RMB17.2 billion, enhancing the sense of gain of investors through sustained and stable cash dividends. During the Reporting Period, the Company studied and formulated the 2024 profit distribution plan, which was considered and approved by the 2024 annual general meeting and implemented on August 13, 2025. The Company effectively increased its efforts in providing investor services, constructed and perfected a multi-level investor service system, and conducted proactive, interactive, professional and efficient investor communication and established effective interaction with the capital market through regular implementation of performance presentation, elaboration of performance snapshot and chairman’s statement, timely disclosure of investor relations activity records and active response to investor inquiries, etc. The Company attaches great importance to investor protection. In March 2025, our subsidiary, Shenwan Hongyuan Securities, released the Shenwan Hongyuan Investor Rights Protection System, which deeply integrates financial technology with investor education and protection, and provides AI intelligent investment education for ordinary investors; and with its innovative practices and outstanding contributions in the field of investor education, the Company won seven awards in the 2024 member investor education and protection work evaluation and selection of the Shanghai Stock Exchange.



(II) Strengthened functional positioning and fulfilled main responsibilities and main businesses

As a large state-owned securities company and investment institution, the Company actively practices the political and people-oriented nature of financial work, promotes more solid planning and service to the national strategies in fulfilling the main responsibilities and businesses, and strengthens our own functional positioning by accomplishing the “Five Priorities” on finance with greater historical responsibility. The Company strengthened the positioning as a “service provider” of direct financing, actively promoted the sinking of customers, regions and services, and guided more medium – and long-term capital in the society to flow to key areas such as technology innovation, green development and digital transformation. During the Reporting Period, the Company provided equity financing totaling RMB2.926 billion to six enterprises in strategic emerging industries, and the scale of issuance of green bonds and carbon neutral bonds increased by 191.36% year-on-year. The Company strengthened the positioning as a “gatekeeper” of the capital market. The Company comprehensively improved the full cycle risk management level of investment banking projects under the new situation, and vigorously supported M&A and restructuring of listed companies and integration of industry chain leaders. During the Reporting Period, the Company was ranked No. 1 in the second quarter of 2025 by the Beijing Stock Exchange and the NEEQ Company in the evaluation of the quality of practice of securities companies, and ranked seventh in the industry in terms of the number of first-time disclosure of financial advisory items. The Company strengthened the positioning as a “manager” of social wealth, and continued to build its five core competencies, namely “channel power”, “service power”, “product power”, “digital power” and “refined management capability”. The Company optimized the supply of financial products and services, insisted on giving priority to clients’ interests, accelerated the active and public offering transformation of its capital management business, and was the first to be granted the qualification for swap facilitation, with the overall participation rate being among the highest in the industry, thus escorting the stable operation of the capital market.

(III) Adhered to strategic leadership and improved core competitiveness

The Company strengthened the connection between strategic objectives, business plans and performance objectives, and improved the strategic closed-loop control mechanism. Under the guidance of strategies, the Company adhered to steady operation and seeking progress while maintaining stability, seized the major opportunities of capital market reform, focused on the double wheel drive of light and heavy capital business, and intensified business transformation. The Company endeavoured to enhance the competitiveness position of light capital business in the market and accelerated the transformation of wealth management to buyer-side investment advisory model; insisted on the high-quality practice of investment banking business, and grasped industry trends to explore business increments; closely followed the comprehensive financial service needs, and improved coordinated development model of large institutional business; and further improved the investment and research system of asset management business and enhanced proactive management capabilities, so as to return customers with long-term, stable and good investment performance. As for heavy capital business, the Company continued to enhance the ability to resist risks and fluctuations, consolidated investment and research advantages, deepened the asset allocation strategy, continued to optimize position structure, continuously improved product design and pricing capabilities, and strengthened and expanded the cross trade, so as to strengthen the stable, long-term, balanced and innovative nature of the business.

(IV) Adhered to the “double-wheel drive” of corporate governance and information disclosure, improved quality and efficiency of governance, and accumulated development value

The Company continued to deeply practice the “two-consistency” by organically integrating the adherence to and strengthening of the Party’s leadership with the improvement of corporate governance, so as to effectively transform political advantages into governance performance. The general meeting, the Board of Directors and the Board of Supervisors as well as the senior management perform their respective responsibilities, effectively check and balance and coordinate operation. During the Reporting Period, the Company organized 1 general meeting, 3 Board meetings, 10 meetings of special committees of the Board and 1 specialised meeting of independent directors. The Company conscientiously implemented the regulations of the listing regulatory authorities, strictly fulfilled information disclosure obligations, and disclosed 2 regular reports and more than 200 temporary reports. The Company continuously improved the comprehensive risk management system and actively responded to market changes, and the main risk indicators met regulatory requirements. The Company formulated and issued the Shenwan Hongyuan Sustainable Development and ESG Management Enhancement Action Plan, fulfilled ESG responsibilities at multiple levels, and improved ESG performance in various aspects. During the Reporting Period, the Company was awarded the “Best Practice Case of Rural Revitalization” by the China Association of Public Companies, and was selected in the “2024 China Enterprises ESG 100 Index” jointly launched by the Overseas Edition of the People’s Daily and the All-China Environment Federation.



Section IV Corporate Governance, Environment and Society

I. CORPORATE GOVERNANCE

As an “A+H” share listed company, the Company has continuously improved its corporate governance structure in strict compliance with laws, regulations and regulatory documents applicable in places where the shares of the Company are listed. The general meeting, Board of Directors, Board of Supervisors and the management of the Company perform their respective duties, and have fully fulfilled their obligations and responsibilities. Compliance operation of the Company has been continuously enhanced to ensure business development in a sustainable and normative manner. Such operations include, among others, the establishment and improvement of the corresponding systems, optimization and improvement of internal organizational structure and authorization management system.

Currently, the Company has formulated the Rules of Procedure of the General Meeting, the Rules of Procedure of the Board of Directors, the Rules of Procedure of the Board of Supervisors, the Management Policy of Related Party Transactions, the Internal Control Policy, the Internal Control Evaluation Policy, the Internal Audit Policy, the Finance Management Policy, the Accounting Policy and the working rules of the committees of the Board of Directors, pursuant to relevant laws and regulations, such as the Company Law, the Securities Law and regulations of the places in which the shares of the Company are listed and the Articles of Association. During the Reporting Period, the Company has strictly followed all the provisions under the CG Code, and satisfied the requirements of most of the recommended best practices set out in the CG Code. The Model Code has been adopted by the Company as the code of conduct regarding the securities transactions of the directors and the supervisors. As of the end of the Reporting Period, after making specific enquiries to the directors and supervisors, the Company confirmed that each of the directors and supervisors of the Company has complied with the standards set out in the Model Code throughout the Reporting Period.

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

During the Reporting Period, there was no change in the directors and supervisors of the Company.

Changes in senior management of the Company during the Reporting Period:

Mr. Liu Yue ceased to serve as a member of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. since April 29, 2025. Mr. Liu Yue was re-appointed as the senior expert of the Company.



III. CHANGES IN RESUMES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the biographies of certain directors, supervisors and senior management of the Company after changes are as follows:

1. Directors

Ms. Zhang Ying (張英) currently serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: Ms. Zhang Ying served in Beijing Urban Construction No. 4 Construction Engineering Co., Ltd. (北京城建四建設工程有限責任公司) from July 1993 to July 1994, and she served in the Financing Department of China Investment Bank from April 1997 to December 1998. From December 1998 to September 2003, she served in the Treasury & Financial Market Department of China Development Bank, and successively served as the deputy director and director of Policy Research Department of China Development Bank and other positions from September 2003 to August 2012. She served as the senior manager of the Securities Institution Management Department/Insurance Institution Management Department of Central Huijin Investment Ltd. from August 2012 to January 2020; the division chief and director of Research Support Division of the Securities Institution Management Department/Insurance Institution Management Department of Central Huijin Investment Ltd. successively from July 2014 to January 2020. She served as the division chief in Comprehensive Division and senior manager of the Office of the Directly Managed Enterprises Leading Group/Equity Management Department II of Central Huijin Investment Ltd. from January 2020 to August 2021; and she has been serving as a managing director of the Office of the Directly Managed Enterprises Leading Group/Equity Management Department II of Central Huijin Investment Ltd. since August 2021; a designated director of the office of the Directly Managed Enterprises Leading Group/Equity Management Department II of Central Huijin Investment Ltd. since September 2021; a director of Shenwan Hongyuan Securities Co., Ltd. since September 2021; a non-executive director of Shenwan Hongyuan Group Co., Ltd. since October 2021; a director of Hongyuan Futures Co., Ltd. since September 2023; and a non-executive director of Shenwan Hongyuan (H.K.) Limited since July 2025. Ms. Zhang Ying obtained a bachelor's degree in economics from Renmin University of China in July 1993 majoring in investment and economics management; and a master's degree in economics from the Graduate School of People's Bank of China in April 1997 majoring in international finance.



Mr. Yan Jinguo (嚴金國) currently serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Yan worked at the general department of Central Huijin Investment Ltd. from July 2009 to February 2012; served as a second-level manager, a first-level manager and manager of the comprehensive management department/banking institution management department II of Central Huijin Investment Ltd. from February 2012 to November 2016; served as the manager and senior deputy manager of the securities institution management department/insurance institution management department of Central Huijin Investment Ltd. from November 2016 to January 2020; served as the senior deputy manager of the leading group office of the directly managed enterprise/equity management department II and the director of the comprehensive division of Central Huijin Investment Ltd. from January 2020 to July 2023; and he has served as the director of the institution division II of the leading group office of the directly managed enterprise/equity management department II of Central Huijin Investment Ltd. since July 2023; a non-executive director of Shenwan Hongyuan Group Co., Ltd. since December 2024; and a director of Shenwan Hongyuan Securities Co., Ltd. since April 2025. Mr. Yan Jinguo graduated from the Business School of Renmin University of China majoring in financial management in July 2007; graduated from the Guanghua School of Management of Peking University with a master's degree majoring in accounting in July 2009; and graduated from Chinese Academy of Fiscal Sciences with a doctoral degree in management majoring in accounting in June 2017.

Mr. Xu Yixin (徐一心) currently serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Xu served as the secretary of the Party Group and director of the Finance Bureau of Leshan City, Sichuan Province from March 2004 to September 2008; served as the secretary of the District Committee of Shizhong District of Leshan City and director of the Standing Committee of the District People's Congress (since January 2009) from September 2008 to November 2011; served as the deputy mayor of Leshan City from November 2011 to February 2014; served as a member of the Standing Committee of the Ya'an Municipal Committee from February 2014 to June 2015; served as a member of the Standing Committee and deputy mayor of Ya'an Municipal Committee from June 2015 to January 2017; served as a member of the Standing Committee and executive deputy mayor of Ya'an Municipal Committee from January 2017 to October 2018; served as the full-time deputy director of the Railway and Airport Construction Office of Sichuan Province, and the deputy director and a member of the Party Group of the Development and Reform Commission of Sichuan Province from October 2018 to November 2019; served as the full-time deputy director of the Railway and Airport Construction Office of Sichuan Province, and the deputy director, a member of the Party Group and first-level inspector of the Development and Reform Commission of Sichuan Province from November 2019 to April 2021; served as the secretary of the Party Committee and chairman of the board of directors of Sichuan Financial Holding Group Co., Ltd. (四川金融控股集團有限公司) from April 2021 to September 2022; and served as the secretary of the Party Group and director of the Sichuan Provincial Department of Commerce from September 2022 to June 2024. Mr. Xu has served as the secretary of the Party Committee and chairman of the board of directors of Sichuan Development Holding Co., Ltd. since June 2024; a non-executive director of Shenwan Hongyuan Group Co., Ltd. since October 2024; and the deputy director of Committee for Liaison with Hong Kong, Macau, Taiwan and Oversea of the 13th CPPCC of Sichuan Province since January 2025. Mr. Xu Yixin graduated from Southwest University of Finance and Economics in July 1986, majoring in statistics, and obtained a bachelor's degree in economics; and graduated from the Party School of Sichuan Provincial Committee with a master's degree in economics in January 2002.



Ms. Yeung Siuman Shirley (楊小雯) currently serves as an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: Ms. Yeung Siuman Shirley served as the person in charge of the international securities department of Verizon Investment Management Corp. from June 1993 to May 1997, the vice president of the capital market department of JP Morgan Investment Bank from June 1997 to January 2000, and the head of China of PCCW VENTURES LIMITED, a venture capital fund under PCCW Limited (電訊盈科有限公司) from January 2000 to March 2003. She has served as the chairwoman and founding managing partner of Dragonrise Capital Advisors (HK) Limited (龍騰資本有限公司) since October 2004, concurrently the chairwoman and founding managing partner of Suzhou Longrui Venture Capital Management Co., Ltd. (蘇州龍瑞創業投資管理有限公司) since December 2009, and concurrently the chairwoman and founding managing partner of Nanjing Longjun Investment Management Co., Ltd. (南京龍駿投資管理有限公司) since April 2014. She has been an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. since November 2020, and an independent director of GigaDevice Semiconductor Inc. (603986.SH) since December 2024. Ms. Yeung Siuman Shirley graduated from Beijing Foreign Studies University, majoring in international relations with a bachelor's degree in arts in July 1984, and graduated from Yale School of Management in the United States with an MBA degree in May 1993.

Mr. Wu Changqi (武常岐) currently serves as an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Wu Changqi served a researcher at the China Studies Center of the University of Leuven in Belgium from February 1990 to July 1991; and an assistant professor in economics of the Business School in Hong Kong University of Science and Technology from August 1991 to June 2001; he was a visiting scholar at Northwestern's Kellogg School of Management in the U.S. from August 1997 to January 1998; a visiting professor at the Department of Applied Economics of Katholieke Universiteit Leuven in Belgium from September 1998 to December 1998; the deputy director of the Shui On Center for China Business and Management of the Business School and an adjunct associate professor of the Department of Economics of the Hong Kong University of Science and Technology from July 2001 to June 2004; he served as the head of the Department of Strategic Management of the Guanghua School of Management of Peking University from September 2001 to January 2011; the director of the EMBA Centre of the Guanghua School of Management of Peking University from August 2002 to December 2010; and the associate dean of the Guanghua School of Management of Peking University from February 2003 to December 2010; he served as an adjunct professor in the Department of Economics of the Business School of Hong Kong University of Science and Technology from 2005 to 2011; the dean of the National High-tech Industrial Development Zone Development Strategy Research Institute of Peking University from May 2007 to December 2020; the director of Guanghua Cisco Leadership Institute of Peking University from March 2011 to December 2020; and a visiting professor at the School of Economics and Finance of the University of Hong Kong from 2012 to 2018; he has been a professor of strategic management at the Guanghua School of Management of Peking University since September 2001; the dean and chair professor of the School of Management of Shandong University from October 2019 to December 2024; the executive deputy head of the International Operation and Management Institute of Peking University since September 2006; and the executive deputy head of the National High-tech Industrial Development Zone Development Strategy Institute of Peking University since January 2021. He has concurrently served as the fifth executive vice chairman of the Chinese Institute of Business Administration since September 2014; an expert in the 14th Five-Year National Intellectual Property Planning Guidance Expert Group of the China National Intellectual Property Administration since August 2019; an expert member of the Expert Committee of the China Council for the Promotion of International Trade since February 2015; the chairman of the



Strategic Management Professional Committee of the China Management Science Society since September 2016; and vice president of the China International Economic Cooperation Society since November 2019. He served as an independent director of Beijing Electronics Zone Investment and Development Co., Ltd. (600658.SH) from December 2012 to June 2019; and an external director of Haier Smart Home Co., Ltd. (600690.SH, 690D, 6690.HK) from April 2013 to June 2022. He was an external supervisor of Hua Xia Bank Co., Limited (600015.SH) from May 2015 to November 2021; an independent director of Yijiahe Technology Co., Ltd. (603666.SH) from August 2016 to September 2022; and an independent director of Aixin Life Insurance Co., Ltd. since August 2017. He served an independent non-executive director of Beijing Media Corporation Limited (1000.HK) from June 2016 to November 2021. He has been an independent director of Tianneng Co., Ltd. (688819.SH) from February 2019 to April 2025; and an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. since May 2021; and an independent director of Wanhua Chemical Group Co., Ltd. (600309.SH) since April 2022. Mr. Wu Changqi obtained a bachelor's degree in economics from Shandong University in July 1982; a master's degree in business administration (MBA) from the University of Leuven in Belgium in February 1986; and a doctorate degree in applied economics from the University of Leuven in Belgium in October 1990.

Mr. Chen Hanwen (陳漢文) currently serves as an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Chen Hanwen served as a teaching assistant, lecturer, and associate professor in the Accounting Department of Xiamen University from August 1990 to November 1999; a professor in the Accounting Department of the School of Management of Xiamen University from December 1999 to May 2015 (during which he served as a doctoral tutor of the Accounting Department of the School of Management of Xiamen University from February 2001 to May 2015 and the director of the Accounting Department, the deputy dean of the School of Management, the deputy dean of the Graduate School, and the secretary general of the Academic Committee of Xiamen University from April 2004 to April 2015); he served as a professor of the Accounting Department of the School of International Business of the University of International Business and Economics from May 2015 to November 2021 (during which he served as a distinguished professor of Huiyuan of the University of International Business and Economics from May 2017 to November 2021 and a first-level professor at the International Business School of the University of International Business and Economics from January 2018 to November 2021). He has served as a doctoral tutor of the University of International Business and Economics since May 2015; and a professor of Nanjing Audit University since November 2021. He served as an independent director of Xiamen International Bank Co., Ltd. from May 2013 to December 2021; an independent director of Dalian Wanda Commercial Management Group Co., Ltd. from May 2017 to July 2023; an independent director of Shanghai Fuiou Payment Service Co., Ltd. from May 2017 to February 2023; an independent director of Beijing TriPrime Gene Pharmaceutical Co., Ltd. (837344.OC) from November 2018 to January 2024; an external supervisor of Bank of Communications Co., Ltd. (601328.SH, 03328.HK) from June 2019 to June 2025; an independent director of China Shenhua Energy Co., Ltd. (601088.SH, 01088.HK) since May 2020; an independent director of Bank of Suzhou Co., Ltd. (002966.SZ) since February 2023; and an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. since May 2021. Mr. Chen Hanwen graduated from the Accounting Department of Xiamen University in July 1990 with a bachelor's degree in auditing and from the Accounting Department of Xiamen University in August 1997 with a doctorate degree in economics.



Mr. Zhao Lei (趙磊) currently serves as an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Zhao Lei was a lecturer and associate professor at the School of Civil and Commercial Law of Southwest University of Political Science and Law from July 2005 to February 2012; a post-doctoral researcher at the postdoctoral research station of the University of International Business and Economics (postdoctoral in International Commercial Law) from October 2007 to June 2010; the assistant to the president of the Second Civil Division of the First Intermediate People's Court of Chongqing Municipality from May 2009 to December 2009; a researcher (postdoctoral in finance) at Tehua Postdoctoral Programme from October 2011 to September 2013; and an editor and the head of the law subject of the Social Sciences in China Press from March 2012 to November 2016. He has been an executive member of the China Law Journal Research Association since August 2015; an executive member of the China Securities Law Research Association since May 2016; a part-time researcher of Wuhan University Institute of International Law, a national high-end think tank, since November 2016; an associate researcher and researcher (professor) at the Commercial Law Office in the Institute of Law of the Chinese Academy of Social Sciences since December 2016; an doctoral tutor in Civil and Commercial Law at Southwest University of Political Science and Law since September 2019; an executive member of the China Commercial Law Research Association, an external professor of Lanzhou University, and concurrently an expert member of the Commercial Trial Professional Committee of the China Trial Theory Research Association and an expert member of the Financial Trial Professional Committee since October 2019; and an executive member of the China Bank Law Research Association since November 2020. He also served as an independent director of Haohan Data Technology Co., Ltd. (833175.OC) from September 2016 to June 2020; an independent director of Nanning Department Store Co. Ltd. (600712.SH) from April 2018 to September 2022; an independent director of Shanghai Haohai Biological Technology Co., Ltd. (688366.SH, 06826.HK) from June 2020 to June 2025; an independent director of Chengdu Sino Microelectronics Technology Co., Ltd. (688709.SH) from September 2021 to July 2024; an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. since May 2021; and an independent director of Triangle Tyle Co., Ltd. (601163.SH) since June 2023. Mr. Zhao Lei graduated from the Law Department of Hebei University with a bachelor's degree in July 1999; graduated from Hebei Normal University with a master's degree in economic law in July 2004; and graduated from the Southwest University of Political Science and Law with a doctorate degree in civil and commercial law in July 2007.

2. Supervisor

Mr. Zou Zhijun (鄒治軍) currently serves as a supervisor of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Zou Zhijun successively served as a professional administrative assistant, a section member, a deputy director and the director of Xinjiang Bureau of China Securities Regulatory Commission from July 2006 to September 2013; the general manager of the strategic development department of Xinjiang Tianshan Rural Commercial Bank Limited (新疆天山農村商業銀行股份有限公司) from October 2013 to April 2016; the secretary of the board of directors of Xinjiang Yazhong Logistics Business Network Co., Ltd. (新疆亞中物流商務網絡有限責任公司) from April 2016 to May 2017; a director and the assistant to the general manager of Xinjiang Jintou Asset Management Co., Ltd. (新疆金投資產管理股份有限公司) from August 2017 to June 2019; an executive director and the general manager of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) from January 2019 to August 2022; a director and deputy general manager of Xinjiang Jintou Asset Management Co., Ltd. (新疆金投資產管理股份有限公司) from June 2019 to November 2022; an assistant general manager of Xinjiang Financial Investment Co., Ltd. (新疆金融投資有限公司) from November 2021 to April 2023; a



director of Xinjiang Weitai Development and Construction (Group) Co., Ltd. (新疆維泰開發建設(集團)股份有限公司) (831099.NQ) from November 2021 to January 2023; the chairman of the board of directors of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) from August 2022 to August 2025; the Party branch secretary of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) from November 2022 to July 2025; the Party branch member of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) since July 2025; a director and the general manager of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) since August 2025; the assistant general manager of Xinjiang Financial Investment (Group) Co., Ltd. (新疆金融投資(集團)有限責任公司) from April 2023 to July 2024; a director of Xinjiang Lanshantunhe Science and Technology Co., Ltd. (新疆藍山屯河科技股份有限公司) since January 2024; the assistant general manager and the general manager of the investment and fund department of Xinjiang Financial Investment (Group) Co., Ltd. (新疆金融投資(集團)有限責任公司) from July 2024 to July 2025; an executive director and the general manager of Xinjiang Kaidi Venture Investment Co., Ltd. (新疆凱迪創業投資有限責任公司) from September 2024 to July 2025; and a supervisor of Shenwan Hongyuan Group Co., Ltd. since October 2024. Mr. Zou Zhijun obtained a bachelor's degree in science from Xinjiang University majoring in mathematics and applied mathematics in July 2002, and a full-time master's degree in law from Xiamen University in July 2006. Mr. Zou Zhijun is an intermediate economist, a certified public accountant and obtained the qualifications of practising as a lawyer and a mining right valuer.

3. Senior management

Mr. Xu Liang (徐亮) currently serves as the secretary to the Board of Directors, joint company secretary and authorized representative, securities affairs representative and general manager of the office of the Board of Directors/strategic management department of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Xu was a researcher at the post-doctoral workstation of the Shenzhen Stock Exchange from July 2005 to May 2007; and successively served as the deputy general manager of the risk management department and the deputy general manager of the legal compliance headquarter of Hongyuan Securities Co., Ltd. (presiding work) from May 2007 to August 2009; he served as the director of the supervision office of Hongyuan Securities Co., Ltd. from August 2009 to February 2011, and concurrently served as the director of the office of the board of supervisors of Hongyuan Securities Co., Ltd. from October 2009 to February 2011, the director of the office of the discipline inspection commission of Hongyuan Securities Co., Ltd. from May 2010 to February 2011, and the director of the internal examination committee of securities issuance and the director of internal examination committee of investment banking of Hongyuan Securities Co., Ltd. in succession from August 2009 to January 2015. Mr. Xu served as the director of the office of the board of directors of Hongyuan Securities Co., Ltd. from February 2011 to April 2015, and served as the securities affairs representative from March 2011 to January 2015. He has served as the securities affairs representative of Shenwan Hongyuan Group Co., Ltd. since January 2015;

the director of the office of the board of directors of Shenwan Hongyuan Group Co., Ltd. from April 2015 to December 2023; the director of Shenwan Hongyuan Group Co., Ltd. from February 2017 to May 2021; the secretary to the board of directors, joint company secretary and authorized representative of Shenwan Hongyuan Group Co., Ltd. since March 2021; a director of Hongyuan Huizhi Investment Co., Ltd. from November 2013 to May 2024 (during which he concurrently served as the chairman from December 2020 to May 2024); the general manager of the legal risk control department of Shenwan Hongyuan Group Co., Ltd. from February 2017 to March 2020; the chairman of the board of supervisors of Xinjiang Financial Investment Asset Management Co., Ltd.* (新疆金投資產管理股份公司) since August 2017; a director of Hongyuan Futures Co., Ltd. since November 2017; a director of Hongyuan Huifu Capital Co., Ltd. from December 2017 to May 2023; the person temporarily in charge of the strategic management department of Shenwan Hongyuan Group Co., Ltd. from September 2021 to December 2023; and the general manager of the office of the Board of Directors/strategic management department of Shenwan Hongyuan Group Co., Ltd. since December 2023; the executive director and general manager of Shenwan Hongyuan Industrial Investment Management Company Limited since May 2025. Mr. Xu Liang obtained a bachelor's degree in law from Wuhan University School of Law in June 1997 majoring in economic law, a master's degree in law from Wuhan University School of Law in June 2002 majoring in civil and commercial law, a doctorate degree in law from Wuhan University School of Law in June 2005 majoring in civil and commercial law, and a degree of Executive Master of Business Administration from Cheung Kong Graduate School of Business in September 2015.

Except for those relevant disclosures in this section, there were no other changes in information related to directors, supervisors and senior management of the Company that need to be disclosed in this report in accordance with Rule 13.51B(1) of the Hong Kong Listing Rules.



IV. EMPLOYEES AND REMUNERATION POLICIES

(I) Number of Employees

As of June 30, 2025, the Company had a total of 11,552 employees (including labor dispatch, securities brokerage agents and others), of which, Shenwan Hongyuan Group had 94 employees, Shenwan Hongyuan Securities and its subsidiaries had 10,861 employees (of which Shenwan Hongyuan Securities had 7,419 employees, its subsidiaries had 3,442 employees in total), and other subsidiaries had 597 employees.

(II) Remuneration Policy

The Company focuses on serving the national strategy and sustainable development, adheres to the sound operation philosophy, takes the remuneration distribution system combining incentives and constraints as the core, and establishes a remuneration system with both efficiency and fairness. The remuneration of the Company includes basic remuneration, annual performance-based remuneration, special allowances, benefits, long-term incentives, etc. Based on the economic benefits, the Company strengthens the dynamic monitoring and control of labor costs, constantly improves the labor production efficiency, and promotes the sustainable, stable and healthy development of the Company. In light of the differences in qualifications and abilities of employees, the Company has established a basic remuneration system for employees with job requirements and performance standards as the core, and directly links employees' compensation with the performance of the Company, departments and individuals through performance evaluation, reflecting incentives orientation in line with responsibility, risk and return. The Company and employees pay various social insurance, enterprise annuity and housing provident fund in accordance with relevant national regulations, and the social insurance and housing provident fund are managed according to the principle of localization.

(III) Training

Taking the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guiding concept and central content, the Company in-depth studied and implemented the spirit of the Central Financial Work Conference, closely centered on the new round of development strategies of the Company, and strictly followed up the new cadre education training work requirements. With firm ideals, beliefs and purposes as the foundation, improving political ability as the key, enhancing the ability to perform duties as the focus, and upholding the pragmatic and effective work rules, the Company continued to improve the contemporary, systematic, pertinent and effective nature of education and training. Firstly, the Company strengthened the top-level design. According to relevant requirements of the Company's new round of cadre education and training plans, the Company systematically formulated the annual education and training programs, and implemented the "Aviation" and "Star" training systems in hierarchical categories. Secondly, the Company continued to strengthen the Party's theoretical knowledge. The Company formulated and implemented the key points of annual work of the Party School, fully exerted the role of the Party school of the Company as the main front and primary channel of cadres and Party members training and serving the development of the Company, to cultivate a high-quality cadre team with political competence, and financial work capability and skills in the new era. Thirdly, the Company continued to cultivate talents. Focusing on building political capabilities, management capabilities and business capabilities, the Company formed a three-dimensional cadre and employee education and training system with a coverage of "outlets, business lines, fields and network (點、線、面、網)" for cadres and employees at all levels, and systematically and effectively carried out various training and development work. Fourthly, the Company continued to enhance the digital construction of the learning platform. The Company has set up a digital learning platform integrating online learning and resources sharing.



V. PROFIT DISTRIBUTION PLAN AND PLAN FOR CONVERSION OF CAPITAL RESERVE INTO SHARE CAPITAL DURING THE REPORTING PERIOD

Number of bonus shares for every 10 shares (share)	0
Amount of dividend for every 10 shares (RMB) (tax inclusive)	0.35
Number of shares converted for every 10 shares (share)	0
Basis of the shares for the distribution proposal (share)	25,039,944,560
Amount of cash dividends (RMB) (tax inclusive)	876,398,059.60
Amount of cash dividends in other ways (e.g. repurchase of shares) (RMB)	0.00
Total amount of cash dividends (including other ways) (RMB)	876,398,059.60
Distributable profit (RMB)	2,922,098,118.19
Percentage of total cash dividends (including other ways) in total amount of profit distribution	100%

Cash Dividends

1. Based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of June 30, 2025, a cash dividend of RMB0.35 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB876,398,059.60. The total amount of cash dividends accounts for 20.46% of the profit for the period attributable to shareholders of the parent company achieved by the Company in the first half of 2025.
2. Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the average benchmark exchange rate of RMB against HKD published by the People's Bank of China five business days prior to the general meeting of the Company.

The Company will take into account the amount of the interim profit distribution that has been paid out when formulating the annual profit distribution plan for 2025. If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.

This proposal is subject to the consideration and approval at the general meeting of the Company. The cash dividends will be paid to the shareholders within two months after the general meeting of the Company, and it is expected to be paid no later than December 31, 2025.



**Explanations on Details of the Proposal for Profit Distribution or Conversion
of Capital Reserve into Share Capital**

According to the audited financial statements of Shenwan Hongyuan Group Co., Ltd. (the “Company”) for the year 2024, as of December 31, 2024, the balance of the audited undistributed profit of the parent company of the Group was RMB2,405,652,087.09, plus unaudited profit for the period of RMB1,668,283,480.86 for the first half of 2025, after deducting the cash dividends of RMB1,151,837,449.76 in 2024, the balance of the unaudited distributable profit of the parent company of the Group at the end of June 2025 was RMB2,922,098,118.19. In the first half of 2025, the Company achieved consolidated unaudited profit for the period attributable to shareholders of the parent company of RMB4,284,169,415.95.

In order to better reward investors for their support to the Company, safeguard the interests of investors, and boost investors’ confidence in long-term investment, in accordance with the profit distribution policy stipulated in the Articles of Association, and taking into account the actual situation of the Company, the Company proposed to implement cash dividends in the first half of 2025.

1. Based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of June 30, 2025, a cash dividend of RMB0.35 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB876,398,059.60. The total amount of cash dividends accounts for 20.46% of the profit for the period attributable to shareholders of the parent company achieved by the Company in the first half of 2025.
2. Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the rate of average benchmark exchange rate of RMB against HKD published by the People’s Bank of China five business days prior to the general meeting of the Company.

The Company will take into account the amount of the interim profit distribution that has been paid out when formulating the annual profit distribution plan for 2025. If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.

This proposal is subject to the consideration and approval at the general meeting of the Company.

VI. IMPLEMENTATION OF THE COMPANY’S EQUITY INCENTIVE PLAN, EMPLOYEE SHARE OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES

During the Reporting Period, the Company had no equity incentive plan, employee share ownership plan or other employee incentive measures or the implementation thereof.



VII. DISCLOSURE OF ENVIRONMENTAL INFORMATION

(I) Whether the Company and Its Major Subsidiaries Are Included In the List of Enterprises Required to Disclose Environmental Information By Law

☐ Yes ☒ No

(II) During the Reporting Period, the Company Consolidated and Expanded the Achievements in Poverty Alleviation and Rural Revitalization

In the first half of 2025, Shenwan Hongyuan, in accordance with the decisions and arrangements of the Party committee of China Investment Corporation and the Party committee of the Company, actively served the national strategy of rural revitalization, actively promoted the orderly implementation of helping projects in six counties, including Huining County in Gansu, Jimunai County and Makgaiti County in Xinjiang, increased the efforts of investment attraction and explored the new mode of consumption assistance, which was fully recognized by all parties.

1. Seized the main line of industrial revitalization, and orderly promoted the industrial assistance projects

Since 2025, the Company has actively mobilized resources from various parties, continued to help and guide the integration of state-owned assets in Huining County, increased the investment in industrial assistance projects, and promoted the commencement of the construction of key projects such as the project of deep processing of meat goats and large-scale breeding farms, the project of new type of agricultural machinery cooperatives, and the project of the circular fund for industrial development in an orderly manner, which has strongly supported the development of the local industries.

2. Capitalized on its financial strengths to solve the financing difficulties of some enterprises

In order to crack the development bottleneck in Huining County, such as the difficulty and high cost of financing for agricultural entities, Shenwan Hongyuan continued to increase the scale of the “China Investment Corporation – Huining Industrial Development Revolving Fund”, relying on financial resources to pry the development of the industry. As of the end of the first half of the year, the revolving fund has disbursed eight loans totaling RMB5.95 million, with a balance of RMB3.23 million, covering key areas such as specialty farming, circulation of herbs, and processing of agricultural products, and accurately supporting the development and growth of key enterprises and family farms in the county.

3. Widened investment ideas and actively introduced resources from various parties to settle in Huining

In addition to helping projects, Shenwan Hongyuan has also actively launched investment attraction work in Huining and promoted Huining County to expand the scope of industries, successfully introducing projects such as deep processing of potatoes to effectively fill the gaps in the local industries. The Company organized the characteristic industry development & ESG seminar and project matching activities in Huining with the purpose of “attracting intelligence + attracting capital” to set up a platform for investment, consultation, cooperation and exchange of assistance, and invited 20 external enterprises to enter into three cooperation agreements on investing in Huining, which injecting a new force to the development of Huining’s industries.



4. Explored a new model of consumption assistance and focused on developing a culture of assistance in which everyone participates

In the first half of 2025, Shenwan Hongyuan centrally purchased more than RMB9.07 million of agricultural products from poverty-stricken areas, helped to sell more than RMB5.00 million of products. The “Huiju Ningxiang (會聚寧香)” brand created by the Company in Huining has successfully included more than 20 local high-quality enterprises, covering a wide range of categories such as specialty agricultural and sideline products and handmade products. The Company has also built two offline exhibition and sales halls in key areas such as the Hantang Street in Huining County and the Huining Cadre College, and gradually formed a sales pattern of online and offline integration and mutual promotion. As of the end of June 2025, more than 100 products from more than 30 enterprises in Huining County have been put on the online sales platform, and the sales volume of the platform has reached RMB3.00 million, and the initial impact of the brand has been realized. In addition, the Company helped Huining’s specialty products, such as small grain, linseed oil and dandelion tea, to be sold in Beijing Bird’s Nest Stadium and Xinfadi Agricultural Market, and helped Huining’s “free-range chickens” to be sold in Benlai.com (本來生活), thus broadening the sales channels of specialty products; and launched the activity of “recognizing the planting of Huining’s apple trees (認種會寧蘋果樹)” for the Company’s employees, which attracted more than 2,000 employees to invest the plant of 583 fruit trees, and the accumulated funds raised for consumption assistance exceeded RMB466,000, gradually formed an atmosphere of everyone involved in helping within the Company.

In the first half of 2025, Shenwan Hongyuan donated RMB28.00 million to help Huining County, and the project funds have been fully allocated. The Company intends to donate RMB9.074 million to help other areas in addition to Huining, and it is pushing forward the allocation of funds according to the progress of the project, and strives for the early implementation of the 28 assistance projects throughout the year. The Company continued to implement the “comprehensive anti-return to poverty insurance” program to help prevent the return of poverty due to disasters, illnesses, accidents and other circumstances, and firmly held the bottom line of not returning to poverty on a large scale. The Company continued to build a working pattern of collaborative help from internal and external resources, organized the active participation of various internal units of the Company, facilitated connections and broadened participation of government agencies and welfare organizations..



I. UNDERTAKINGS

There is no undertaking that was accomplished during the Reporting Period or that exceeded the time limit and unaccomplished as of the end of the Reporting Period by the actual controller, shareholders, related parties, acquirers and the Company and other related parties.

II. APPROPRIATION OF NON-OPERATING CAPITAL ON THE COMPANY BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES

During the Reporting Period, the controlling shareholder and other related parties did not have any appropriation of non-operating capital on the Company.

III. ILLEGAL EXTERNAL GUARANTEES

During the Reporting Period, the Company did not provide any illegal external guarantees.

IV. APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

(I) Audit of the interim financial report for 2025 of the Company

The interim financial report for 2025 of the Company is unaudited.

(II) Re-appointment of accounting firms

On March 28, 2025, the sixth meeting of the sixth session of the Board of the Company considered and approved the Resolution regarding the Re-appointment of Auditors of the Company for 2025 and agreed to appoint KPMG Huazhen LLP and KPMG to serve as the principal auditors of the Company for 2025, to provide relevant domestic and international audit, review and other services for the Company's consolidated accounts and certain subsidiaries in accordance with the Accounting Standards for Enterprises of China and the International Financial Reporting Standards, respectively; to appoint Pan-China Certified Public Accountants LLP to serve as the participating auditor of the Company for 2025, to provide audit services to certain subsidiaries of the Company; and to appoint KPMG Huazhen LLP to serve as internal control auditor of the Company for 2025. The total audit fee will be RMB6.22 million (including RMB540,000 for the internal control audit).

In accordance with relevant laws, regulations and system requirements of the Company, the aforesaid re-appointment of the auditing firms for the year 2025 has been considered and approved by the Audit Committee of the Board of the Company at its fourth meeting of 2025 and submitted to the Board of Directors for consideration.

On June 20, 2025, the 2024 annual general meeting of the Company considered and approved the aforesaid re-appointment of auditing firms.

V. EXPLANATION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS ON THE "NON-STANDARD AUDIT REPORT" ISSUED BY THE ACCOUNTING FIRM FOR THE REPORTING PERIOD

N/A



VI. EXPLANATION OF THE BOARD OF DIRECTORS ON THE “NON-STANDARD AUDIT REPORT” FOR THE LAST YEAR

N/A

VII. MATTERS RELATED TO BANKRUPTCY AND REORGANISATION

N/A

VIII. LITIGATIONS

(I) Overall situation

During the Reporting Period, the Company had no material litigation or arbitration of which the respective amount exceeds 10% of the absolute value of the latest audited net assets of the Company and the absolute amount exceeds RMB10 million, and the aggregated amount of the litigation and arbitration in the past twelve months does not exceed 10% of the absolute value of the latest audited net assets of the Company.

(II) Litigations of the Company and its subsidiaries (excluding Shenwan Hongyuan Securities) during the Reporting Period

There was no additional litigations and arbitrations of significance of the Company and its subsidiaries during the Reporting Period.

(III) Disclosed and progressive litigations and arbitrations of Shenwan Hongyuan Securities (a subsidiary of the Company) (referred to as the “company” in this sub-section for the purpose of being clear and concise) and its subsidiaries during the Reporting Period

1. The case of the dispute arbitration over the contract between Shenyin & Wanguo Alternative Investment Co., Ltd. and Shanghai Worldunion Equity Investment Management Co., Ltd.

In November 2015, Shenyin & Wanguo Alternative Investment Co., Ltd. (“Shenyin & Wanguo Alternative Investment”) and Shanghai Worldunion Equity Investment Management Co., Ltd. (“Shanghai Worldunion”), etc. entered into the Partnership Agreement on Shanghai Qihao Investment Partnership (Limited Partnership). In November 2016, Shenyin & Wanguo Alternative Investment and Shanghai Worldunion entered into the Supplemental Agreement on Shanghai Qihao Investment Partnership (Limited Partnership). Subsequently, Shanghai Worldunion failed to perform the relevant obligations according to the agreement. In order to protect its legitimate rights and interests, Shenyin & Wanguo Alternative Investment applied to the Shanghai International Economic and Trade Arbitration Commission for arbitration, requiring Shanghai Worldunion to perform its acquisition obligations, and pay the investment funds and the agreed repurchase interests in a total amount of RMB61.7854 million. In April 2021, the Shanghai International Economic and Trade Arbitration Commission accepted the case. In July 2022, the parties reached a settlement agreement. Subsequently, as Shanghai Worldunion failed to fulfill the arbitration settlement agreement, Shenyin & Wanguo Alternative Investment applied to the Shanghai Financial Court for compulsory execution. In June 2023, the parties reached an enforcement settlement agreement. As Shanghai Worldunion did not fully fulfill the enforcement settlement agreement, in July 2024, Shenyin & Wanguo Alternative Investment submitted an application to the court for resumption of enforcement. In February 2025, the company received the judgement to terminate the enforcement from the court.



2. The case of the dispute over the pledged securities repurchase raised by Shenwan Hongyuan Securities against Zou Yong and Li Yali

In March 2017, Shenwan Hongyuan Securities Co., Ltd. and Zou Yong entered into the Business Agreement on Pledged Securities Repurchase of the Shares and the Agreement on Pledged Securities Repurchase of the Shares, pursuant to which, Zou Yong was financed by the company with a total amount of RMB136 million and Li Yali, as the spouse of Zou Yong shall assume joint and several liability. During the performance of the agreements, Zou Yong failed to pay interest in accordance with the agreements, failed to take measures to restore the performance guarantee ratio to be above the agreed warning value when the performance ratio was lower than the warning line. In order to protect its legitimate rights and interests, the company filed a lawsuit with the Shanghai Financial Court, requiring Zou Yong to repay the principal of RMB73.68 million and pay related interests and liquidated damages and Li Yali to bear joint repayment responsibilities. In June 2021, the Shanghai Financial Court accepted the case. In November 2022, the Shanghai Financial Court made a first instance judgment in favour of the company's main claims. Subsequently, Zou Yong and Li Yali appealed to the Shanghai High People's Court against the first instance judgment. In August 2023, the company received a civil ruling from the Shanghai High People's Court, which allowed Zou Yong and Li Yali to withdraw their appeal, and the first instance judgment shall become legally effective from the date of service of the ruling. Thereafter, the company applied to the court for compulsory enforcement. In April 2025, the company received the judgement to terminate the enforcement from the court.

IX. PENALTIES AND RECTIFICATIONS

During the Reporting Period, the Company was not filed for investigation in accordance with laws due to any suspected crimes, and the controlling shareholder, actual controller, directors, supervisors and senior management of the Company were not subject to compulsory measures in accordance with laws due to any suspected crimes. The Company or the controlling shareholder, actual controller, directors, supervisors and senior management of the Company were not subject to criminal penalties, or were investigated by the CSRC or were subject to administrative penalties by the CSRC for suspected violations of laws and regulations, or were subject to major administrative penalties by other competent authorities. The controlling shareholder, actual controller, directors, supervisors and senior management of the Company were not subject to retention measures taken by the discipline inspection and supervision organs due to suspected serious violations of disciplines or laws or duty crimes that affect their performance of their duties. The directors, supervisors and senior management of the Company were not subject to compulsory measures taken by other competent authorities due to suspected violations of laws and regulations that affect their performance of their duties.

During the Reporting Period, the Company or the controlling shareholder and actual controller of the Company were not subject to administrative supervision measures taken by the CSRC or disciplinary sanctions taken by the stock exchanges.

X. THE CREDITWORTHINESS OF THE COMPANY AND ITS CONTROLLING SHAREHOLDER AND ACTUAL CONTROLLER

During the Reporting Period, none of the Company, JIC (the controlling shareholder) or Central Huijin (the actual controller) failed to perform any effective legal instruments of a court or repay outstanding debts with relatively material amounts.

XI. MATERIAL RELATED PARTY TRANSACTIONS

(I) Related party transactions in the ordinary course of business of the Company during the Reporting Period

During the Reporting Period, the Company carried out ordinary related party transactions in strict accordance with the Resolution Regarding the Estimated Ordinary Related Party Transactions for 2025 as considered and approved at the 2024 annual general meeting. The implementation is as follows:

Unit: Ten thousand Yuan Currency: RMB

Category of Related Party Transaction	Related Party	Subject Matter of Related Party Transaction	Pricing Principle of Related Party Transaction	Contracted Amount or Estimated Amount	Amount of Related Party Transaction during the Reporting Period	Proportion in Similar Transactions (%)
Securities and financial services	China Jianyin Investment Ltd.	Income from provision of securities and financial services to the related party including securities brokerage, investment banking, asset management, agency sale, leasing marketing unit, investment consulting, advisory, fund custody and service business	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	2,320.36	0.623
		Expenses incurred by acceptance of securities and financial services provided by the related party including fund management			-	-
	Bank of Shanghai Co., Ltd.	Income from securities and financial services including deposit interest, provision of securities brokerage, asset management, agency sales and investment banking to the related party	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	1,613.03	1.324
		Expenses incurred by acceptance of securities and financial services provided by the related party including asset trusteeship, financial advisory and funds depository			89.63	1.224
	Shanghai Jiushi (Group) Co., Ltd.	Income from provision of securities and financial services to the related party including investment banking, securities brokerage and asset management	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	2.55	0.01
	Xinjiang Financial Investment (Group) Co., Ltd.	Income from provision of securities and financial services to the related party including investment banking services, securities brokerage and agency securities pledge	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	-	-

Category of Related Party Transaction	Related Party	Subject Matter of Related Party Transaction	Pricing Principle of Related Party Transaction	Contracted Amount or Estimated Amount	Amount of Related Party Transaction during the Reporting Period	Proportion in Similar Transactions (%)
	Fullgoal Fund Management Co., Ltd.	Income from provision of securities and financial services to the related party including securities brokerage, agency sale and leasing marketing unit	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	2,284.97	0.753
	Sichuan Development Holding Co., Ltd.	Income from provision of securities and financial services to the related party including investment banking, securities brokerage and asset management	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	17.75	0.032
	Other related parties of the Company except those listed above	Income or expenses in relation to mutual provision of securities and financial services with the related party	Determined after arm's length negotiations with reference to market rates and industry practices	Due to the uncertainty of business occurrence and scale, it is calculated based on the actual amount	-	-
Securities and financial products transactions	China Jianyin Investment Ltd.	Principal of repurchase transactions, interest of reverse repurchase transactions with the related party, total cash inflows from securities and financial products and transactions including bonds trading, and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	270,942.42	0.243
		Principal of reverse repurchase transactions, interest of repurchase transactions with the related party, total cash outflows from securities and financial products and transactions including bonds trading, and subscription of financial products under non-public issuance or management of the related party			6,142.32	0.006

Category of Related Party Transaction	Related Party	Subject Matter of Related Party Transaction	Pricing Principle of Related Party Transaction	Contracted Amount or Estimated Amount	Amount of Related Party Transaction during the Reporting Period	Proportion in Similar Transactions (%)
	Bank of Shanghai Co., Ltd.	Total cash inflow from borrowings, receipt of interests on repurchase transaction and interbank lending, and from securities and financial products and transactions including repurchase transaction with the related party, bonds trading, interbank lending, derivatives trading and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	348,833.51	0.149
		Total cash outflow for payment of interests on borrowings, repurchase transaction and interbank lending, and for securities and financial products and transactions including repurchase transaction with the related party, interbank lending, bonds trading, derivatives trading and subscription of financial products under non-public issuance or management of the related party			117,518.05	0.110
	Fullgoal Fund Management Co., Ltd.	Total cash inflow from receipt of interests on repurchase transaction and interbank lending, and from securities and financial products and transactions including repurchase transaction with the related party, bonds trading, interbank lending, derivatives trading and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	1,002.71	0.001
		Total cash outflow for payment of interests on repurchase transaction and interbank lending, and for securities and financial products and transactions including repurchase transaction with the related party, interbank lending, bonds trading, derivatives trading and subscription of financial products under non-public issuance or management by the related party			1,002.41	0.001
	Xinjiang Financial Investment (Group) Co., Ltd.	Total cash inflow from transactions in securities and financial products including bonds trading, derivative trading and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	-	-
		Total cash outflow from transactions in securities and financial products including bonds trading, derivative trading and subscription of financial products under non-public issuance by the related party			-	-

Category of Related Party Transaction	Related Party	Subject Matter of Related Party Transaction	Pricing Principle of Related Party Transaction	Contracted Amount or Estimated Amount	Amount of Related Party Transaction during the Reporting Period	Proportion in Similar Transactions (%)
	Shanghai Jiushi (Group) Co., Ltd.	Total cash inflow from securities and financial products transactions, such as repurchase trading, bonds trading, derivative trading with the related party and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	-	-
		Total cash outflow from securities and financial products transactions, such as the payment of interest on repurchase transactions, and bonds trading, derivative trading with the related party and subscription of financial products under non-public issuance by the related party			-	-
	China Export & Credit Insurance Corporation	Total cash inflow from securities and financial products transactions, such as repurchase trading, bonds trading, derivative trading with the related party and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	-	-
		Total cash outflow for payment of interests on repurchase transaction, and for securities and financial products and transactions including repurchase transaction with the related party, bonds trading, derivatives trading and subscription of financial products under non-public issuance by the related party			-	-
	Other related parties of the Company except those listed above	Total cash inflow from borrowings, receipt of interests on repurchase transaction and interbank lending, and from securities and financial products and transactions including repurchase transaction with the related party, bonds trading, interbank lending, derivatives trading and subscription of financial products under non-public issuance or management of the Company by the related party	Determined after arm's length negotiations by both parties with reference to the market prices or market rates	Due to the unpredictability of the securities market and the unpredictable trading volume, it is calculated based on the actual amount	3,000.00 ^{Note}	0.160
		Total cash outflow for securities and financial products transactions, such as payment of interests on repurchase transaction and interbank lending, repurchase transaction, interbank lending, bonds trading, derivatives trading with the related party and subscription of financial products under non-public issuance or management of the related party			-	-

Category of Related Party Transaction	Related Party	Subject Matter of Related Party Transaction	Pricing Principle of Related Party Transaction	Contracted Amount or Estimated Amount	Amount of Related Party Transaction during the Reporting Period	Proportion in Similar Transactions (%)
Comprehensive services	China Jianyin Investment Ltd.	Expenses incurred by acceptance of the services, such as maintenance of computer room, provided by the related party	Determined after arm's length negotiations by both parties with reference to the market prices	1,100.00	306.50	0.863
Lease	China Jianyin Investment Ltd.	Expenses incurred by the property leasing from the related party	Determined after arm's length negotiations by both parties with reference to market rentals	720	-	-
	Xinjiang Financial Investment (Group) Co., Ltd.			50.00	-	-

Note: The cash inflow of securities and financial products transactions with other related parties of the Company amounted to RMB30 million, which is derived from the Company's private placement of 2 structured notes subscribed by Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新动能私募基金管理有限公司), a related party, with a total subscription principal of RMB30 million.

(II) Related party transactions arising from acquisition or disposal of assets or equity interests

During the Reporting Period, the Company did not conduct any related party transaction in relation to acquisition or disposal of assets or equity interests.

(III) Related party transactions in relation to joint external investment

During the Reporting Period, the Company did not conduct any related party transaction in relation to joint external investment.

(IV) Amounts due to or from related parties

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

(V) Transactions with related finance companies

N/A

(VI) Transactions between finance companies controlled by the Company and related parties

N/A

(VII) Other material related party transactions

During the Reporting Period, the Company did not have other material related party transactions.

During the Reporting Period, the Company incurred welfare donation expenses to the Shanghai Shenwan Hongyuan Public Welfare Foundation of RMB15.6250 million.

XII. MATERIAL CONTRACTS AND PERFORMANCE THEREOF**(I) Material holding in custody, contracting or leasing**

The Company had no material holding in custody, contracting or leasing during the Reporting Period.

(II) Cumulative and current material guarantees of the Company during the Reporting Period

1. The Company had no unconsolidated guarantees.
2. The cumulative and current guarantees of the Company are as follows:

(Currency: RMB)

External guarantees of the Company and its subsidiaries (excluding guarantees in favour of subsidiaries)									
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual guarantee amount	Type of guarantee	Counter		Fully performed or not	Related party guarantee or not
						Collaterals (if any)	guarantee (if any)		
-	-	-	-	-	-	-	-	-	-
Total amount of external guarantees approved during the Reporting Period (A1)				RMB0	Total actual amount of external guarantees during the Reporting Period (A2)				RMB0
Total amount of external guarantees approved at the end of the Reporting Period (A3)				RMB0	Total balance of actual external guarantees at the end of the Reporting Period (A4)				RMB0

Guarantees of the Company in favour of subsidiaries										
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual guarantee amount	Type of guarantee	Counter			Fully performed or not	Related party guarantee or not
						Collaterals (if any)	guarantee (if any)	Guarantee period		
Hongyuan Hengli	2023-5-30	RMB100,000,000	2023-5-30	RMB100,000,000	Joint and several liability guarantee	Nil	Nil	5 years	No	No
Hongyuan Hengli	2025-1-24	RMB50,000,000	2025-1-24	RMB50,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Hongyuan Hengli	2025-4-1	RMB100,000,000	2025-4-1	RMB100,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Hongyuan Hengli	2025-4-1	RMB100,000,000	2025-4-1	RMB100,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Hongyuan Hengli	2025-4-1	RMB100,000,000	2025-4-1	RMB100,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Hongyuan Hengli	2025-4-1	RMB70,000,000	2025-4-1	RMB70,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Hongyuan Hengli	2025-4-29	RMB80,000,000	2025-4-29	RMB80,000,000	Joint and several liability guarantee	Nil	Nil	1 year	No	No
Total amount of guarantees in favour of subsidiaries approved during the Reporting Period (B1)				RMB0	Total amount of actual guarantees in favour of subsidiaries during the Reporting Period (B2)				RMB500,000,000	
Total amount of guarantees in favour of subsidiaries approved as at the end of the Reporting Period (B3)				RMB600,000,000	Total balance of actual guarantees in favour of subsidiaries as at the end of the Reporting Period (B4)				RMB600,000,000	



Guarantees of subsidiaries in favour of subsidiaries										
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual guarantee amount	Type of guarantee	Collaterals (if any)	Counter guarantee (if any)	Guarantee period	Fully performed or not	Related party guarantee or not
Shenwan Hongyuan International Finance Limited	2022/3/18	RMB2,316,701,900	N/A	RMB2,316,701,900	Joint and several liability guarantee	-	-	3 years	Yes	No
Shenwan Hongyuan International Finance Limited	2021/7/16	RMB3,901,437,000	N/A	RMB3,901,437,000	Joint and several liability guarantee	-	-	5 years	No	No
Shenwan Hongyuan International Finance Limited	2025/3/10	RMB2,468,287,400	N/A	RMB2,468,287,400	Joint and several liability guarantee	-	-	3 years	No	No
Total amount of guarantees in favour of subsidiaries approved during the Reporting Period (C1)		RMB2,468,287,400		Total amount of actual guarantees in favour of subsidiaries during the Reporting Period (C2)						RMB2,468,287,400
Total amount of guarantees in favour of subsidiaries approved as at the end of the Reporting Period (C3)		RMB6,369,724,400		Total balance of actual guarantees in favour of subsidiaries as at the end of the Reporting Period (C4)						RMB6,369,724,400
Total guarantees of the Company (being the sum of the above three guarantees)										
Total amount of guarantees approved during the Reporting Period (A1+B1+C1)			RMB2,468,287,400	Total amount of actual guarantees during the Reporting Period (A2+B2+C2)						RMB2,968,287,400
Total amount of guarantees approved as at the end of the Reporting Period (A3+B3+C3)			RMB6,969,724,400	Total balance of actual guarantees as at the end of the Reporting Period (A4+B4+C4)						RMB6,969,724,400
Total actual guarantees (i.e. A4+B4+C4) as a percentage of net assets of the Company Including:										6.43%
Balance of guarantees in favour of shareholders, actual controllers and their related parties (D)										RMB0
Balance of debt guarantees directly or indirectly in favour of guaranteed parties with gearing ratio of over 70% (E)										RMB6,969,724,400
Total amount of guarantees in excess of 50% of net assets (F)										RMB0
Total amount of the above three guarantees (D+E+F)										RMB6,969,724,400
For unexpired guarantee contracts, descriptions about the guarantee liabilities occurred or possible joint and several liabilities of repayment with evidence during the Reporting Period (if any)										Nil
External guarantees in breach of procedural requirements (if any)										Nil

During the Reporting Period, Shenwan Hongyuan (H.K.) Limited, an overseas subsidiary of the Company, provided guarantees in favour of its wholly-owned subsidiaries in accordance with the transaction practices in international markets, mainly including:

Shenwan Hongyuan (H.K.) Limited provided guarantees in favour of its wholly-owned subsidiaries as follows:

- (1) For the needs of normal business, Shenwan Hongyuan (H.K.) Limited provided guarantees in favour of its wholly-owned subsidiaries for the entering into of several International Swaps and Derivatives Associations (ISDA) and Global Master Repurchase Agreement (GMRA), etc. As of the end of the Reporting Period, the total balance of derivative financial liabilities and repurchase liabilities amounted to HK\$54.556 million in equivalent;
- (2) Shenwan Hongyuan (H.K.) Limited provided a limit of US\$1 billion of structured bills in favour of its wholly-owned subsidiaries. As of the end of the Reporting Period, the total balance of liabilities amounted to HK\$2.915 billion in equivalent;
- (3) Shenwan Hongyuan (H.K.) Limited provided a guarantee for debt financing to its wholly-owned subsidiaries regarding its bank loans, and the guarantee limit totalled HK\$1.722 billion in equivalent. As of the end of the Reporting Period, the actual balance of guarantee withdrawn amounted to HK\$25.79 million in equivalent.

As of the end of the Reporting Period, the total guarantees of the Company amounted to RMB6,969.7244 million, accounting for 6.43% of the latest audited net assets of the Company. The Company has no overdue guarantees, guarantees involved in litigations, or losses that should be borne due to the loss in lawsuits in relation to guarantees.

Apart from the above approved guarantee matters for subsidiaries, the Company has not provided any guarantee for the actual controller and their affiliated enterprises, any unincorporated entities or individuals.

(III) Entrusted wealth management

The Company did not have entrusted wealth management accumulated from previous periods or occurred during the Reporting Period.

(IV) Material contracts in relation to daily operations

N/A

(V) Other material contracts

Pursuant to the requirements on connected transactions under Chapter 14A of the Hong Kong Listing Rules, the Company and JIC entered into and renewed the Securities and Financial Products, Transactions and Services Framework Agreement (the “Framework Agreement”). The Company convened the third meeting of the sixth session of the Board of Directors and the 2024 second extraordinary general meeting on November 26, 2024 and December 19, 2024, respectively, and considered and approved the resolution regarding renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd. for a term from January 1, 2025 to December 31, 2027, and determined the annual caps of the Securities and Financial Products and Transactions as well as the Securities and Financial Services for each year from 2025 to 2027. For details of the renewal of the Framework Agreement, please refer to the announcements and circular published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website (www.cninfo.com.cn) on November 27, December 3 and December 20, 2024 and on the HKEXnews website of Hong Kong Stock Exchange (www.hkexnews.hk) on November 26, December 2 and December 19, 2024.

XIII. CHANGES IN THE QUALIFICATIONS OF THE COMPANY FOR EACH INDIVIDUAL BUSINESS DURING THE REPORTING PERIOD

During the Reporting Period, Shenwan Hongyuan Securities and other subsidiaries of the Company added qualifications for individual business as follows:

Institution	Business qualification
Zhengzhou Commodity Exchange	Qualification of general market maker of bottle chip options Qualification of general market maker of short fiber options
Shanghai Futures Exchange	Qualification of main market maker of natural rubber options Qualification of main market maker of cast aluminum alloy options
Dalian Commodity Exchange	Qualification of main market maker of pure benzene options

XIV. DECISION OF ADMINISTRATIVE LICENSE ON THE COMPANY BY REGULATORY AUTHORITIES DURING THE REPORTING PERIOD

No.	Date	Regulatory authority	Document name	Document No.
1.	April 30, 2025	Shenzhen Stock Exchange	No-objection Letter Regarding Non-public Issuance of Short-term Corporate Bond by Shenwan Hongyuan Securities Co., Ltd. in compliance with the Conditions for Listing on the Shenzhen Stock Exchange	Shen Zheng Han [2025] No.461

XV. RISK CONTROL INDICATORS OF SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY, DURING THE REPORTING PERIOD

During the Reporting Period, the main risk control indicators of Shenwan Hongyuan Securities with Net Capital and liquidity as the core were in compliance with regulatory requirements.

XVI. RECEPTION OF RESEARCH AND INTERVIEW BY THE COMPANY DURING THE REPORTING PERIOD

Reception time	Reception location	Reception method	Type of reception object	Reception object	Main content discussed and information provided
January 10, 2025	–	Telephone communication	Institution	Investors invited by Changjiang Securities for the 2025 Non-banking New Year Survey	Operation and development of the Company
March 31, 2025	–	Results presentation	Individual, institution	Analysts and investors attending Shenwan Hongyuan's 2024 Annual Results Presentation	Operation and development of the Company
April 3, 2025	Beijing	On-site communication	Institution	Analysts of Changjiang Securities and investors of Taikang Funds and CPCM	Operation and development of the Company
May 23, 2025	Beijing	On-site communication	Institution	Analysts of Guotai Haitong Securities and the investors they invited	Operation and development of the Company
May 23, 2025	–	Network communication	Individual, institution	Investors who participated in the 2025 online collective reception day for investors of listed companies in Xinjiang	Operation and development of the Company

Note: The records of investor relationship activities for the reception of above investors by the Company have been disclosed on the website of Shenzhen Stock Exchange (www.szse.cn) and the Cninfo website (www.cninfo.com.cn).

XVII. OTHER SIGNIFICANT EVENTS

Implementation of the profit distribution plan for 2024

The profit distribution plan of the Company for 2024 is as follows: based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of December 31, 2024, a cash dividend of RMB0.46 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date. For A shareholders, the Company completed the implementation of the 2024 profit distribution plan on August 13, 2025 with August 12, 2025 as the equity record date and August 13, 2025 as the ex-right and ex-dividend date. (For details, please refer to the Announcement on Implementation of the 2024 Profit Distribution Plan for A Shares of the Company published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website (www.cninfo.com.cn) on August 7, 2025)

For H shareholders, the Company distributed cash dividend for 2024 of RMB0.46 (tax inclusive) for every 10 shares to the shareholders whose names appear on the register of members of the Company on July 11, 2025. The 2024 cash dividend was distributed on August 13, 2025. The 2024 cash dividend distributed was denominated and distributed in RMB and were paid to H shareholders in HK dollars. The actual amount distributed in HK dollars was calculated at the average benchmark exchange rate of RMB against HK dollars (i.e. RMB0.914196 = HK\$1.00) published by the People's Bank of China five working days before June 20, 2025 (being the date of the annual general meeting). Accordingly, the cash dividend per 10 H Shares was HK\$0.50317 (tax inclusive). (For details, please refer to the Poll Results of the 2024 Annual General Meeting and Payment of Cash Dividend disclosed by the Company on the website of HKExnews of the Hong Kong Stock Exchange (www.hkexnews.hk) on June 20, 2025)

In 2024, the Company made annual and interim profit distribution. The Company distributed an aggregate cash dividend of RMB0.63 (tax inclusive) for every 10 shares, with a total amount of cash dividend of RMB1,577,516,507.28 (including RMB425,679,057.52 for the 2024 interim profit distribution), accounting for 30.27% of the profit for the period attributable to shareholders of the parent company for that year. (For details of the interim profit distribution, please refer to the Announcement on Implementation of the 2024 Interim Profit Distribution Plan for A Shares of the Company published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website (www.cninfo.com.cn) on December 11, 2024, and the Poll Results of the 2024 First Extraordinary General Meeting and Payment of Cash Dividend disclosed on the HKEXnews website (www.hkexnews.hk) on October 22, 2024.)

XVIII. INDEX OF IMPORTANT INFORMATION DISCLOSED DURING THE REPORTING PERIOD

During the Reporting Period, the Company fulfilled its information disclosure obligations in accordance with the regulations. The information regarding A Shares as disclosed by the Company in China Securities Journal, Securities Times, Shanghai Securities News and at the Cninfo website (www.cninfo.com.cn) (excluding announcements of H Shares) is as follows:

No.	Announcement	Date of publication
1	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	2025-01-23
2	Progress Announcement on the Guarantee Provided for Wholly-owned Subsidiaries	2025-01-25
3	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2025-02-12
4	Announcement of Shenwan Hongyuan Group Co., Ltd. on the Shareholding of the Company's A Shares by Central Huijin	2025-02-15
5	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	2025-02-26
6	Announcement on Repayment of Principal and Payment of Interest for 2025 and Delisting of Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2025-03-06
7	Announcement on Payment of Interests for 2025 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2025-03-06
8	Announcement on Payment of Interests for 2025 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2025-03-06
9	Announcement on Repayment of Principal and Payment of Interest and Delisting of Subordinated Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	2025-03-08

No.	Announcement	Date of publication
10	Announcement on Payment of Interests for 2025 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2025-03-11
11	Progress Announcement on the Guarantee Provided by Shenwan Hongyuan Securities Co., Ltd. for the Issuance of Bonds by Overseas Subsidiaries	2025-03-13
12	Announcement on the Results of Public Issuance of Corporate Bonds (First Tranche) by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	2025-03-15
13	Credit Rating Report on the Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-19
14	Offering Memorandum of Public Issuance of Corporate Bonds (First Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-19
15	Announcement of Shenwan Hongyuan Group Co., Ltd. on Change of Name for the Publicly Issued Corporate Bonds	2025-03-19
16	Announcement on Public Issuance of Corporate Bonds (First Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-19
17	Announcement on the Listing of Corporate Bonds (First Tranche) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025 on the Shenzhen Stock Exchange	2025-03-19
18	Announcement on the Coupon Rate of the Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-20
19	Announcement on Extending the Bookkeeping Time for the Public Issuance of Corporate Bonds (First Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-20
20	Announcement on Resolutions of the Fifth Meeting of the Sixth Session of the Board of Directors	2025-03-22
21	Announcement on Convening 2024 Annual Results Presentation	2025-03-22
22	Announcement on the Results of Public Issuance of Corporate Bonds (First Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-03-24
23	Announcement on the Listing of Corporate Bonds (First Tranche) Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2025 on the Shenzhen Stock Exchange	2025-03-26
24	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	2025-03-26
25	Announcement on the Results of Public Issuance of Corporate Bonds (Second Tranche) by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	2025-03-28
26	2024 Social Responsibility Report	2025-03-29
27	2024 Work Report of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2025-03-29
28	Announcement on Resolutions of the Board of Supervisors	2025-03-29
29	2024 Annual Report	2025-03-29
30	2024 Annual Audit Report	2025-03-29



No.	Announcement	Date of publication
31	Annual Special Audit Report on the Appropriation of Funds by Related Parties	2025-03-29
32	Announcement on Estimated Daily Related Party Transactions for 2025	2025-03-29
33	Annual Work Report of Independent Directors	2025-03-29
34	Special Opinions of the Board on the Appraisal of Independence of Independent Directors	2025-03-29
35	Report of the Audit Committee of Shenwan Hongyuan Group Co., Ltd. on Auditors' Performance of Supervision Duties in 2024	2025-03-29
36	2024 Auditors' Performance Appraisal Report of Shenwan Hongyuan Group Co., Ltd.	2025-03-29
37	2024 Work Report of Independent Director (Chen Hanwen)	2025-03-29
38	Announcement on 2024 Annual Profit Distribution Proposal	2025-03-29
39	Announcement on Resolutions of the Board of Directors	2025-03-29
40	2024 Work Report of Independent Director (Wu Changqi)	2025-03-29
41	Announcement on Proposed Re-appointment of Accounting Firms	2025-03-29
42	2024 Work Report of Independent Director (Zhao Lei)	2025-03-29
43	Internal Control Audit Report	2025-03-29
44	2024 Work Report of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	2025-03-29
45	Announcement on the Provision for Impairment of Assets	2025-03-29
46	Summary of 2024 Annual Report	2025-03-29
47	Self-Assessment Report on Internal Control	2025-03-29
48	Announcement on Progress of Providing Guarantee for a Wholly-owned Subsidiary	2025-04-02
49	Announcement on the Listing of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025 on the Shenzhen Stock Exchange	2025-04-03
50	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	2025-04-16
51	Announcement on Payment of Interests for 2025 for the Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2025-04-24
52	Announcement on Repayment of Principal and Payment of Interest for 2025 and Delisting of Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2025-04-24
53	Announcement on Progress of Providing Guarantee for a Wholly-owned Subsidiary	2025-04-30
54	Announcement on Repayment of Principal and Payment of Interest and Delisting of Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	2025-04-30
55	2025 First Quarterly Report	2025-04-30
56	Announcement on Resolutions of the Board of Directors	2025-04-30
57	Announcement on Non-public Issuance of Short-term Corporate Bonds by Shenwan Hongyuan Securities Co., Ltd. Obtaining No-objection Letter from the Shenzhen Stock Exchange	2025-05-08



No.	Announcement	Date of publication
58	Announcement on the Issuance Results of Technology Innovation Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	2025-05-15
59	Announcement on Participation in the Online Collective Reception Day for Investors of Listed Companies in Xinjiang in 2025	2025-05-17
60	Announcement on the Listing of Technology Innovation Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025 on the Shenzhen Stock Exchange	2025-05-21
61	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	2025-05-27
62	Ongoing Credit Rating Report of Shenwan Hongyuan Group Co., Ltd. in 2025	2025-05-28
63	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (Fifth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2025-05-29
64	2024 Annual General Meeting Materials	2025-05-30
65	Announcement on Convening the 2024 Annual General Meeting	2025-05-30
66	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2025-06-11
67	Announcement on Payment of Interests for 2025 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2023	2025-06-12
68	Offering Memorandum of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-17
69	Credit Rating Report on the Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-17
70	Announcement of Shenwan Hongyuan Group Co., Ltd. on Change of Name for the Publicly Issued Corporate Bonds	2025-06-17
71	Announcement on the Listing of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-17
72	Announcement on the Coupon Rate of the Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-18
73	Announcement on Extending the Book-keeping Time for the Public Issuance of Corporate Bonds (Second Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-18
74	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2025-06-19
75	Announcement on the Results of Public Issuance of Corporate Bonds (Second Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025	2025-06-20



No.	Announcement	Date of publication
76	Legal Opinion of Beijing Alliance J&S Law Firm on the 2024 Annual General Meeting of Shenwan Hongyuan Group Co., Ltd.	2025-06-21
77	Announcement of Resolutions of 2024 Annual General Meeting	2025-06-21
78	Announcement on the Listing of Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2025 on the Shenzhen Stock Exchange	2025-06-26
79	Entrusted Management Report on Corporate Bonds by Shenwan Hongyuan Group Co., Ltd. (2024)	2025-06-27

The information on H Shares disclosed by the Company on the website of HKExnews of the Hong Kong Stock Exchange at www.hkexnews.hk during the Reporting Period (excluding overseas regulatory announcements) is as follows:

No.	Announcement	Date of publication
1	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended December 31, 2024	2025-01-03
2	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended January 31, 2025	2025-02-06
3	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended February 28, 2025	2025-03-03
4	Date of Board Meeting	2025-03-17
5	2024 Sustainability and Environmental, Social and Governance Report	2025-03-28
6	Final Dividends for the Year Ended December 31, 2024	2025-03-28
7	Annual Results Announcement for the Year Ended December 31, 2024	2025-03-28
8	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended March 31, 2025	2025-04-01
9	Date of Board Meeting	2025-04-15
10	2024 Annual Report	2025-04-22
11	2025 First Quarterly Report	2025-04-29
12	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended April 30, 2025	2025-05-06
13	Final Dividends for the Year Ended December 31, 2024 (Updated)	2025-05-29
14	Circular of the 2024 Annual General Meeting	2025-05-29
15	Form of Proxy of Holders of H Shares for Use at the Annual General Meeting Held on June 20, 2025	2025-05-29
16	Notice of the 2024 Annual General Meeting	2025-05-29
17	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended May 31, 2025	2025-06-05
18	Final Dividends for the Year Ended December 31, 2024 (Updated)	2025-06-20
19	Poll Results of the 2024 Annual General Meeting and Payment of Cash Dividends	2025-06-20

XIX. SIGNIFICANT MATTERS OF SUBSIDIARIES OF THE COMPANY

(I) Corporate Bonds of Shenwan Hongyuan Securities, a Subsidiary of the Company

1. Basic information of corporate bonds

As of the disclosure date of this report, the outstanding corporate bonds were as follows:

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Short-term Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D4	148956	2024/10/22	2024/10/22	2025/10/22	100,000.00	2.00%		
Short-term Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D6	524010	2024/11/14	2024/11/14	2025/11/14	300,000.00	1.93%		
Short-term Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D8	524059	2024/12/9	2024/12/9	2025/12/9	300,000.00	1.75%		
Short-term Corporate Bonds (Fifth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 Shen D10	524072	2024/12/16	2024/12/16	2025/10/13	140,000.00	1.73%		
Short-term Corporate Bonds (First Tranche) (Type I) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D1	134348	2025/7/10	2025/7/10	2025/10/10	130,000.00	1.57%	The principal and interest will be repaid upon maturity	Shenzhen Stock Exchange
Short-term Corporate Bonds (First Tranche) (Type II) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D2	134349	2025/7/10	2025/7/10	2026/1/9	130,000.00	1.63%		
Short-term Corporate Bonds (Second Tranche) (Type I) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D3	134390	2025/7/28	2025/7/28	2025/9/26	150,000.00	1.60%		
Short-term Corporate Bonds (Second Tranche) (Type II) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D4	134391	2025/7/28	2025/7/28	2025/11/28	250,000.00	1.65%		
Short-term Corporate Bonds (Third Tranche) (Type I) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D5	134422	2025/8/11	2025/8/11	2026/2/10	210,000.00	1.65%		
Short-term Corporate Bonds (Third Tranche) (Type II) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D6	134423	2025/8/11	2025/8/11	2026/5/11	360,000.00	1.69%		
Short-term Corporate Bonds (Fourth Tranche) (Type I) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D7	134464	2025/8/25	2025/8/25	2026/2/27	80,000.00	1.70%		



Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Short-term Corporate Bonds (Fourth Tranche) (Type II) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 ShenZheng D8	134465	2025/8/25	2025/8/25	2026/4/24	310,000.00	1.75%		
Short-term Corporate Bonds (Fifth Tranche) (Type I) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 Shen D9	134469	2025/8/29	2025/8/29	2026/2/26	100,000.00	1.71%		
Short-term Corporate Bonds (Fifth Tranche) (Type II) Issued Non-publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2025	25 Shen D10	134470	2025/8/29	2025/8/29	2026/4/29	260,000.00	1.75%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 02	149431	2021/4/29	2021/4/29	2031/4/29	200,000.00	4.05%	The interest of these bonds is calculated at simple interest on an annual basis instead of compound interest, and paid once a year. The principal will be repaid upon maturity. The interest of the last tranche will be paid together with the principal	
Corporate Bonds (Second Tranche) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 03	149479	2021/5/24	2021/5/24	2026/5/24	260,000.00	3.63%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 05	149491	2021/5/28	2021/5/28	2031/5/28	250,000.00	4.00%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 07	149560	2021/7/21	2021/7/21	2031/7/21	300,000.00	3.77%		
Corporate Bonds (Fifth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 09	149575	2021/7/28	2021/7/28	2026/7/28	420,000.00	3.38%		
Corporate Bonds (Sixth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 11	149615	2021/8/26	2021/8/26	2031/8/26	300,000.00	3.75%		
Corporate Bonds (Seventh Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 13	149627	2021/9/9	2021/9/9	2026/9/9	100,000.00	3.40%		



Section V Significant Events (continued)

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Corporate Bonds (First Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 02	149790	2022/1/21	2022/1/21	2032/1/21	240,000.00	3.60%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 06	149853	2022/3/24	2022/3/24	2027/3/24	210,000.00	3.53%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 08	149252	2022/5/23	2022/5/23	2027/5/23	220,000.00	3.20%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 02	148248	2023/4/14	2023/4/14	2026/4/14	200,000.00	2.99%		
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 04	148430	2023/8/17	2023/8/17	2026/8/17	180,000.00	2.67%		
Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 05	148444	2023/8/30	2023/8/30	2025/8/30	50,000.00	2.56%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 06	148445	2023/8/30	2023/8/30	2028/8/30	150,000.00	2.95%		
Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 07	148467	2023/9/21	2023/9/21	2025/9/21	280,000.00	2.80%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 08	148468	2023/9/21	2023/9/21	2028/9/21	210,000.00	3.14%		
Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 01	148606	2024/2/26	2024/2/26	2027/2/26	100,000.00	2.52%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 02	148607	2024/2/26	2024/2/26	2029/2/26	150,000.00	2.66%		
Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 03	148976	2024/10/28	2024/10/28	2026/10/28	270,000.00	2.20%		



Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 04	148977	2024/10/28	2024/10/28	2027/10/28	210,000.00	2.28%		
Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 01	524165	2025/03/13	2025/03/13	2027/03/13	280,000.00	2.18%		
Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 03	524196	2025/03/27	2025/03/27	2027/03/27	240,000.00	1.99%		
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 04	524197	2025/03/27	2025/03/27	2028/03/27	180,000.00	2.01%		
Technology Innovation Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng K1	524269	2025/5/13	2025/5/13	2028/5/13	100,000.00	1.69%		
Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 05	524403	2025/8/15	2025/8/15	2027/9/19	50,000.00	1.80%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 06	524404	2025/8/15	2025/8/15	2028/8/19	140,000.00	1.90%		
Subordinated Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C2	148199	2023/3/6	2023/3/6	2026/3/6	130,000.00	3.55%		
Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C3	148223	2023/3/27	2023/3/27	2026/3/27	230,000.00	3.38%		
Subordinated Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C4	148540	2023/12/8	2023/12/8	2028/12/8	160,000.00	3.35%		
Subordinated Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng C1	524039	2024/11/27	2024/11/27	2027/11/27	100,000.00	2.19%		
Subordinated Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng C2	524040	2024/11/27	2024/11/27	2029/11/27	150,000.00	2.30%		



Section V Significant Events (continued)

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Perpetual Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng Y1	149529	2021/6/24	2021/6/24	The issuer is entitled to redeem the current bonds on the basis of the nominal value plus interest payable (including all deferred interest payments and their yields) on the 5th and subsequent every interest paying date of the current bonds	200,000.00	4.10%	The interest of these bonds is calculated at simple interest on an annual basis, and paid once a year provided that the issuer does not exercise the right to defer interest payment	
Perpetual Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng Y2	149605	2021/8/19	2021/8/19	The issuer is entitled to redeem the current bonds on the basis of the nominal value plus interest payable (including all deferred interest payments and their yields) on the 5th and subsequent every interest paying date of the current bonds	330,000.00	3.70%		
Perpetual Subordinated Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng Y3	149700	2021/11/15	2021/11/15	The issuer is entitled to redeem the current bonds on the basis of the nominal value plus interest payable (including all deferred interest payments and their yields) on the 5th and subsequent every interest paying date of the current bonds	470,000.00	3.88%		
Perpetual Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	22 ShenZheng Y1	148005	2022/7/27	2022/7/27	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	500,000.00	3.45%		



Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Perpetual Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	22 ShenZheng Y2	148040	2022/8/25	2022/8/25	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	480,000.00	3.28%		
Perpetual Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y1	148310	2023/6/8	2023/6/8	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	180,000.00	3.44%		
Perpetual Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y2	148370	2023/7/12	2023/7/12	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	180,000.00	3.44%		

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount (RMB'0,000)	Interest rate	Method of repayment of principal and interest	Trading exchange
Perpetual Subordinated Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y3	148481	2023/10/23	2023/10/23	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	150,000.00	3.60%		
Perpetual Subordinated Bonds (Fourth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y4	148500	2023/11/10	2023/11/10	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	180,000.00	3.50%		
Investor eligibility arrangement		21 ShenZheng 02, 21 ShenZheng 03, 21 ShenZheng 05, 21 ShenZheng 07, 21 ShenZheng 09, 21 ShenZheng 11, 21 ShenZheng 13, 22 ShenZheng 02 and 22 ShenZheng 06 are open for trading by professional investors; and the remaining outstanding bonds are open for trading by professional institutional investors.							
Applicable trading mechanism		25 ShenZheng D1, 25 ShenZheng D2, 25 ShenZheng D3, 25 ShenZheng D4, 25 ShenZheng D5, 25 ShenZheng D6, 25 ShenZheng D7, 25 ShenZheng D8, 25 Shen D9 and 25 Shen D10 are traded by one click-order, price-enquiry, bidding or upon negotiation; and the remaining outstanding bonds are traded by matching, one click-order, price-enquiry, bidding or upon negotiation.							
Whether there is risk of delisting (if any) and countermeasures therefor		N/A							

During the Reporting Period, the corporate bonds issued by the issuer were not overdue.



2. Triggering and implementation of issuer or investor option terms and investor protection terms

During the Reporting Period, the triggering and implementation of relevant terms of corporate bonds of Shenwan Hongyuan Securities were as follows:

Shenwan Hongyuan Securities issued 21 ShenZheng Y1, 21 ShenZheng Y2 and 21 ShenZheng Y3 with redemption option, issuer's redemption option upon fulfillment of certain conditions and deferred interest payment terms; and issued 22 ShenZheng Y1, 22 ShenZheng Y2, 23 ShenZheng Y1, 23 ShenZheng Y2, 23 ShenZheng Y3, 23 ShenZheng Y4 with issuer's renewal option, issuer's redemption option upon fulfillment of certain conditions, and deferred interest payment terms. The relevant options were not triggered during the Reporting Period.

As of the end of the Reporting Period, the interest for the current period of 21 ShenZheng Y1 and 23 ShenZheng Y1 was paid in full and on time, and There was no interest payment date due for 21 ShenZheng Y2, 21 ShenZheng Y3, 22 ShenZheng Y1, 22 ShenZheng Y2, 23 ShenZheng Y2, 23 ShenZheng Y3 and 23 ShenZheng Y4.

No other bonds issued by Shenwan Hongyuan Securities triggered investor protection clauses during the Reporting Period.

3. Adjustments to credit rating results during the Reporting Period

During the Reporting Period, there was no adjustment to credit rating results.

4. Guarantee, credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for corporate bonds

There was no guarantee for corporate bonds issued by Shenwan Hongyuan Securities. During the Reporting Period, there was no credit enhancement arrangement for the issued bonds of Shenwan Hongyuan Securities, and the repayment plan and other repayment guarantee measures were consistent with the relevant commitments in the prospectus without major changes. Shenwan Hongyuan Securities was able to implement the debt repayment plan and debt repayment guarantee measures in accordance with relevant agreements, to effectively safeguard the interests of bondholders. Shenwan Hongyuan Securities has set up special accounts for the issued bonds. The withdrawal of funds from the special accounts during the Reporting Period was consistent with the relevant commitments in the prospectus.

5. Other information on bonds

During the Reporting Period, Shenwan Hongyuan Securities did not have enterprise bonds, non-financial enterprise bond financing instruments, or convertible corporate bonds.

During the Reporting Period, Shenwan Hongyuan Securities did not record loss within the scope of consolidated statements exceeding 10% of the net assets as at the end of last year.

(II) **Related Regulatory Measures**

1. **In March 2025, Shenwan Hongyuan Financing Services and relevant responsible persons were disciplined by the Shanghai Stock Exchange**

In March 2025, the Shanghai Stock Exchange issued a disciplinary decision to and against Shenwan Hongyuan Financing Services Co., Ltd. and relevant responsible persons, with main contents as follows: Shenwan Hongyuan Financing Services as the sponsor of Guohong Tools System (Wuxi) Co., Ltd. (國宏工具系統(無錫)股份有限公司) for application for initial public offering of shares and listing in the STAR Market, and relevant responsible persons as sponsoring representatives of the IPO project of Guohong Tools, failed to properly verify the accuracy of R&D personnel identification and R&D investment amounts during their sponsorship duties. The Shanghai Stock Exchange decided to issue a public reprimand to Shenwan Hongyuan Financing Services, and imposed disciplinary sanctions on relevant responsible persons, prohibiting them from accepting offering and listing documents signed by sponsorship representatives and information disclosure materials for six months.

In view of the above issues, Shenwan Hongyuan Financing Services has continued to improve the internal control mechanism of investment banking business, standardize practicing behavior, improve practicing quality, and submit a rectification report to the Shanghai Stock Exchange as required.

2. **In July 2025, Shenwan Hongyuan Securities (Western) and relevant responsible persons were imposed an administrative penalty by the Xinjiang Uygur Autonomous Region Branch of the People's Bank of China**

In July 2025, the Xinjiang Uygur Autonomous Region Branch of the People's Bank of China issued an Administrative Penalty Decision to Shenwan Hongyuan Securities (Western) and the relevant responsible persons, with the main contents as follows: Shenwan Hongyuan Securities (Western) was found to have failed to implement enhanced identification measures for high-risk clients (excluding foreign political figures) as required, neglected to conduct manual analysis and identification of abnormal transactions, and provided unreasonable justifications for the exclusion. In view of the above issues, Shenwan Hongyuan Securities (Western) has actively implemented rectification measures and submitted a rectification report as required.

Section VI Changes in Shares and Shareholders

I. CHANGES IN SHARES

(I) Table of Changes in Shares

Unit: Share

	Before the change		Increase or decrease (+,-) of the change					After the change	
	Number	Percentage	New shares issued	Bonus issue	Reserves capitalized	Others	Sub-total	Number	Percentage
I. Shares subject to selling restrictions	437,244	0.0017%	0	0	0	0	0	437,244	0.0017%
1. State-owned shares	0	0.0000%	0	0	0	0	0	0	0.0000%
2. Shares held by state-owned legal entities	0	0.0000%	0	0	0	0	0	0	0.0000%
3. Shares held by other domestic capital	437,244	0.0017%	0	0	0	0	0	437,244	0.0017%
Including: Shares held by domestic legal entities	0	0.0000%	0	0	0	0	0	0	0.0000%
Shares held by domestic natural persons	437,244	0.0017%	0	0	0	0	0	437,244	0.0017%
4. Shares held by foreign capital	0	0.0000%	0	0	0	0	0	0	0.0000%
Including: Shares held by overseas legal entities	0	0.0000%	0	0	0	0	0	0	0.0000%
Shares held by overseas natural persons	0	0.0000%	0	0	0	0	0	0	0.0000%
II. Shares without selling restrictions	25,039,507,316	99.9983%	0	0	0	0	0	25,039,507,316	99.9983%
1. RMB-denominated ordinary shares	22,535,507,316	89.9983%	0	0	0	0	0	22,535,507,316	89.9983%
2. Domestic listed foreign shares	0	0.0000%	0	0	0	0	0	0	0.0000%
3. Overseas listed foreign shares	2,504,000,000	10.0000%	0	0	0	0	0	2,504,000,000	10.0000%
4. Others	0	0.0000%	0	0	0	0	0	0	0.0000%
III. Total number of shares	25,039,944,560	100.0000%	0	0	0	0	0	25,039,944,560	100.0000%

(II) Changes in A Shares subject to selling restrictions

During the Reporting Period, there was no change in the Company's shares subject to selling restrictions.

II. ISSUANCE AND LISTING OF SECURITIES

The Company had no issuance or listing of shares, convertible corporate bonds, separately traded convertible corporate bonds and other derivative securities during the Reporting Period.

For the issuance of corporate bonds by the Company, please refer to "Section VII Profile of Bonds" of this report; for the bonds of subsidiaries of the Company, please refer to "XIX. Significant Matters of Subsidiaries of the Company" under "Section V Significant Events" in this report.



Section VI Changes in Shares and Shareholders (continued)

III. NUMBER OF SHAREHOLDERS AND THEIR SHAREHOLDINGS

Number of Shareholders and Their Shareholdings as at June 30, 2025

Unit: Share

Total number of ordinary shareholders as at the end of the Reporting Period	227,270 (including 227,217 A shareholders and 53 H shareholders)	Total number of preferred shares holders whose voting rights were resumed at the end of the Reporting Period (if any)	Nil
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Shareholdings of ordinary shareholders holding more than 5% of the shares of the Company or top ten ordinary shareholders (excluding shares lent through refinancing)

Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of ordinary shares held at the end of the Reporting Period	Increase or decrease during the Reporting Period	Number of ordinary shares held subject to selling restrictions	Number of ordinary shares held not subject to selling restrictions	Pledged or frozen Status	Number
China Jianyin Investment Ltd.	State-owned legal person	26.34	6,596,306,947	0	0	6,596,306,947	–	0
Central Huijin Investment Ltd.	State shares	20.05	5,020,606,527	0	0	5,020,606,527	–	0
HKSCC Nominees Limited	Overseas legal person	10.00	2,503,846,720	800	0	2,503,846,720	N/A	N/A
Shanghai Jiushi (Group) Co., Ltd.	State-owned legal person	4.84	1,212,810,389	0	0	1,212,810,389	–	0
Sichuan Development Holding Co., Ltd.	State-owned legal person	4.49	1,124,543,633	0	0	1,124,543,633	–	0
China Everbright Group Ltd.	State-owned legal person	3.99	999,000,000	0	0	999,000,000	Pledged	67,500,000
China Securities Finance Corporation Limited	Domestic general legal person	2.54	635,215,426	0	0	635,215,426	–	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.55	387,920,821	9,141,559	0	387,920,821	–	0
Xinjiang Financial Investment (Group) Co., Ltd.	State-owned legal person	1.32	331,603,199	-58,492,360	0	331,603,199	–	0
Central Huijin Asset Management Ltd.	State-owned legal person	0.79	197,390,385	0	0	197,390,385	–	0

Strategic investors or general legal entities becoming the top ten holders of ordinary shares by placing of new shares Nil

Description on the related relationship or parties acting-in-concert among the shareholders above Central Huijin Investment Ltd. holds the entire equity interest in China Jianyin Investment Ltd., holds the entire equity interest in Central Huijin Asset Management Ltd., holds 66.70% of equity interest in China Securities Finance Corporation Limited, and holds 63.16% of equity interest in China Everbright Group Ltd. Besides, the Company was not aware of any related relationship or parties acting-in-concert among the aforesaid shareholders.

Description of the above-mentioned shareholders' delegated/entrusted voting rights and waiver of voting rights Nil

Special description for the existence of special repurchase account among the top ten shareholders Nil



**Shareholdings of the top ten ordinary shareholders without selling restrictions
(excluding shares lent through refinancing and locked up shares of senior management)**

Name of shareholder	Number of ordinary shares without selling restrictions at the end of the Reporting Period		Class of share	
	Class of share		Number	
China Jianyin Investment Ltd.	6,596,306,947	RMB-denominated ordinary shares	6,596,306,947	
Central Huijin Investment Ltd.	5,020,606,527	RMB-denominated ordinary shares	5,020,606,527	
HKSCC Nominees Limited	2,503,846,720	Overseas listed foreign shares	2,503,846,720	
Shanghai Jiushi (Group) Co., Ltd.	1,212,810,389	RMB-denominated ordinary shares	1,212,810,389	
Sichuan Development Holding Co., Ltd.	1,124,543,633	RMB-denominated ordinary shares	1,124,543,633	
China Everbright Group Ltd.	999,000,000	RMB-denominated ordinary shares	999,000,000	
China Securities Finance Corporation Limited	635,215,426	RMB-denominated ordinary shares	635,215,426	
Hong Kong Securities Clearing Company Limited	387,920,821	RMB-denominated ordinary shares	387,920,821	
Xinjiang Financial Investment (Group) Co., Ltd.	331,603,199	RMB-denominated ordinary shares	331,603,199	
Central Huijin Asset Management Ltd.	197,390,385	RMB-denominated ordinary shares	197,390,385	
Description on the related relationship or parties acting-in-concert among the top ten ordinary shareholders without selling restrictions and between the top ten ordinary shareholders without selling restrictions and the top ten ordinary shareholders	Central Huijin Investment Ltd. holds the entire equity interest in China Jianyin Investment Ltd., holds the entire equity interest in Central Huijin Asset Management Ltd., holds 66.70% of equity interest in China Securities Finance Corporation Limited, and holds 63.16% of equity interest in China Everbright Group Ltd. Besides, the Company was not aware of any related relationship or parties acting-in-concert among the aforesaid shareholders.			
Description on any of the top ten ordinary shareholders participating in the margin financing and securities lending business	As of the end of the Reporting Period, Xinjiang Financial Investment (Group) Co., Ltd. held 331,603,199 shares through credit securities accounts.			

- Notes: 1. Among the H shareholders of the Company, HKSCC Nominees Limited holds the H shares on behalf of the non-registered shareholders;
2. In the above table, the shares held by HKSCC Nominees Limited are overseas listed foreign shares (H shares) and shares held by other shareholders are RMB-denominated ordinary shares (A shares).



Participation of the shareholders holding more than 5% of the shares, top ten shareholders, and top ten shareholders of outstanding shares without selling restrictions in lending of shares in the margin and securities refinancing business

☐ Applicable ☒ Not applicable

Changes in the top ten shareholders and top ten shareholders of outstanding shares without selling restrictions from the previous period due to lending/returning through refinancing

☐ Applicable ☒ Not applicable

Whether the Company's top ten ordinary shareholders and top ten ordinary shareholders without selling restrictions engaged in agreed repurchase transactions during the Reporting Period

☐ Yes ☒ No

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

N/A

V. CHANGES IN CONTROLLING SHAREHOLDER AND ACTUAL CONTROLLER AS OF THE END OF THE REPORTING PERIOD

As of the end of the Reporting Period, there was no change in controlling shareholder and actual controller of the Company.

VI. INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at June 30, 2025, none of the directors, supervisors or chief executives of the Company had or was deemed to have interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance, or were recorded in the register required to be maintained by the Company under Section 352 of the Securities and Futures Ordinance, or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

VII. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at June 30, 2025, to the best knowledge of the Company after having made all reasonable enquiries, the following persons (other than directors, supervisors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance or were recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance:

Unit: Share

Name of substantial shareholder	Class of share	Nature of interest	Number of shares held (share) ^{Note 3}	Percentage of the total number of issued shares of the Company (%) ^{Note 4}	Percentage of the total number of issued A Shares/H Shares of the Company (%)	Long/short positions
1 Central Huijin Investment Ltd. ^{Note 1}	A Shares	Beneficial owner	5,020,606,527	20.05	22.28	Long position
	A Shares	Interest in controlled corporation	8,427,912,758	33.66	37.40	Long position
	H Shares	Interest in controlled corporation	756,472,000	3.02	30.21	Long position
	H Shares	Interest in controlled corporation	64,193,600	0.26	2.56	Short position
2 China Jianyin Investment Ltd.	A Shares	Beneficial owner	6,596,306,947	26.34	29.27	Long position
3 Industrial and Commercial Bank of China Limited	H Shares	Beneficial owner	648,404,800	2.59	26.00	Long position
4 Everbright PGIM Fund Management Co., Ltd. (on behalf of EPF – Rui Insurance SMA One) (代表光大保德信 — 瑞眾保險1號單 — 資產管理計劃) ^{Note 2}	H Shares	Trustee	216,134,400	0.86	8.63	Long position
5 Rui Life Insurance Co., Ltd. ^{Note 2}	H Shares	Beneficial owner	216,134,000	0.86	8.63	Long position
6 China Life Insurance (Group) Company	H Shares	Beneficial owner	172,907,200	0.69	6.90	Long position

Note 1: Central Huijin holds the entire equity interest in JIC, the entire equity interest in Central Huijin Asset Management Ltd., 66.70% of equity interest in China Securities Finance Corporation Limited and 63.16% of equity interest in China Everbright Group Ltd. The total number of A Shares of the Company held by JIC, Central Huijin Asset Management Ltd., China Securities Finance Corporation Limited and China Everbright Group Ltd. is 8,427,912,758. Central Huijin indirectly held 756,472,000 H Shares of the Company through its controlled corporations including Industrial and Commercial Bank of China Limited and China Reinsurance (Group) Corporation. In particular, Central Huijin held 648,404,800 shares through Industrial and Commercial Bank of China Limited and 108,067,200 shares through China Reinsurance (Group) Corporation.



Section VI Changes in Shares and Shareholders (continued)

Note 2: On April 26, 2019, Huaxia Life Insurance Co., Ltd. engaged Everbright PGIM Fund Management Co., Ltd. (光大保德信基金管理有限公司) as the asset manager, in the name of EPF – HuaXia Life SMA One (光大保德信－華夏人壽1號單一資產管理計劃), to subscribe and hold the H Shares on behalf of Huaxia Life on a discretionary basis. According to the Approval of Beijing Branch of the National Financial Regulatory Administration on the Acquisition of Insurance Business of Huaxia Life Insurance Co., Ltd. by Rui Life Insurance Company Limited (Jing Jin Fu [2023] No. 245) and the Announcement on the Transfer of Insurance Business between Rui Life Insurance Company Limited and Huaxia Life Insurance Co., Ltd., Rui Life Insurance Company Limited (“Rui Insurance”) has acquired the insurance business and corresponding assets and liabilities of Huaxia Life Insurance Co., Ltd. as a whole. As a result of the above-mentioned acquisition, the investor of EPF – HuaXia Life SMA One (光大保德信－華夏人壽1號單一資產管理計劃) has been changed from Huaxia Life to Rui Insurance, and all rights and obligations of Huaxia Life under the original contract have been assumed by Rui Insurance. After Huaxia Life (original investor), Rui Insurance (new investor), manager and custodian reached an agreement and signed a supplementary agreement, the beneficial owner of H shares of Shenwan Hongyuan under this product has been changed from Huaxia Life Insurance Co., Ltd. to Rui Life Insurance Company Limited. According to the information relating to disclosure of interests available on the website of the Hong Kong Stock Exchange, Huaxia Life Insurance Co., Ltd. is still shown as a substantial shareholder of the Company. To the best of knowledge, information and belief of the Company, after making all reasonable inquiries, Huaxia Life Insurance Co., Ltd. is no longer a substantial shareholder of the Company due to the afore-mentioned transfer.

Note 3: According to Part XV of the Securities and Futures Ordinance, shareholders of the Company are required to file disclosure of interests forms when certain criteria are fulfilled. If the shareholders have not filed disclosure of interests forms as required under the Securities and Futures Ordinance, the actual shareholdings of the shareholders in the Company may be different from the shareholdings filed with the Stock Exchange as of the end of the Reporting Period. When the shareholdings of shareholders in the Company change, it is not necessary for such shareholders to notify the Company and the Hong Kong Stock Exchange unless certain criteria are fulfilled. Therefore, the actual shareholdings of substantial shareholders in the Company may be different from the shareholdings filed with the Hong Kong Stock Exchange as of the end of the Reporting Period.

Note 4: As at June 30, 2025, the Company has issued a total of 22,535,944,560 A Shares and 2,504,000,000 H Shares, totaling 25,039,944,560 shares.

Note 5: Since the end of the Reporting Period and as of the date of this report, according to the information relating to disclosure of interests available on the website of the Hong Kong Stock Exchange, E Fund Management Co., Ltd. was interested in 201,648,800 H Shares of the Company in its capacity as an investment manager, representing 8.05% of the total number of issued H Shares of the Company; Industrial and Commercial Bank of China Limited was interested in 518,905,600 H Shares of the Company in its capacity as a beneficial owner, representing 20.72% of the total number of issued H Shares of the Company; Central Huijin was interested in 518,905,600 H Shares of the Company through its controlled corporation, Industrial and Commercial Bank of China Limited, representing 20.72% of the total number of issued H shares of the Company. HuaAn Fund Management Co., Ltd. representing HUAAN-ICBC-YINGYUAN-1-(QDII) SMA was interested in 498,449,600 H shares of the Company in its capacity as an asset manager of HUAAN-ICBC-YINGYUAN-1-(QDII) SMA (the “Asset Management Plan”), representing 19.91% of the total number of issued H shares of the Company. SGM062 is the product code of the Asset Management Plan registered with the Asset Management Association of China. The entrustor achieves investment through the Asset Management Plan.

Save as disclosed above, as of June 30, 2025, the Company was not aware of any other person (other than directors, supervisors and chief executives of the Company) having any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance or which were recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance.

VIII. SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the knowledge of the directors of the Company, during the Reporting Period and as of the date of this report, no less than 10% of the Company's total issued shares were held by the public, which meets the requirements as set out in the waiver letter on the public float obtained by the Company upon listing. For details, please refer to the H Shares prospectus of the Company dated April 12, 2019 and the announcement dated May 20, 2019 in relation to stabilizing actions, end of stabilization period and lapse of over-allotment option.

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

During the Reporting Period, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Hong Kong Listing Rules)).

As at the end of the Reporting Period, the Company did not hold any treasury shares.



Section VII Profile of Bonds

I. CORPORATE BONDS

(I) Basic Information of Corporate Bonds

1. Public offering of corporate bonds in 2021

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Balance of bond (RMB'0,000)	Interest rate (%)	Payment of principal and interest	Trading place
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2021 (First Tranche) (Type II)	21 ShenHong 02	149394	2021-03-04	2021-03-08	2028-03-08	50,000	3.95	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2021 (Second Tranche) (Type II)	21 ShenHong 04	149553	2021-07-13	2021-07-15	2028-07-15	300,000	3.65		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2021 (Third Tranche) (Type II)	21 ShenHong 06	149579	2021-08-02	2021-08-04	2026-08-04	250,000	3.38		
Investor eligibility arrangement (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the Administrative Measures on Corporate Bonds Offering and Trading (《公司债券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the CSRC and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								



2. Public offering of corporate bonds in 2022

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Balance of bond (RMB'0,000)	Interest rate (%)	Payment of principal and interest	Trading place
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (First Tranche) (Type I)	22 ShenHong 01	149825	2022-03-04	2022-03-08	2025-03-08	0	3.11		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (First Tranche) (Type II)	22 ShenHong 02	149826	2022-03-04	2022-03-08	2027-03-08	120,000	3.50	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (Second Tranche) (Type I)	22 ShenHong 03	149898	2022-04-22	2022-04-26	2025-04-26	0	3.06		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (Second Tranche) (Type II)	22 ShenHong 04	149899	2022-04-22	2022-04-26	2027-04-26	100,000	3.45		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (Third Tranche) (Type II)	22 ShenHong 06	148054	2022-08-26	2022-08-30	2032-08-30	255,000	3.56		
Investor eligibility arrangement (if any)			Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the Administrative Measures on Corporate Bonds Offering and Trading (《公司债券发行与交易管理办法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the CSRC and assume corresponding legal responsibilities on their own.						
Applicable trading mechanism			Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation						
Whether there is risk of delisting (if any) and countermeasures therefor			Nil						

Note: Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (First Tranche) (Type I) and Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2022 (Second Tranche) (Type I) completed principal and interest payment and delisting during the Reporting Period.

3. Public offering of corporate bonds in 2023

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Balance of bond (RMB'0,000)	Interest rate (%)	Payment of principal and interest	Trading place
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2023 (First Tranche) (Type II)	23 ShenHong 02	148318	2023-06-12	2023-06-14	2033-06-14	500,000	3.49	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2023 (Second Tranche) (Type II)	23 ShenHong 04	148449	2023-09-01	2023-09-05	2026-09-05	80,000	2.85		
Suitability arrangement of investors (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司债券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the China Securities Regulatory Commission and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								



4. Public offering of corporate bonds in 2024

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Balance of bond (RMB'0,000)	Interest rate (%)	Payment of principal and interest	Trading place
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2024 (First Tranche) (Type II)	24 ShenHong 02	148638	2024-03-11	2024-03-13	2029-03-13	245,000	2.71	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2024 (Second Tranche) (Type I)	24 ShenHong 03	524051	2024-11-28	2024-12-02	2026-12-02	160,000	2.06		
Suitability arrangement of investors (if any)			Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司债券发行与交易管理办法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the China Securities Regulatory Commission and assume corresponding legal responsibilities on their own.						
Applicable trading mechanism			Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation						
Whether there is risk of delisting (if any) and countermeasures therefor			Nil						

5. Public Offering of Corporate Bonds in 2025

Name of bond	Abbreviation of bond	Code of bond	Offering date (YYYY-MM-DD)	Value date (YYYY-MM-DD)	Maturity date (YYYY-MM-DD)	Balance of bond (RMB'0,000)	Coupon rate (%)	Payment of principal and interest	Trading exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2025 (First Tranche) (Type I)	25 ShenHong 01	524193	2025-03-20	2025-03-24	2027-03-24	120,000	2.07		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2025 (First Tranche) (Type II)	25 ShenHong 02	524194	2025-03-20	2025-03-24	2028-03-24	60,000	2.10	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2025 (Second Tranche) (Type II)	25 ShenHong 04	524333	2025-06-18	2025-06-20	2030-06-20	300,000	1.93		
Suitability arrangement of investors (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司債券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the China Securities Regulatory Commission and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								

During the Reporting Period, the corporate bonds were not overdue.

**(II) Issuer or investor option terms and triggering and implementation of investor protection Terms**

During the Reporting Period, no investor option terms or investor protection terms were triggered for the corporate bonds.

(III) Credit Rating Adjustment for Corporate Bonds

During the Reporting Period, there was no change in the credit rating of corporate bonds.

During the Reporting Period, China Lianhe Credit Rating Co. Ltd. continued to conduct ongoing credit rating on the corporate bonds issued publicly by the Company. There was no change in relevant credit rating level, rating outlook and credit rating results. The credit rating agencies maintained the AAA credit rating for the Company as an issuer, and the AAA credit rating for the corporate bonds, with a stable rating outlook.

(IV) Implementation of and Changes in Guarantees, Debt Repayment Plan and Other Debt Repayment Guarantee Measures during the Reporting Period and Their Impact on the Interests of Bond Investors**1. Public offering of corporate bonds in 2021**

In order to adequately and effectively protect the interests of bondholders, the Company has made a series of arrangements to ensure the timely and full repayment of the 2021 Corporate Bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation and strict implementation of the fund management plan with proper organization and coordination, and strict compliance with the information disclosure obligations, etc., which constituted a complete set of approaches to guarantee the payment of interest and redemption of the bonds. The Company has adopted a series of measures to guarantee the repayment of its debts, including formulation of the Rules for Meeting of Bondholders, setting up a special working group for the repayment of debts, formulating and strictly implementing the fund management plan, entrusting bond manager and making timely information disclosure. During the Reporting Period, there were no changes in credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for the above corporate bonds.

The Company has set up a dedicated debt repayment account, out of which the Company paid the interest and principal amount payable on each tranche of “21 ShenHong 02”, “21 ShenHong 04” and “21 ShenHong 06” on a timely basis. In March 2025, the Company paid the interest payable on “21 ShenHong 02” for the period from March 8, 2024 to March 7, 2025 out of the dedicated debt repayment account on a timely basis. In July 2025, the Company paid the interest payable on “21 ShenHong 04” for the period from July 15, 2024 to July 14, 2025 out of the dedicated debt repayment account on a timely basis. In August 2025, the Company paid the interest payable on “21 ShenHong 06” for the period from August 4, 2024 to August 3, 2025 out of the dedicated debt repayment account on a timely basis.



2. Public Offering of Corporate Bonds in 2022

In order to adequately and effectively protect the interests of bondholders, the Company has made a series of arrangements to ensure the timely and full repayment of the 2022 Corporate Bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation and strict implementation of the fund management plan with proper organization and coordination, and strict compliance with the information disclosure obligations, etc., which constituted a complete set of approaches to guarantee the payment of interest and redemption of the bonds. The Company has adopted a series of measures to guarantee the repayment of its debts, including formulation of the “Rules for Meeting of Bondholders”, setting up a special working group for the repayment of debts, formulating and strictly implementing the fund management plan, entrusting bond manager and making timely information disclosure. During the Reporting Period, there were no changes in credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for the above corporate bonds.

The Company has set up a dedicated debt repayment account, out of which the Company paid the interest payable on each tranche of “22 ShenHong 02”, “22 ShenHong 04” and “22 ShenHong 06” on a timely basis. In March 2025, the Company paid the interest payable on “22 ShenHong 02” for the period from March 8, 2024 to March 7, 2025 out of the dedicated debt repayment account on a timely basis. In April 2025, the Company paid the interest payable on “22 ShenHong 04” for the period from April 26, 2024 to April 25, 2025 out of the dedicated debt repayment account on a timely basis. In August 2025, the Company paid the interest payable on “22 ShenHong 06” for the period from August 30, 2024 to August 29, 2025 out of the dedicated debt repayment account on a timely basis.

3. Public Offering of Corporate Bonds in 2023

In order to adequately and effectively protect the interests of bondholders, the Company has made a series of arrangements to ensure the timely and full repayment of the 2023 Corporate Bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation and strict implementation of the fund management plan with proper organization and coordination, and strict compliance with the information disclosure obligations, etc., which constituted a complete set of approaches to guarantee the payment of interest and redemption of the bonds. The Company has adopted a series of measures to guarantee the repayment of its debts, including formulation of the “Rules for Meeting of Bondholders”, setting up a special working group for the repayment of debts, formulating and strictly implementing the fund management plan, entrusting bond manager and making timely information disclosure. During the Reporting Period, there were no changes in credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for the above corporate bonds.

The Company has set up a dedicated debt repayment account, out of which the Company paid the interest payable on each tranche of “23 ShenHong 02” and “23 ShenHong 04” on a timely basis. In June 2025, the Company paid the interest payable on “23 ShenHong 02” for the period from June 14, 2024 to June 13, 2025 out of the dedicated debt repayment account on a timely basis.



4. Public Offering of Corporate Bonds in 2024

In order to adequately and effectively protect the interests of bondholders, the Company has made a series of arrangements to ensure the timely and full repayment of the 2024 Corporate Bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation and strict implementation of the fund management plan with proper organization and coordination, and strict compliance with the information disclosure obligations, etc., which constituted a complete set of approaches to guarantee the payment of interest and redemption of the bonds. The Company has adopted a series of measures to guarantee the repayment of its debts, including formulation of the “Rules for Meeting of Bondholders”, setting up a special working group for the repayment of debts, formulating and strictly implementing the fund management plan, entrusting a bond manager and making timely information disclosure. During the Reporting Period, there were no changes in credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for the above corporate bonds.

The Company has set up a dedicated debt repayment account, out of which the Company paid the interest payable on “24 ShenHong 02” and “24 ShenHong 03” on a timely basis. In March 2025, the Company paid the interest payable on “24 ShenHong 02” for the period from March 13, 2024 to March 12, 2025 out of the dedicated debt repayment account on a timely basis.

5. Public offering of corporate bonds in 2025

In order to adequately and effectively protect the interests of bondholders, the Company has made a series of arrangements to ensure the timely and full repayment of the 2025 Corporate Bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation and strict implementation of the fund management plan with proper organization and coordination, and strict compliance with the information disclosure obligations, etc., which constituted a complete set of approaches to guarantee the payment of interest and redemption of the bonds. The Company has adopted a series of measures to guarantee the repayment of its debts, including formulation of the “Rules for Meeting of Bondholders”, setting up a special working group for the repayment of debts, formulating and strictly implementing the fund management plan, entrusting bond manager and making timely information disclosure. During the Reporting Period, there were no changes in credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures for the above corporate bonds.

No guarantee is provided for the corporate bonds issued by the Company.

II. OTHER INFORMATION ON BONDS

During the Reporting Period, the Company did not have enterprise bonds, non-financial enterprise bond financing instruments or convertible corporate bonds.

During the Reporting Period, the Company did not record loss within the scope of consolidated statements exceeding 10% of the total equity as at the end of last year.

For the bonds of Shenwan Hongyuan Securities, a subsidiary of the Company, please refer to “XIX. Significant Matters of Subsidiaries of the Company” under “Section V Significant Events” in this report.

III. MAIN ACCOUNTING INFORMATION AND FINANCIAL INDICATORS OF THE COMPANY FOR THE RECENT TWO YEARS AS OF THE END OF THE REPORTING PERIOD

Item	As of the end of the Reporting Period	As of the end of last year	Increase/decrease as compared with the end of last year
Current ratio	1.31	1.32	Decreased by 0.01
Gearing ratio ^{Note}	75.61%	76.81%	Decreased by 1.20 percentage points
Quick ratio	1.31	1.32	Decreased by 0.01

Item	For the Reporting Period	For the same period last year	Increase/decrease as compared with the same period last year
Profit for the period after deducting non-recurring profit or loss (RMB'000)	4,734,547	2,798,860	69.16%
Total debt to EBITDA ratio	0.03	0.05	Decreased by 0.02
Interest coverage multiple	2.58	1.81	42.54%
Cash interest coverage multiple	5.06	1.74	190.80%
EBITDA interest coverage multiple	2.70	1.91	41.36%
Loan repayment ratio	100%	100%	–
Interest repayment ratio	100%	100%	–

Note: Gearing ratio = (Total liabilities – Accounts payable to brokerage clients – Proceeds from underwriting securities received on behalf of customers)/(Total assets – Accounts payable to brokerage clients–Proceeds from underwriting securities received on behalf of customers) * 100%

Section VIII Financial Statements

SHENWAN HONGYUAN GROUP CO., LTD.

(Incorporated in the People's Republic of China
with Limited Liability)

Interim Financial Information (Unaudited)
For the six months ended 30 June 2025
(Prepared under International Financial Reporting
Standards)

Report on Review of Interim Financial Information To the Board of Directors of Shenwan Hongyuan Group Co., Ltd.

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

Introduction

We have reviewed the accompanying interim financial report set out on pages 144 to 240, which comprises the condensed consolidated statement of financial position of Shenwan Hongyuan Group Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") as at 30 June 2025 and the related condensed consolidated income statement, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period ended at 30 June 2025 and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of interim financial report in accordance with IAS 34 Interim Financial Reporting.

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

Scope of Review

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

Report on Review of Interim Financial Information To the Board of Directors of Shenwan Hongyuan Group Co., Ltd. (continued)

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

29 August 2025

Interim condensed consolidated income statement

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited) (restated)
Revenue			
Fee and commission income	5	4,678,577	3,622,034
Interest income	6	4,365,959	4,511,930
Net investment gains	7	7,296,682	4,853,073
Total revenue		<u>16,341,218</u>	<u>12,987,037</u>
Other income and gains	8	160,418	133,671
Total revenue and other income		<u>16,501,636</u>	<u>13,120,708</u>
Fee and commission expenses	9	995,914	780,090
Interest expenses	10	4,167,192	4,567,031
Staff costs	11	4,011,283	3,262,762
Depreciation and amortization expenses	12	464,579	453,965
Tax and surcharges		79,978	54,005
Other operating expenses	13	1,020,023	896,210
Credit impairment losses	14	117,228	78,604
Provision for impairment against other assets		43,832	3,496
Total expenses		<u>10,900,029</u>	<u>10,096,163</u>

Interim condensed consolidated income statement (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited) (restated)
Operating profit		5,601,607	3,024,545
Share of profit of associates and joint ventures		383,822	335,004
Profit before income tax		5,985,429	3,359,549
Income tax expense	15	1,182,332	496,819
Profit for the period		<u>4,803,097</u>	<u>2,862,730</u>
Attributable to:			
Shareholders of the Company		4,284,169	2,128,072
Non-controlling interests		<u>518,928</u>	<u>734,658</u>
Total		<u>4,803,097</u>	<u>2,862,730</u>
Basic and diluted earnings per share (in Renminbi per share)	16	<u>0.17</u>	<u>0.08</u>

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

Interim condensed consolidated statement of comprehensive income

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(restated)</i>
Profit for the period	4,803,097	2,862,730
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss:		
Equity investment at fair value through other comprehensive income		
- Net change in fair value	942,676	1,145,948
Share of other comprehensive income of associates and joint ventures	4,781	-
Income tax impact	(235,669)	(286,487)
Items that may be reclassified subsequently to profit or loss:		
Financial assets at fair value through other comprehensive income		
- Net changes in fair value	426,402	846,342
- Reclassified to profit or loss	(561,714)	(721,986)
Share of other comprehensive income of associates and joint ventures	(8,941)	670
Exchange differences on translation of financial statements in foreign currencies	(57,803)	26,812
Income tax impact	46,809	(25,387)
Total other comprehensive income for the period, net of tax	556,541	985,912
Total comprehensive income for the period	5,359,638	3,848,642

Interim condensed consolidated statement of comprehensive income (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	<i>Six months ended 30 June</i>	
	<i>2025</i> (Unaudited)	<i>2024</i> (Unaudited) (restated)
Attributable to:		
Shareholders of the Company	4,853,540	3,108,079
Non-controlling interests	506,098	740,563
Total	<u>5,359,638</u>	<u>3,848,642</u>

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

Interim condensed consolidated statement of financial position

As at 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current assets			
Property and equipment	17	1,219,205	1,313,340
Right-of-use assets	18	751,356	859,306
Investment properties		36,766	39,009
Other intangible assets	19	381,702	407,274
Interest in associates and joint ventures	20	4,088,115	4,170,776
Financial assets measured at amortized cost	21	497,662	1,034,064
Financial assets held under resale agreements	22	824,780	315,507
Financial assets at fair value through profit or loss	23	6,849,423	6,279,125
Financial assets at fair value through other comprehensive income	24	77,532,795	73,294,415
Refundable deposits	25	27,813,447	21,795,817
Deferred tax assets	26	918,908	1,621,025
Other non-current assets	27	394,400	416,926
Total non-current assets		<u>121,308,559</u>	<u>111,546,584</u>

Interim condensed consolidated statement of financial position (continued)

As at 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Current assets			
Accounts receivable	28	2,549,572	6,005,511
Other receivables and prepayments	29	1,125,049	1,384,690
Margin accounts receivable	30	73,895,535	74,844,217
Financial assets measured at amortized cost	21	2,301,364	1,478,743
Financial assets held under resale agreements	22	12,706,915	12,074,249
Financial assets at fair value through profit or loss	23	253,133,060	263,244,475
Financial assets at fair value through other comprehensive income	24	55,662,673	61,733,391
Derivative financial assets	31	4,403,796	8,895,889
Clearing settlement funds	32	10,750,255	10,829,210
Cash held on behalf of brokerage clients	33	108,511,772	111,689,377
Cash and bank balances	34	35,704,065	33,870,257
Total current assets		<u>560,744,056</u>	<u>586,050,009</u>
Total assets		<u><u>682,052,615</u></u>	<u><u>697,596,593</u></u>

Interim condensed consolidated statement of financial position (continued)

As at 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Current liabilities			
Loans and borrowings	36	1,521,645	672,001
Short-term debt instruments issued	37	39,369,979	49,057,674
Placements from other financial institutions	38	4,007,538	3,318,823
Accounts payable to brokerage clients	39	121,823,106	122,496,183
Employee benefits payable	40	2,893,135	1,874,693
Other payables and accruals	41	61,426,612	60,276,965
Contract liabilities		163,073	45,247
Current tax liabilities		65,514	87,598
Financial assets sold under repurchase agreements	42	191,041,532	186,005,634
Lease liabilities	43	299,766	329,477
Financial liabilities at fair value through profit or loss	44	9,570,752	14,453,521
Derivative financial liabilities	31	5,913,605	7,546,247
Long-term bonds due within one year	45	18,801,330	35,896,278
Total current liabilities		<u>456,897,587</u>	<u>482,060,341</u>
Net current assets		<u>103,846,469</u>	<u>103,989,668</u>
Total assets less current liabilities		<u>225,155,028</u>	<u>215,536,252</u>

Interim condensed consolidated statement of financial position (continued)

As at 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current liabilities			
Long-term bonds	45	83,576,086	77,252,222
Non-current employee benefits payable	40	4,008,932	4,018,362
Deferred tax liabilities	26	150,802	48,140
Lease liabilities	43	468,285	546,832
Other non-current liabilities		330,598	321,770
Total non-current liabilities		<u>88,534,703</u>	<u>82,187,326</u>
Net assets		<u>136,620,325</u>	<u>133,348,926</u>
Equity			
Share capital	46	25,039,945	25,039,945
Reserves	47	46,740,383	46,003,489
Retained profits	48	36,693,443	33,740,663
Total equity attributable to shareholders of the Company		<u>108,473,771</u>	<u>104,784,097</u>
Non-controlling interests		28,146,554	28,564,829
Total equity		<u>136,620,325</u>	<u>133,348,926</u>

Approved and authorised for issue by the board of directors on 29 August 2025.

Liu Jian

Executive Director,
Chairman

Huang Hao

Executive Director,
General Manager

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

Interim condensed consolidated statement of changes in equity

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	Attributable to shareholders of the Company								Non-controlling interests		
	Reserves								Ordinary shareholders	Other equity instrument holders	Total equity
	Share capital (Note 46)	Capital reserve (Note 47)	Surplus reserves (Note 47)	General reserves (Note 47)	Fair value reserve (Note 47)	Translation reserve (Note 47)	Retained profits (Note 48)	Subtotal			
As at 1 January 2025	25,039,945	19,273,553	4,365,471	19,871,947	2,215,467	277,051	33,740,663	104,784,097	1,606,431	26,958,398	133,348,926
Profit for the period	-	-	-	-	-	-	4,284,169	4,284,169	44,242	474,686	4,803,097
Other comprehensive income	-	-	-	-	614,078	(44,707)	-	569,371	(12,830)	-	556,541
Total comprehensive income for the period	-	-	-	-	614,078	(44,707)	4,284,169	4,853,540	31,412	474,686	5,359,638
Capital invested/(reduced) by shareholders											
Among them: Others	-	(12,029)	-	-	-	-	-	(12,029)	32,964	-	20,935
Appropriation to general reserve	-	-	-	24,528	-	-	(24,528)	-	-	-	-
Distribution to ordinary shareholders	-	-	-	-	-	-	(1,151,837)	(1,151,837)	(97)	-	(1,151,934)
Distribution to other equity instrument holders	-	-	-	-	-	-	-	-	-	(957,240)	(957,240)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	155,024	-	(155,024)	-	-	-	-
As at 30 June 2025 (Unaudited)	25,039,945	19,261,524	4,365,471	19,896,475	2,984,569	232,344	36,693,443	108,473,771	1,670,710	26,475,844	136,620,325

Interim condensed consolidated statement of changes in equity (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	Attributable to shareholders of the Company										
	Reserves								Non-controlling interests		
	Share capital (Note 46)	Capital reserve (Note 47)	Surplus reserves (Note 47)	General reserves (Note 47)	Fair value reserve (Note 47)	Translation reserve (Note 47)	Retained profits (Note 48)	Subtotal	Ordinary shareholders	Other equity instrument holders	Total equity
As at 1 January 2024	25,039,945	19,271,829	4,204,719	18,520,713	699,982	202,488	32,205,365	100,145,041	1,690,695	26,958,398	128,794,134
Profit for the period	-	-	-	-	-	-	2,128,072	2,128,072	97,212	637,446	2,862,730
Other comprehensive income	-	-	-	-	959,130	20,877	-	980,007	5,905	-	985,912
Total comprehensive income for the period	-	-	-	-	959,130	20,877	2,128,072	3,108,079	103,117	637,446	3,848,642
Appropriation to general reserve	-	-	-	14,569	-	-	(14,569)	-	-	-	-
Distribution to ordinary shareholders	-	-	-	-	-	-	(1,402,237)	(1,402,237)	(101,096)	-	(1,503,333)
Distribution to other equity instrument holders	-	-	-	-	-	-	-	-	-	(957,240)	(957,240)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	148,033	-	(148,033)	-	-	-	-
As at 30 June 2024 (Unaudited)	25,039,945	19,271,829	4,204,719	18,535,282	1,807,145	223,365	32,768,598	101,850,883	1,692,716	26,638,604	130,182,203

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

Interim condensed consolidated statement of cash flows

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	<u>Six months ended 30 June</u>	
	2025	2024
	(Unaudited)	(Unaudited)
Cash flows from operating activities:		
Profit before income tax	5,985,429	3,359,549
Adjustments for:		
Interest expenses	4,167,192	4,567,031
Share of profit of associates and joint ventures	(383,822)	(335,004)
Depreciation and amortization expenses	464,579	453,965
Net provision for impairment losses	161,060	82,100
Losses on disposal of property and equipment and other intangible assets	1,042	1,802
Foreign exchange losses	24,860	10,617
Net investment gains and interest income from financial assets at fair value through other comprehensive income	(2,752,241)	(2,779,977)
Net investment gains and interest income from financial assets measured at amortized cost	(50,482)	(70,180)
Unrealised fair value changes of financial instruments at fair value through profit or loss	(1,814,767)	366,155
Unrealised fair value changes of derivative financial instruments	1,844,690	(3,595,955)
Operating cash flows before movements in working capital	<u>7,647,540</u>	<u>2,060,103</u>

Interim condensed consolidated statement of cash flows (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	<u>Six months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	(Unaudited)	(Unaudited)
Cash flows from operating activities:		
(Increase)/decrease in refundable deposits	(6,017,630)	462,112
Decrease in margin accounts receivable	1,899,761	5,203,518
Decrease in accounts receivable, other receivables and prepayments	1,596,832	2,517,115
Increase in financial assets held under resale agreements	(790,403)	(69,058)
Decrease in financial instruments at fair value through profit or loss	6,016,885	7,543,289
Decrease/(increase) in derivative financial instruments	1,116,036	(657,276)
Decrease in cash held on behalf of brokerage clients	3,177,605	8,629,031
Decrease in accounts payable to brokerage clients	(659,374)	(8,398,104)
Increase in other payables and accruals and other non-current liabilities	1,774,059	842,268
Increase / (decrease) in employee benefits payable	1,009,012	(867,001)
Increase/(decrease) in financial assets sold under repurchase agreements	5,131,391	(24,316,037)
Increase in placements from other financial institutions	703,778	534,130
Cash generated from / (used in) operations	22,605,492	(6,515,910)
Income taxes paid	(568,097)	(746,049)
Interest paid for operating activities	(2,276,549)	(2,155,773)
Net cash generated from / (used in) operating activities	<u>19,760,846</u>	<u>(9,417,732)</u>

Interim condensed consolidated statement of cash flows (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	<u>Six months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	(Unaudited)	(Unaudited)
Cash flows from investing activities:		
Proceeds from disposal of property and equipment and other intangible assets	4,536	2,057
Dividends received from associates and joint ventures	353,585	282,337
Interest income and disposal gains from financial assets measured at amortized cost	56,477	72,083
Net investment gains and interest income from financial assets at fair value through other comprehensive income	2,951,008	3,339,423
(Purchases) / proceeds on disposal of financial assets measured at amortized cost	(419,445)	236,350
Purchases of property and equipment, other intangible assets and other non-current assets	(134,253)	(254,618)
Proceeds on disposal of associates and joint ventures	42,148	125,269
Disposal of financial assets at fair value through other comprehensive income	2,419,707	15,840,834
Increase in restricted bank deposits	(532,163)	(836,709)
	<u>4,741,600</u>	<u>18,807,026</u>
Net cash generated from investing activities	-----	-----

Interim condensed consolidated statement of cash flows (continued)

For the six months ended 30 June 2025

(In RMB thousands, unless otherwise stated)

	Note	<u>Six months ended 30 June</u>	
		<u>2025</u>	<u>2024</u>
		(Unaudited)	(Unaudited)
Cash flows from financing activities:			
Proceeds from issuance of long-term bonds		17,598,784	6,922,256
Proceeds from issuance of short-term debt instruments		33,701,786	43,847,755
Proceeds from loans and borrowings		1,109,913	453,761
Long-term bonds repaid		(27,989,191)	(17,349,503)
Short-term debt instruments repaid		(43,462,254)	(38,718,580)
Loans and borrowings repaid		(243,355)	(672,959)
Loans, bonds and debt instruments interest paid		(2,353,635)	(2,569,746)
Dividends paid		(144,017)	(245,016)
Payment of lease liabilities		(212,260)	(208,687)
Net cash used in from financing activities		<u>(21,994,229)</u>	<u>(8,540,719)</u>
Net increase in cash and cash equivalents		2,508,217	848,575
Cash and cash equivalents at the beginning of the period		51,376,549	46,782,888
Effect of foreign exchange rate changes		<u>(24,860)</u>	<u>(10,617)</u>
Cash and cash equivalents at the end of the period	35	<u>53,859,906</u>	<u>47,620,846</u>

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

Notes to the interim condensed consolidated financial information

(In RMB thousands, unless otherwise stated)

1 General information

Shenwan Hongyuan Group Co., Ltd. (申萬宏源集團股份有限公司) (the “Company”), formerly known as Shenyin Wanguo Securities Co., Ltd., had its origin in a merger of Shanghai Shenyin Securities Co., Ltd. and Shanghai Wanguo Securities Co., Ltd. in 1996 with the approval of the People’s Bank of China. On 16 January 2015, the Company changed its name to Shenwan Hongyuan Group Co., Ltd., when Shenyin Wanguo Securities Co., Ltd. and Hongyuan Securities Co., Ltd. merged through share issuance and swap as approved by the China Securities Regulatory Commission (“CSRC”) (CSRC Xu Ke [2014] No. 1279).

On 26 January 2015, the common shares issued by the Company were listed on the Shenzhen Stock Exchange. The stock name was “Shenwan Hongyuan” and the stock code was “000166”.

On 6 July 2016, on the basis of the total outstanding shares of 14,856,744,977 shares as at 31 December 2015, the Company distributed 3.50 shares per 10 shares as stock dividends to shareholders, thus increasing its registered capital by RMB5,199,860,741 and increasing its total outstanding shares to 20,056,605,718 shares as at 31 December 2016 and 31 December 2017.

As of 16 January 2018, the Company raised a total of RMB11,972,900,760 from the non-public offering of shares, of which paid-in capital was RMB2,479,338,842 and share premium totaled RMB9,493,561,918, thus increasing the accumulated total outstanding shares of the Company to 22,535,944,560 shares as at 31 December 2018.

As of 26 April 2019, the Company issued 2,504,000,000 H shares on the main board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), thus increasing the accumulated total outstanding shares of the Company to 25,039,944,560 shares as at 30 June 2025.

The Company’s registered address moved to the Xinjiang Uygur Autonomous Region on 20 January 2015 and obtained a business license renewed by the Xinjiang Uygur Autonomous Region Administration for Industry and Commerce. The Company and its subsidiaries are principally engaged in securities brokerage, margin financing and securities lending, securities-backed lending, proprietary securities business, securities underwriting and sponsoring, securities asset management, fund management, stock option market making, futures brokerage, direct investment, innovative investment etc.

2 Basis of accounting

These interim financial information for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. In addition, these condensed consolidated interim financial information also comply with the disclosure requirements of the Listing Rules of the Stock Exchange of Hong Kong Limited and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2024 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial statements as comparative information does not constitute the Company's annual consolidated financial statements but is derived from those financial statements.

These condensed consolidated interim financial statements were authorised for issue by the Company's board of directors on 29 August 2025.

3 Use of judgments and estimates

In preparing these interim financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expense. 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 estimation uncertainty were the same as those described in the last annual financial statements.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group audit committee.

3 Use of judgements and estimates (continued)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 54.

4 Changes in accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2024.

- (i) The Group has applied the amendments to IAS 21. The effects of changes in foreign *exchange rates - lack of exchangeability* issued by the International Accounting Standards Board ("IASB") to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.
- (ii) Considering the practical guidance issued by the relevant regulatory authority and the economic substance of transactions, the Group voluntarily made a change in accounting policy related to physical settlement of contracts to buy or sell bulk commodities that fail the own-use exception. Previously, for contracts involving the sale of bulk commodities, the Group recognised sales revenue and cost of sales when the customer obtained the control of the commodity. Effective on 1 January 2025, such transactions are accounted for as settlement of the sales contracts without recognising any sales revenue or cost of sales. The impact of this change in accounting policy has been applied retrospectively, and comparative figures have been adjusted accordingly.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

5 Fee and commission income

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Income from securities brokerage business	2,966,861	2,130,339
Income from futures brokerage business	645,327	633,641
Income from underwriting and sponsorship business	572,514	336,707
Income from asset management business	333,259	407,409
Income from financial advisory business	78,181	93,333
Income from other business	82,435	20,605
Total	<u>4,678,577</u>	<u>3,622,034</u>

6 Interest income

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Interest income from margin financing and securities lending	1,991,247	1,815,618
Interest income from financial institutions	1,218,552	1,406,860
Interest income from financial instruments at fair value through other comprehensive income	948,660	1,021,862
Interest income from other financial assets held under resale agreements	102,572	74,568
Interest income from financial assets measured at amortized cost	50,482	70,180
Interest income from securities-backed lending	2,926	54,896
Others	51,520	67,946
Total	<u>4,365,959</u>	<u>4,511,930</u>

7 Net investment gains

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i> (restated)
Dividend income and interest income from financial instruments at fair value through profit or loss	2,829,565	2,914,860
Net realized gains / (losses) from disposal of financial instruments at fair value through profit or loss	2,270,619	(4,924,808)
Unrealised fair value changes of financial instruments at fair value through profit or loss	1,814,767	(366,155)
Dividend income from financial instruments at fair value through other comprehensive income	1,236,666	1,051,211
Net realised gains from disposal of financial instruments at fair value through other comprehensive income	566,915	706,904
Net realised gains from disposal of derivative financial instruments	442,600	1,880,835
Unrealised fair value changes of derivative financial instruments	(1,844,690)	3,595,955
Others	(19,760)	(5,729)
Total	<u>7,296,682</u>	<u>4,853,073</u>

8 Other income and gains

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i> (restated)
Government grants (1)	84,342	5,889
Income from tax authorities for individual income tax withheld	36,936	71,331
Rental income (2)	14,911	10,420
Income from disposal of property and equipment	850	50
Compensation received	312	678
Income from futures market-making	-	23,331
Miscellaneous (3)	23,067	21,972
Total	<u>160,418</u>	<u>133,671</u>

- (1) The government grants were received unconditionally by the Company and its subsidiaries from the local government where they reside.
- (2) Among the above other income and gains, rental income is recognized over time, and the others are recognized at a point in time.
- (3) Miscellaneous comprise a number of items with small amounts and various natures arising from the Group's daily business operation.

9 Fee and commission expenses

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Expenses for securities brokerage business	531,427	353,390
Expenses for futures brokerage business	438,378	414,590
Expenses for underwriting and sponsorship business	23,631	9,346
Expenses for asset management business	2,353	2,507
Expenses for financial advisory business	125	257
Total	<u>995,914</u>	<u>780,090</u>

10 Interest expenses

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Interest expenses for		
- Financial assets sold under repurchase agreements	1,710,168	1,650,355
- Long-term bonds	1,596,151	2,010,121
- Short-term debt instruments issued	395,776	413,863
- Accounts payable to brokerage clients	156,523	244,297
- Other structured entities' holders	129,217	105,192
- Placements from other financial institutions	50,106	60,237
- Loans and borrowings	36,236	15,835
- Lease liabilities	13,126	16,778
- Other	79,889	50,353
Total	<u>4,167,192</u>	<u>4,567,031</u>

11 Staff costs

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Salaries, bonuses and allowances	3,007,555	2,274,653
Contribution to pension schemes	262,947	251,201
Other social welfare	740,781	736,908
Total	<u>4,011,283</u>	<u>3,262,762</u>

The domestic employees of the Group in the PRC participate in social welfare plans, including pension, medical, housing, and other welfare benefits, organised and administered by the governmental authorities. The Group also operates a Mandatory Provident Fund Scheme for all qualified employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. According to the relevant regulations, the premiums and welfare benefits contributions that should be borne by the Group are calculated on regular basis and paid to the labour and social welfare authorities. These social welfare plans are defined contribution plans and contributions to the plans are expensed as incurred.

11 Staff costs (continued)

The Group has provided full-time employees in Mainland China and certain countries or jurisdictions outside Mainland China with corresponding pension plans required by government or local labour laws, including basic pension plan in Mainland China, Mandatory Provident Fund in Hong Kong and other mandatory schemes in certain countries outside Mainland China. The Group has not forfeited any contributions under such pension plans.

The Group has also established an enterprise annuity plan for its employees in Mainland China. According to the provisions of the enterprise annuity plan, when an employee resigns, part of the amounts of the Company's contributions shall be transferred back to the enterprise account based on such employee's actual serving period, and the amounts transferred back will not reduce the contribution levels of existing employees. The Group has also established certain contribution plans (including the Mandatory Provident Fund Scheme in Hong Kong) for some of its employees outside Mainland China. According to the provisions of the contribution plans, forfeited contributions in respect of employees who had left the Group before their contributions fully vested are available for the Group to offset its future voluntary contributions.

12 Depreciation and amortization expenses

	<i>Six months ended 30 June</i>	
	2025	2024
Depreciation of right-of-use assets	198,672	200,586
Depreciation of property and equipment	124,054	124,175
Amortization of other intangible assets	112,660	98,932
Amortization of long-term deferred expenses	26,951	28,029
Depreciation of investment properties	2,242	2,243
Total	464,579	453,965

13 Other operating expenses

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
		<i>(restated)</i>
IT expenses	355,159	285,950
Consulting and professional services	75,464	52,359
Rental expenses and utilities	74,874	60,356
Stock exchanges management fees	72,379	77,350
Business travel expenses	67,966	76,114
Administrative and office operating expenses	60,988	69,521
Funds and asset management plans distribution expenses	60,475	65,024
Securities and futures investor protection funds	48,435	44,069
Promotion and entertainment expenses	32,232	34,789
Donation and sponsorship	28,849	15,672
Foreign exchange losses	24,860	10,617
Auditors' remuneration	3,482	2,571
Losses on disposal of property and equipment	1,538	2,896
Miscellaneous (1)	113,322	98,922
Total	<u>1,020,023</u>	<u>896,210</u>

- (1) Miscellaneous comprise a number of items with small amounts and various natures arising from the Group's daily business operation.

14 Credit impairment losses

	<u>Six months ended 30 June</u>	
	2025	2024
Provision for impairment losses against financial assets measured at amortized cost	128,105	29,549
Provision for / (Reversal of) impairment losses against financial assets at fair value through other comprehensive income	5,201	(9,401)
Provision for impairment losses against other receivables and prepayments	3,384	23,804
(Reversal of) / Provision for impairment losses against cash and bank balances	(440)	247
(Reversal of) / Provision for impairment losses against financial assets held under resale agreements	(3,520)	22,525
Reversal of impairment losses against accounts receivable	(4,545)	(6,908)
(Reversal of) / Provision for impairment losses against margin accounts receivable	(10,957)	18,788
Total	<u>117,228</u>	<u>78,604</u>

15 Income tax expense

(1) Taxation in the condensed consolidated income statement represents:

	<u>Six months ended 30 June</u>	
	2025	2024
Current tax		
- PRC income tax	527,602	134,156
- Hong Kong profits tax	72	207
Total	<u>527,674</u>	<u>134,363</u>
Adjustment in respect of prior years		
- PRC income tax	38,739	6,282
Deferred tax		
- Origination and reversal of temporary differences	615,919	356,174
Total	<u>1,182,332</u>	<u>496,819</u>

15 Income tax expense (continued)

(2) Reconciliation between income tax expense and accounting profit at applicable tax rate:

	<u>Six months ended 30 June</u>	
	2025	2024
Profit before income tax	5,985,429	3,359,549
Notional tax calculated using the PRC statutory tax rate	1,496,357	839,887
Tax effect of non-deductible expenses	619	6,056
Tax effect of non-taxable income	(378,518)	(461,435)
Effect of different tax rates of subsidiaries	(13,709)	2,165
Adjustment for prior years	38,739	6,282
Deductible losses in deferred income tax not recognized in the current period	88,296	122,510
Deductible temporary differences not recognized for prior years	(348)	(919)
Others*	(49,104)	(17,727)
Actual income tax expense	<u>1,182,332</u>	<u>496,819</u>

* Others mainly include the tax impact of perpetual bond dividends.

16 Basic and diluted earnings per share

	<u>Six months ended 30 June</u>	
	2025	2024
Number of ordinary shares (in thousands)	25,039,945	25,039,945
Net profit attributable to equity shareholders of the Company (in RMB thousands)	4,284,169	2,128,072
Basic and diluted earnings per share attributable to equity shareholders of the Company (in RMB per share)	0.17	0.08

There is no difference between basic and diluted earnings per share as there were no potentially dilutive shares outstanding during the period.

17 Property and equipment

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Machinery</i>	<i>Electronic equipment</i>	<i>Furniture and fixtures</i>	<i>Renovation</i>	<i>Construction in progress</i>	<i>Total</i>
Cost								
As at 1 January 2025	1,649,821	39,053	7,677	1,373,695	99,230	129,213	199,396	3,498,085
Additions	-	-	-	39,874	3,674	20	66,669	110,237
Transfer during the period	-	-	-	1,238	78	3,304	(4,620)	-
Decreases	-	(1,560)	(794)	(34,983)	(2,192)	(3,251)	(75,044)	(117,824)
As at 30 June 2025	<u>1,649,821</u>	<u>37,493</u>	<u>6,883</u>	<u>1,379,824</u>	<u>100,790</u>	<u>129,286</u>	<u>186,401</u>	<u>3,490,498</u>
Accumulated depreciation								
As at 1 January 2025	(987,843)	(32,241)	(7,132)	(984,593)	(65,297)	(89,569)	-	(2,166,675)
Charge for the period	(25,992)	(722)	(30)	(87,545)	(4,926)	(4,839)	-	(124,054)
Decreases	-	1,484	759	30,100	1,916	3,247	-	37,506
As at 30 June 2025	<u>(1,013,835)</u>	<u>(31,479)</u>	<u>(6,403)</u>	<u>(1,042,038)</u>	<u>(68,307)</u>	<u>(91,161)</u>	<u>-</u>	<u>(2,253,223)</u>
Impairment								
As at 1 January 2025	(18,070)	-	-	-	-	-	-	(18,070)
As at 30 June 2025	<u>(18,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,070)</u>
Carrying amount								
As at 30 June 2025	<u>617,916</u>	<u>6,014</u>	<u>480</u>	<u>337,786</u>	<u>32,483</u>	<u>38,125</u>	<u>186,401</u>	<u>1,219,205</u>

17 Property and equipment (continued)

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Machinery</i>	<i>Electronic equipment</i>	<i>Furniture and fixtures</i>	<i>Renovation</i>	<i>Construction in progress</i>	<i>Total</i>
Cost								
As at 1 January 2024	1,673,487	41,448	14,412	1,332,142	76,706	127,667	216,630	3,482,492
Additions	314	1,439	-	136,328	26,149	1,614	261,871	427,715
Transfer during the year	-	-	-	6,798	306	9,323	(16,427)	-
Decreases	(23,980)	(3,834)	(6,735)	(101,573)	(3,931)	(9,391)	(262,678)	(412,122)
As at 31 December 2024	<u>1,649,821</u>	<u>39,053</u>	<u>7,677</u>	<u>1,373,695</u>	<u>99,230</u>	<u>129,213</u>	<u>199,396</u>	<u>3,498,085</u>
Accumulated depreciation								
As at 1 January 2024	(953,645)	(33,525)	(12,573)	(889,611)	(56,974)	(88,115)	-	(2,034,443)
Charge for the year	(52,839)	(1,555)	(115)	(179,086)	(8,903)	(8,181)	-	(250,679)
Decreases	18,641	2,839	5,556	84,104	580	6,727	-	118,447
As at 31 December 2024	<u>(987,843)</u>	<u>(32,241)</u>	<u>(7,132)</u>	<u>(984,593)</u>	<u>(65,297)</u>	<u>(89,569)</u>	<u>-</u>	<u>(2,166,675)</u>
Impairment								
As at 1 January 2024	(18,070)	-	-	-	-	-	-	(18,070)
Charge for the year	-	-	-	-	-	-	-	-
As at 31 December 2024	<u>(18,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,070)</u>
Carrying amount								
As at 31 December 2024	<u>643,908</u>	<u>6,812</u>	<u>545</u>	<u>389,102</u>	<u>33,933</u>	<u>39,644</u>	<u>199,396</u>	<u>1,313,340</u>

As at 30 June 2025 and 31 December 2024, included in buildings, there is a carrying amount of RMB 33,032 thousand and RMB 35,496 thousand respectively, for which the Group has yet to obtain the relevant land or building certificates.

18 Right-of-use assets

	<i>Right-of-use assets</i>
Cost	
As at 1 January 2025	1,824,406
Increases	97,308
Decreases	(72,574)
	<hr/>
As at 30 June 2025	1,849,140
	<hr/>
Accumulated depreciation	
As at 1 January 2025	(965,100)
Charge for the period	(198,672)
Decreases	65,988
	<hr/>
As at 30 June 2025	(1,097,784)
	<hr/>
Carrying amount	
As at 30 June 2025	751,356
	<hr/>
	<hr/>
	<i>Right-of-use assets</i>
Cost	
As at 1 January 2024	1,778,389
Increases	278,841
Decreases	(232,824)
	<hr/>
As at 31 December 2024	1,824,406
	<hr/>
Accumulated depreciation	
As at 1 January 2024	(783,759)
Charge for the year	(406,827)
Decreases	225,486
	<hr/>
As at 31 December 2024	(965,100)
	<hr/>
Carrying amount	
As at 31 December 2024	859,306
	<hr/>
	<hr/>

19 Other intangible assets

	Software	Others (1)	Total
Cost			
As at 1 January 2025	1,437,869	329,832	1,767,701
Additions	87,147	1	87,148
Disposals	-	(61)	(61)
As at 30 June 2025	<u>1,525,016</u>	<u>329,772</u>	<u>1,854,788</u>
Accumulated amortization			
As at 1 January 2025	(1,045,196)	(314,555)	(1,359,751)
Charge for the period	(112,447)	(213)	(112,660)
Decreases	-	1	1
As at 30 June 2025	<u>(1,157,643)</u>	<u>(314,767)</u>	<u>(1,472,410)</u>
Impairment			
As at 1 January 2025	-	(676)	(676)
As at 30 June 2025	<u>-</u>	<u>(676)</u>	<u>(676)</u>
Carrying amount			
As at 30 June 2025	<u>367,373</u>	<u>14,329</u>	<u>381,702</u>

19 Other intangible assets (continued)

	Software	Others (1)	Total
Cost			
As at 1 January 2024	1,147,512	329,828	1,477,340
Additions	302,852	4	302,856
Disposals	(12,495)	-	(12,495)
	<u>1,437,869</u>	<u>329,832</u>	<u>1,767,701</u>
Accumulated amortization			
As at 1 January 2024	(851,186)	(313,885)	(1,165,071)
Charge for the year	(206,320)	(670)	(206,990)
Decreases	12,310	-	12,310
	<u>(1,045,196)</u>	<u>(314,555)</u>	<u>(1,359,751)</u>
Impairment			
As at 1 January 2024	-	(676)	(676)
As at 31 December 2024	<u>-</u>	<u>(676)</u>	<u>(676)</u>
Carrying amount			
As at 31 December 2024	<u>392,673</u>	<u>14,601</u>	<u>407,274</u>

- (1) The carrying amount of others includes trading seats rights, which have indefinite useful life and are not amortized.

20 Interest in associates and joint ventures

	As at 30 June 2025	As at 31 December 2024
Share of net assets	4,334,981	4,349,061
Less: Provision for impairment losses	(246,866)	(178,285)
Total	<u>4,088,115</u>	<u>4,170,776</u>

The following list contains the particulars of associates and joint ventures, all of which are unlisted enterprises whose quoted market prices are not available:

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activities
			30 June 2025	31 December 2024	
Fullgoal Fund Management Co., Ltd.* 富國基金管理有限公司	Shanghai	RMB 520,000	27.775%	27.775%	Fund management
Beijing Urban Construction (Wuhu) Equity Investment management Co., Ltd.* 北京城建(蕪湖)股權投資管理有限公司	Wuhu, Anhui	RMB20,000	30.00%	30.00%	Investment management
Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* 新疆天山產業投資基金管理有限公司	Urumqi, Xinjiang	RMB50,000	30.00%	30.00%	Investment management
Horgos Tianshan No. 1 Industrial Investment Fund Limited Partnership* 霍爾果斯天山一號產業投資基金有限合夥企業	Horgos, Xinjiang	RMB1,510,000	33.11%	33.11%	Equity management
Xinjiang Financial Investment Asset Management Co., Ltd.* 新疆金投資產管理股份有限公司(1)	Urumqi, Xinjiang	RMB2,063,471	8.81%	8.81%	Asset management
Henan Guochuang Mixed Reform Fund Management Co., Ltd.* 河南省國創混改基金管理有限公司	Zhengzhou, Henan	RMB10,000	30.00%	30.00%	Investment management
Shenzhen Shenwan Jiaotou West Growth No. 1 Equity Investment Fund Partnership (Limited Partnership)* 深圳申萬交投西部成長一號股權投資基金合夥企業(有限合夥)(1)	Shenzhen, Guangdong	RMB57,923	17.55%	17.55%	Equity management
Shanghai Shenwan & Hongyuan Jiashi Equity Investment Partnership (Limited partnership)* 上海申萬宏源嘉實股權投資合夥企業(有限合夥)	Shanghai	RMB100,000	31.00%	31.00%	Equity management
Sichuan Shenwan & Hongyuan Changhong Equity Investment Fund Partnership (Limited Partnership)* 四川申萬宏源長虹股權投資基金合夥企業(有限合夥)(2)	Mianyang, Sichuan	RMB310,000	51.61%	51.61%	Equity management

20 Interest in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activities
			30 June 2025	31 December 2024	
Sichuan Development Shenwan & Hongyuan Equity Investment Fund Partnership (Limited Partnership)* 四川發展申萬宏源股權投資基金合夥企業 (有限合夥)	Chengdu, Sichuan	RMB3,000,000	34.00%	34.00%	Equity management
Liaoning Guoxin private equity Investment Fund Management Co., Ltd.* 遼寧國鑫私募基金管理有限公司	Shenyang, Liaoning	RMB10,000	26.00%	26.00%	Investment management
Tongxiang Shenwan Hongding Growth No. 2 Equity Investment Fund Partnership (Limited Partnership)* 桐鄉申萬泓鼎成長二號股權投資基金合夥企業 (有限合夥) (1)	Jiaxing, Zhejiang	RMB380,000	13.16%	13.16%	Equity management
Zhuhai Shenhong Gejin Healthcare Investment Fund Partnership (Limited Partnership)* 珠海申宏格金醫療健康產業投資基金合夥企業 (有限合夥)	Zhuhai, Guangdong	RMB500,000	25.00%	25.00%	Equity management
Aerospace Equity Investment Fund I (Shanghai) Partnership (Limited Partnership)* 宇航一期股權投資基金 (上海) 合夥企業 (有限合夥)	Shanghai	RMB2,458,500	36.61%	36.61%	Equity management
Jinmao Investment Consulting (Shenzhen) Co., Ltd.* 金茂投資諮詢 (深圳) 有限公司	Shenzhen, Guangdong	USD2,000	50.00%	50.00%	Investment advisory
Gongqing City Shenhong Huichuang Logistics Industry Equity Investment Partnership (Limited Partnership)* 共青城申宏匯創物流產業股權投資合夥企業 (有限合夥)	Jiujiang, Jiangxi	RMB43,210	37.51%	37.51%	Equity management
Chongqing Furong Equity Investment Fund Partnership (Limited Partnership)* 重慶市富榮股權投資基金合夥企業 (有限合夥) (1)	Chongqing	RMB1,500,000	1.00%	1.00%	Equity management
Shenhong Huichuang Development (Foshan) Equity Investment Partnership (Limited Partnership)* 申宏匯創發展 (佛山) 股權投資合夥企業 (有限合夥)	Foshan, Guangdong	RMB80,000	31.00%	31.00%	Equity management
Hongyuan Private Equity Investment Management (Shandong) Co., Ltd.* 泓源私募基金管理 (山東) 有限公司	Yantai, Shandong	RMB10,000	20.00%	20.00%	Investment management

20 Interest in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activities
			30 June 2025	31 December 2024	
Nanjing Rhode Huizhi Equity Investment Partnership (Limited Partnership)* 南京洛德匯智股權投資合夥企業 (有限合夥)	Nanjing, Jiangsu	RMB1,500,000	20.00%	20.00%	Equity management
Shanghai Eastern Airlines Shenhong Equity Investment Fund Management Co., Ltd.* 上海東航申宏股權投資基金管理有限公司	Shanghai	RMB10,000	40.00%	40.00%	Equity management
Yibin State Assets Industry Investment Partnership (Limited Partnership)* 宜賓市國資產業投資合夥企業 (有限合夥) (1)	Yibin, Sichuan	RMB2,020,000	1.00%	1.00%	Equity management
Gongqing City Shenhong Huichuang Second Logistics Industry Equity Investment Partnership (Limited Partnership)* 共青城申宏匯創二期物流產業股權投資合夥企業 (有限合夥)	Jiujiang, Jiangxi	RMB132,560	24.90%	24.90%	Equity management

* The English translation of the names is for reference only. The official names of these entities are in Chinese.

- (1) The Group's shareholding of this investee is lower than 20%, however the Group has significant influence or joint control over this investee as a result of relevant arrangements stipulated in the Articles of Association, the Limited Partnership Agreement and other corporate governance documents.
- (2) The Group's shareholding of this investee is higher than 50%, however the Group only has significant influence or joint control over this investee as a result of relevant arrangements stipulated in the Limited Partnership Agreement and other corporate governance documents.

All of the above associates and joint ventures are accounted for using equity method in the interim financial information.

20 Interest in associates and joint ventures (continued)

Summarised financial information of the Group's significant associates and joint ventures, and reconciliation to the carrying amounts at the end of the period/year, are disclosed below:

Fullgoal Fund Management Co., Ltd.

	As at 30 June 2025	As at 31 December 2024
Assets	15,543,208	15,750,334
Liabilities	6,526,047	6,559,540
Net assets	9,017,161	9,190,794
The Group's effective interest	27.775%	27.775%
The Group's share of net assets of the associate	2,504,516	2,552,743
Carrying amount	2,504,516	2,552,743

	<u>Six months ended 30 June</u> 2025	<u>2024</u>
Revenue	3,329,506	2,918,321
Profit for the period	924,050	773,517
Other comprehensive income	(5,683)	2,411
Total comprehensive income	918,367	775,928
Dividend received from the associate	303,303	303,303

As at 30 June 2025 and 31 December 2024, the Group's significant associates are all unlisted companies and there are no public market prices.

20 Interest in associates and joint ventures (continued)

Aggregated information of associates and joint ventures that are not individually material:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Aggregate carrying amount of individually immaterial associates and joint ventures in the interim financial report	<u>1,583,599</u>	<u>1,618,033</u>
Aggregate amounts of the Group's share of those associates and joint ventures' profits	127,167	102,699
Aggregate amounts of the Group's share of those associates and joint ventures' other comprehensive income	<u>(2,582)</u>	<u>12,522</u>
Aggregate amounts of the Group's share of those associates and joint ventures' total comprehensive income	<u>124,585</u>	<u>115,221</u>

21 Financial assets measured at amortized cost

Non-current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Asset management products and others	1,404,125	1,813,706
Less: Provision for impairment losses	<u>(906,463)</u>	<u>(779,642)</u>
Total	<u>497,662</u>	<u>1,034,064</u>

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Asset management products and others	2,302,709	1,347,738
Debt securities	57,270	189,209
Less: Provision for impairment losses	<u>(58,615)</u>	<u>(58,204)</u>
Total	<u>2,301,364</u>	<u>1,478,743</u>

22 Financial assets held under resale agreements

(1) Analysed by collateral type:

Non-current

	As at 30 June 2025	As at 31 December 2024
Equity securities	2,127,549	2,130,827
Others	508,150	-
Less: Provision for impairment losses	(1,810,919)	(1,815,320)
Total	<u>824,780</u>	<u>315,507</u>

Current

	As at 30 June 2025	As at 31 December 2024
Debt securities	12,393,947	12,042,331
Equity securities	298,837	32,024
Others	15,117	-
Less: Provision for impairment losses	(986)	(106)
Total	<u>12,706,915</u>	<u>12,074,249</u>

(2) Analysed by market:

Non-current

	As at 30 June 2025	As at 31 December 2024
Shenzhen Stock Exchange	878,849	882,126
Shanghai Stock Exchange	818,145	309,994
Others	938,705	938,707
Less: Provision for impairment losses	(1,810,919)	(1,815,320)
Total	<u>824,780</u>	<u>315,507</u>

22 Financial assets held under resale agreements (continued)

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Inter-bank market	1,800,564	1,977,314
Shanghai Stock Exchange	10,518,526	9,739,015
Shenzhen Stock Exchange	373,694	358,026
Others	15,117	-
Less: Provision for impairment losses	(986)	(106)
Total	<u>12,706,915</u>	<u>12,074,249</u>

23 Financial assets at fair value through profit or loss

Non-current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Equity securities	964,520	974,351
Debt securities	1,424	2,278
Funds	22,379	22,246
Asset management products and others	5,861,100	5,280,250
Total	<u>6,849,423</u>	<u>6,279,125</u>
Analysed as:		
Unlisted	6,849,423	6,276,847
Listed outside Hong Kong	-	2,278
Total	<u>6,849,423</u>	<u>6,279,125</u>

23 Financial assets at fair value through profit or loss (continued)

Current

	As at 30 June 2025	As at 31 December 2024
Debt securities	159,665,221	175,829,904
Equity securities	34,679,548	28,910,178
Funds	44,844,528	40,615,719
Hybrid instruments	4,680,561	3,243,194
Asset management products and others	9,263,202	14,645,480
Total	<u>253,133,060</u>	<u>263,244,475</u>
Analysed as:		
Listed outside Hong Kong	96,951,177	118,412,571
Unlisted	144,334,956	135,823,162
Listed in Hong Kong	<u>11,846,927</u>	<u>9,008,742</u>
Total	<u>253,133,060</u>	<u>263,244,475</u>

Financial assets at fair value through profit or loss include securities lending. The collateral for securities lending is analysed in Note 30(2).

As at 30 June 2025, the Group has pledged financial assets at fair value through profit or loss with a total fair value of RMB 97,609,746 thousand for the purpose of repurchase agreement business detailed in Note 42 (As at 31 December 2024: RMB 93,041,907 thousand).

As at 30 June 2025, the Group has pledged financial assets at fair value through profit or loss with a total fair value of RMB 12,919,352 thousand for the purpose of bond lending business (As at 31 December 2024: RMB 7,489,489 thousand).

As at 30 June 2025, the equity securities in financial assets at fair value through profit or loss with lock-up periods held by the Group were RMB 1,335,311 thousand (As at 31 December 2024: RMB 844,452 thousand).

24 Financial assets at fair value through other comprehensive income

Non-current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Designated at FVOCI		
Equity securities not held for trading	73,458,373	69,486,271
Debt securities	4,074,422	3,808,144
	<hr/>	<hr/>
Total	77,532,795	73,294,415
	<hr/>	<hr/>
Analysed as:		
Unlisted	56,026,306	60,587,802
Listed outside Hong Kong	11,073,713	4,122,653
Listed in Hong Kong	10,432,776	8,583,960
	<hr/>	<hr/>
Total	77,532,795	73,294,415
	<hr/>	<hr/>

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Debt securities	55,662,673	61,733,391
	<hr/>	<hr/>
Analysed as:		
Unlisted	30,777,469	46,425,182
Listed outside Hong Kong	23,735,370	14,147,202
Listed in Hong Kong	1,149,834	1,161,007
	<hr/>	<hr/>
Total	55,662,673	61,733,391
	<hr/>	<hr/>

24 Financial assets at fair value through other comprehensive income (continued)

For the six months ended 30 June 2025, the Group disposed some of the equity instruments at fair value through other comprehensive income. The accumulated net realized loss of the equity instrument disposed of were RMB 206,699 thousand (For the six months ended 30 June 2024: RMB 197,377 thousand).

As at 30 June 2025, the Group has pledged financial assets at fair value through other comprehensive income (including designated at FVOCI) with a total fair value of RMB 63,592,030 thousand for the purpose of repurchase agreement business detailed in Note 42(1) (As at 31 December 2024: RMB 78,388,737 thousand).

As at 30 June 2025, the Group has pledged financial assets at fair value through other comprehensive income (including designated at FVOCI) with a total fair value of RMB 17,632,880 thousand for the purpose of bond lending business (As at 31 December 2024: RMB 12,428,694 thousand).

25 Refundable deposits

	As at 30 June 2025	As at 31 December 2024
Deposits with exchanges and other financial institutions		
- Trading deposits	20,897,521	15,628,095
- Performance deposits	6,729,977	5,996,243
- Refinancing margin	111,577	110,837
- Credit deposits	74,372	60,642
	<hr/>	<hr/>
Total	<u>27,813,447</u>	<u>21,795,817</u>

26 Deferred taxation

(1) The components of deferred tax assets/(liabilities) recognized in the interim condensed consolidated statement of financial position and the movements are as follows:

	Provision for impairment losses	Employee benefits payable	Changes in fair value of financial instruments at fair value through profit or loss	Changes in fair value of derivative Financial instruments	Changes in fair value of financial assets at fair value through other comprehensive income	Business combination	Others	Total
<i>Deferred tax arising from:</i>								
As at 1 January 2025	810,356	1,112,925	(67,212)	(827,283)	(644,207)	463,585	724,721	1,572,885
Recognized in profit or loss	50,955	(7,709)	(553,158)	413,643	112,981	-	(632,631)	(615,919)
Recognized in reserves	-	-	-	-	(188,860)	-	-	(188,860)
Reclassified from other comprehensive income to retained profits	-	-	-	-	(51,675)	-	51,675	-
As at 30 June 2025	<u>861,311</u>	<u>1,105,216</u>	<u>(620,370)</u>	<u>(413,640)</u>	<u>(771,761)</u>	<u>463,585</u>	<u>143,765</u>	<u>768,106</u>
As at 1 January 2024	805,133	1,033,501	432,206	(1,296,875)	(103,156)	463,585	1,374,650	2,709,044
Recognized in profit or loss	5,223	79,424	(499,418)	469,592	(57,051)	-	(649,929)	(652,159)
Recognized in reserves	-	-	-	-	(372,179)	-	-	(372,179)
Reclassified from other comprehensive income to retained profits	-	-	-	-	(111,821)	-	-	(111,821)
As at 31 December 2024	<u>810,356</u>	<u>1,112,925</u>	<u>(67,212)</u>	<u>(827,283)</u>	<u>(644,207)</u>	<u>463,585</u>	<u>724,721</u>	<u>1,572,885</u>

26 Deferred taxation (continued)

(2) Reconciliation to the interim condensed consolidated statement of financial position

	As at 30 June 2025	As at 31 December 2024
Net deferred tax assets recognized in the condensed consolidated statement of financial position	918,908	1,621,025
Net deferred tax liabilities recognized in the condensed consolidated statement of financial position	(150,802)	(48,140)
Total	<u>768,106</u>	<u>1,572,885</u>

(3) Recognized in other comprehensive income

	<u>As at 30 June 2025</u>		
	<i>Before tax</i>	<i>Tax benefit</i>	<i>Net of tax</i>
Financial assets at fair value through other comprehensive income			
- Net changes in fair value	426,402	(93,359)	333,043
- Reclassified to profit or loss	(561,714)	140,168	(421,546)
Share of other comprehensive income of associates and joint ventures	(8,941)	-	(8,941)
Exchange differences on translation of financial statements in foreign currencies	(57,803)	-	(57,803)
Equity investment at fair value through other comprehensive income			
- Net changes in fair value	942,676	(235,669)	707,007
Share of other comprehensive income of associates and joint ventures	4,781	-	4,781
Total	<u>745,401</u>	<u>(188,860)</u>	<u>556,541</u>

26 Deferred taxation (continued)

	<i>As at 31 December 2024</i>		
	<i>Before tax</i>	<i>Tax benefit</i>	<i>Net of tax</i>
Financial assets at fair value through other comprehensive income			
- Net changes in fair value	1,339,888	(288,384)	1,051,504
- Reclassified to profit or loss	(939,264)	200,455	(738,809)
Share of other comprehensive income of associates and joint ventures	22,643	-	22,643
Exchange differences on translation of financial statements in foreign currencies	92,333	-	92,333
Equity investment at fair value through other comprehensive income			
- Net changes in fair value	1,136,999	(284,250)	852,749
Share of other comprehensive income of associates and joint ventures	(8,014)	-	(8,014)
Total	<u>1,644,585</u>	<u>(372,179)</u>	<u>1,272,406</u>

(4) *Deferred tax assets not recognized*

As at 30 June 2025 and 31 December 2024, in accordance with the accounting policy, the Group has not recognized deferred tax assets in respect of cumulative tax losses with timing difference amounting to RMB 4,286,213 thousand and RMB 3,933,030 thousand respectively, mainly as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity.

27 Other non-current assets

(1) Analysed by nature:

	As at 30 June 2025	As at 31 December 2024
Inventory (a)	473,986	473,986
Long-term deferred expenses	131,946	147,469
Goodwill (b)	19,654	19,654
Less: Provision for impairment losses (a)	(231,186)	(224,183)
Total	<u>394,400</u>	<u>416,926</u>

(a) As at 30 June 2025, a Company's subsidiary has filed a litigation for some inventory contracts. The Company evaluated possible outcomes for the recoverable amount of the inventory, and accordingly recognized impairment loss.

(b) The goodwill is valued once a year. The recoverable amount is determined by the higher of asset's fair value (excluding disposal expenses) and present value.

(2) The movements of long-term deferred expenses are as below:

	As at 30 June 2025	As at 31 December 2024
At the beginning of the period/year	147,469	131,959
Additions	1,413	19,730
Transfer in from property and equipment	10,352	54,426
Amortization	(26,951)	(58,189)
Transfer out	(337)	(457)
At the end of the period/year	<u>131,946</u>	<u>147,469</u>

28 Accounts receivable

(1) Analysed by nature:

	As at 30 June 2025	As at 31 December 2024
Accounts receivable of:		
- Settlement	1,132,389	4,416,261
- Asset management	515,489	560,512
- Fee and commission	380,974	315,584
- Others	922,183	1,119,309
Less: Provision for impairment losses	(401,463)	(406,155)
Total	<u>2,549,572</u>	<u>6,005,511</u>

(2) Analysed by ageing:

As at 30 June 2025 and 31 December 2024, the ageing analysis of accounts receivable, based on the trade date, is as follows:

	As at 30 June 2025	As at 31 December 2024
Within 1 year	1,473,171	4,666,102
1 to 2 years	195,974	1,093,009
2 to 3 years	701,462	17,536
Over 3 years	178,965	228,864
Total	<u>2,549,572</u>	<u>6,005,511</u>

For trade receivables result from transactions that are within the scope of IFRS 15, the Group applies the simplified approach for the recognition of expected credit losses. The Group applies the general approach for the recognition of expected credit losses of other receivables. As at 30 June 2025, some of the receivables from asset management business and others are classified into stage 3 (as at 31 December 2024: Same).

(3) Accounts receivable that is not impaired

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

29 Other receivables and prepayments

Analysed by nature:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Inventory	258,998	591,935
Overdue and impaired receivables	234,028	231,707
Current tax assets	129,174	167,907
Prepayments (a)	91,547	61,872
Deposits	99,135	101,812
VAT due from asset management plans	76,087	87,546
Dividends receivables	91,361	1,445
Interest receivables	3,292	343
Others (a)	484,072	511,138
Less: Provision for impairment losses	(342,645)	(371,015)
Total	<u>1,125,049</u>	<u>1,384,690</u>

- (a) The balance of prepayments and others mainly represents receivables from sundry receivables and prepayments arising from the Group's daily business operation.

30 Margin accounts receivable

(1) Analysed by nature:

	As at 30 June 2025	As at 31 December 2024
Individuals	66,453,909	67,148,743
Institutions	7,834,778	8,099,582
Less: Provision for impairment losses	(393,152)	(404,108)
Total	<u>73,895,535</u>	<u>74,844,217</u>

(2) The fair value of collaterals for margin financing and securities lending business is analysed as the followings:

	As at 30 June 2025	As at 31 December 2024
Fair value of collaterals:		
- Stocks	223,596,834	210,219,191
- Cash	9,991,117	10,506,479
- Funds	4,610,017	4,887,214
- Bonds	128,220	175,123
Total	<u>238,326,188</u>	<u>225,788,007</u>

31 Derivative financial instruments

	<i>As at 30 June 2025</i>		
	<i>Nominal value</i>	<i>Fair value</i>	
		<i>Assets</i>	<i>Liabilities</i>
Equity derivatives	155,407,234	4,001,387	(5,526,445)
Interest rate derivatives	425,851,357	89,789	(80,964)
Commodity derivatives	118,622,960	308,919	(304,352)
Credit derivatives	250,000	1,226	(1,582)
Currency derivatives	333,126	2,475	(262)
Total	<u>700,464,677</u>	<u>4,403,796</u>	<u>(5,913,605)</u>

	<i>As at 31 December 2024</i>		
	<i>Nominal value</i>	<i>Fair value</i>	
		<i>Assets</i>	<i>Liabilities</i>
Equity derivatives	128,837,456	5,976,609	(4,284,266)
Interest rate derivatives	413,920,814	2,758,551	(2,784,670)
Commodity derivatives	35,881,824	153,042	(464,517)
Credit derivatives	2,730,000	2,092	(2,959)
Currency derivatives	203,434	5,595	(9,835)
Total	<u>581,573,528</u>	<u>8,895,889</u>	<u>(7,546,247)</u>

Under the daily mark-to-market and settlement arrangement, clearing settlement funds included the changes in fair value of treasury bond futures, stock index futures, precious metal futures and other commodity futures etc held by the Group, and were not reflected in the above derivative financial instruments. As at 30 June 2025, the fair value of those unexpired derivative financial instrument contracts was unrealized gain RMB 114,409 thousand (31 December 2024: unrealized loss RMB 667,819 thousand).

32 Clearing settlement funds

Current

	As at 30 June 2025	As at 31 December 2024
Deposits with stock exchanges		
- China Securities Depository and Clearing Corporation Limited	7,409,955	4,490,696
- Shanghai Gold Exchange	27,826	26,853
- Other institutions	3,312,474	6,311,661
	<u>10,750,255</u>	<u>10,829,210</u>
Total	<u>10,750,255</u>	<u>10,829,210</u>

33 Cash held on behalf of brokerage clients

The Group maintains segregated deposit accounts with banks and authorized institutions to hold clients' monies arising from its normal course of business. The Group has classified the brokerage clients' monies as cash held on behalf of brokerage clients under the current assets section of the consolidated statement of financial position, and recognized the corresponding accounts payable to the respective brokerage clients on the grounds that they are liable for any loss or misappropriation of their brokerage clients' monies. In Mainland China, the use of cash held on behalf of brokerage clients is restricted and governed by the relevant third-party deposit regulations issued by the CSRC. In Hong Kong, the use of cash held on behalf of brokerage clients is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

34 Cash and bank balances

Analysed by nature:

	As at 30 June 2025	As at 31 December 2024
Cash on hand	69	69
Bank balances (1)	35,705,253	33,871,887
Less: Provision for impairment losses	(1,257)	(1,699)
	<u>35,704,065</u>	<u>33,870,257</u>
Total	<u>35,704,065</u>	<u>33,870,257</u>

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

35 Cash and cash equivalents

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Cash on hand	69	69
Bank balances	35,570,244	33,608,874
Clearing settlement funds	10,745,546	10,814,251
Financial assets held under resale agreements with original maturity of less than three months	12,385,859	12,037,842
Less: restricted bank deposits	<u>(4,841,812)</u>	<u>(5,084,487)</u>
Total	<u>53,859,906</u>	<u>51,376,549</u>

The restricted bank deposits include risk reserve deposits and etc. The restricted bank deposits include bank deposits with original maturity of more than three months held by the Group and risk reserve deposits.

36 Loans and borrowings

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Unsecured bank loans	<u>1,521,645</u>	<u>672,001</u>
Total	<u>1,521,645</u>	<u>672,001</u>

37 Short-term debt instruments issued

	<i>Book value as at 1 January 2025</i>	<i>Issuance</i>	<i>Redemption</i>	<i>Book value as at 30 June 2025</i>
Short-term corporate bonds	22,653,051	198,090	(7,465,121)	15,386,020
Structured notes	26,404,623	33,538,226	(36,281,521)	23,661,328
Financing notes	-	322,631	-	322,631
Total	49,057,674	34,058,947	(43,746,642)	39,369,979

	<i>Book value as at 1 January 2024</i>	<i>Issuance</i>	<i>Redemption</i>	<i>Book value as at 31 December 2024</i>
Short-term corporate bonds	12,008,354	22,892,256	(12,247,559)	22,653,051
Structured notes	15,649,373	89,361,145	(78,605,895)	26,404,623
Financing notes	398,234	-	(398,234)	-
Total	28,055,961	112,253,401	(91,251,688)	49,057,674

As at 30 June 2025 and 31 December 2024, there was no default in the principal, interest or redemption of the above short-term debt instruments.

During the six months ended 30 June 2025, the Group has issued 1,483 tranches of structured notes, and repaid 1,296 tranches of structured notes due within one year during the period. As at 30 June 2025, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 0.05% - 2.40%.

During the six months ended 30 June 2024, the Group has issued 1,684 tranches of structured notes, and repaid 1,112 tranches of structured notes due within one year during the period. As at 31 December 2024, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 0.05% - 6.80%.

38 Placements from other financial institutions

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Placements from banks	3,790,137	2,500,000
Other placements from other financial institutions	217,401	818,823
	<hr/>	<hr/>
Total	<u>4,007,538</u>	<u>3,318,823</u>

39 Accounts payable to brokerage clients

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Clients' deposits for other brokerage trading	110,152,454	111,455,781
Clients' deposits for margin financing and securities lending	11,667,880	11,034,177
Interest payable	2,772	6,225
	<hr/>	<hr/>
Total	<u>121,823,106</u>	<u>122,496,183</u>

Accounts payable to brokerage clients represent the monies received from and repayable to brokerage clients, which are mainly held at banks and at clearing houses by the Group. Accounts payable to brokerage clients are interest-bearing at the prevailing interest rate.

The majority of the accounts payable balances are repayable on demand except where certain accounts payable to brokerage clients represent monies received from clients for their margin financing activities under normal course of business, such as margin financing and securities lending. Only the excess amounts over the required margin deposits and cash collateral stipulated are repayable on demand.

No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of these businesses.

40 Employee benefits payable

	<i>As at 1 January 2025</i>	<i>Accrued for the period</i>	<i>Payments made</i>	<i>As at 30 June 2025</i>
Salaries, bonuses and allowance	5,684,859	3,007,555	(1,984,714)	6,707,700
Contribution to pension schemes	5,967	262,947	(262,703)	6,211
Other social welfare	202,229	740,781	(754,854)	188,156
Total	<u>5,893,055</u>	<u>4,011,283</u>	<u>(3,002,271)</u>	<u>6,902,067</u>

	<i>As at 1 January 2024</i>	<i>Accrued for the year</i>	<i>Payments made</i>	<i>As at 31 December 2024</i>
Salaries, bonuses and allowance	5,317,260	5,665,240	(5,297,641)	5,684,859
Contribution to pension schemes	5,833	513,143	(513,009)	5,967
Other social welfare	436,339	1,539,785	(1,773,895)	202,229
Total	<u>5,759,432</u>	<u>7,718,168</u>	<u>(7,584,545)</u>	<u>5,893,055</u>

41 Other payables and accruals

	As at 30 June 2025	As at 31 December 2024
Performance deposit	29,843,489	29,024,250
Payables to interest holders of consolidated structured entities	25,904,782	25,390,365
Dividend payables	2,102,358	137,855
Settlement payables	1,548,961	3,679,415
Risk reserve for futures brokerage business	352,791	342,624
Trade payables	278,269	495,629
Accrued expenses	276,762	82,179
Payables on behalf of staff and customer payments	157,439	172,505
Tax payables	123,606	127,626
Borrowings arising from futures pledge business	117,265	275,868
Fee and commission payable	98,749	51,802
Payables to the securities and futures investor protection fund	50,696	46,217
Distribution expenses payables	47,426	48,712
Interest payables	27,636	9,128
Interest and dividend received on behalf of brokerage clients	25,411	24,470
Account executive commission payables	3,992	4,004
Proceeds from underwriting securities received on behalf of customers	-	129,821
Others (1)	466,980	234,495
Total	<u>61,426,612</u>	<u>60,276,965</u>

- (1) The balance of others mainly represents sundry payables arising from the Group's daily business operation.

42 Financial assets sold under repurchase agreements

(1) Analysed by collateral type:

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Debt securities	145,850,996	142,844,401
Precious metal	15,638,008	12,881,093
Others	29,552,528	30,280,140
Total	<u>191,041,532</u>	<u>186,005,634</u>

(2) Analysed by market:

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Inter-bank market	107,983,338	106,394,579
Stock exchanges	63,783,754	60,435,456
OTC market	18,461,130	15,238,735
Futures exchanges	813,310	3,936,864
Total	<u>191,041,532</u>	<u>186,005,634</u>

43 Lease liabilities

Non-current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Lease liabilities	468,285	546,832

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Lease liabilities	299,766	329,477

44 Financial liabilities at fair value through profit or loss

Current

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Financial liabilities held for trading		
- Debt securities	6,873,517	12,557,389
Financial liabilities designated at fair value through profit or loss		
- Structured notes	2,659,010	1,853,124
- Others	38,225	43,008
Total	9,570,752	14,453,521

45 Long-term bonds

As at 30 June 2025

Name	Par value Original currency RMB'000	Value date	Due date	Issue amount Original currency RMB'000	Nominal interest rate
21ShenHong02	500,000	08/03/2021	08/03/2028	500,000	3.95%
21ShenHong04	3,000,000	15/07/2021	15/07/2028	3,000,000	3.65%
21ShenHong06	2,500,000	04/08/2021	04/08/2026	2,500,000	3.38%
21ShenZheng02	2,000,000	29/04/2021	29/04/2031	2,000,000	4.05%
21ShenZheng03	2,600,000	24/05/2021	24/05/2026	2,600,000	3.63%
21ShenZheng05	2,500,000	28/05/2021	28/05/2031	2,500,000	4.00%
21ShenZheng07	3,000,000	21/07/2021	21/07/2031	3,000,000	3.77%
21ShenZheng09	4,200,000	28/07/2021	28/07/2026	4,200,000	3.38%
21ShenZheng11	3,000,000	26/08/2021	26/08/2031	3,000,000	3.75%
21ShenZheng13	1,000,000	09/09/2021	09/09/2026	1,000,000	3.40%
22ShenHong01	1,800,000	08/03/2022	08/03/2025	1,800,000	3.11%
22ShenHong02	1,200,000	08/03/2022	08/03/2027	1,200,000	3.50%
22ShenHong03	3,000,000	26/04/2022	26/04/2025	3,000,000	3.06%
22ShenHong04	1,000,000	26/04/2022	26/04/2027	1,000,000	3.45%
22ShenHong06	2,550,000	30/08/2022	30/08/2032	2,550,000	3.56%
22ShenZheng01	5,000,000	21/01/2022	21/01/2025	5,000,000	2.80%
22ShenZheng02	2,400,000	21/01/2022	21/01/2032	2,400,000	3.60%
22ShenZheng03	2,200,000	23/02/2022	23/02/2025	2,200,000	2.95%
22ShenZheng05	3,500,000	24/03/2022	24/03/2025	3,500,000	3.18%
22ShenZheng06	2,100,000	24/03/2022	24/03/2027	2,100,000	3.53%
22ShenZheng07	1,800,000	23/05/2022	23/05/2025	1,800,000	2.78%
22ShenZheng08	2,200,000	23/05/2022	23/05/2027	2,200,000	3.20%
22ShenZhengC1	3,000,000	27/04/2022	27/04/2025	3,000,000	3.19%
23ShenHong02	5,000,000	14/06/2023	14/06/2033	5,000,000	3.49%
23ShenHong04	800,000	05/09/2023	05/09/2026	800,000	2.85%
23ShenZheng01	800,000	14/04/2023	14/04/2025	800,000	2.85%
23ShenZheng02	2,000,000	14/04/2023	14/04/2026	2,000,000	2.99%
23ShenZheng03	2,200,000	17/08/2023	17/08/2025	2,200,000	2.50%
23ShenZheng04	1,800,000	17/08/2023	17/08/2026	1,800,000	2.67%
23ShenZheng05	500,000	30/08/2023	30/08/2025	500,000	2.56%
23ShenZheng06	1,500,000	30/08/2023	30/08/2028	1,500,000	2.95%
23ShenZheng07	2,800,000	21/09/2023	21/09/2025	2,800,000	2.80%
23ShenZheng08	2,100,000	21/09/2023	21/09/2028	2,100,000	3.14%
23ShenZhengC1	1,400,000	06/03/2023	06/03/2025	1,400,000	3.35%
23ShenZhengC2	1,300,000	06/03/2023	06/03/2026	1,300,000	3.55%
23ShenZhengC3	2,300,000	27/03/2023	27/03/2026	2,300,000	3.38%
23ShenZhengC4	1,600,000	08/12/2023	08/12/2028	1,600,000	3.35%
24ShenHong02	2,450,000	13/03/2024	13/03/2029	2,450,000	2.71%
24ShenHong03	1,600,000	02/12/2024	02/12/2026	1,600,000	2.06%
24ShenZheng01	1,000,000	26/02/2024	26/02/2027	1,000,000	2.52%
24ShenZheng02	1,500,000	26/02/2024	26/02/2029	1,500,000	2.66%
24ShenZheng03	2,700,000	28/10/2024	28/10/2026	2,700,000	2.20%

45 Long-term bonds (continued)

Name	Par value Original currency RMB'000	Value date	Due date	Issue amount Original currency RMB'000	Nominal interest rate
24ShenZheng04	2,100,000	28/10/2024	28/10/2027	2,100,000	2.28%
24ShenZhengC1	1,000,000	27/11/2024	27/11/2027	1,000,000	2.19%
24ShenZhengC2	1,500,000	27/11/2024	27/11/2029	1,500,000	2.30%
25ShenZheng01	2,800,000	13/03/2025	13/03/2027	2,800,000	2.18%
25ShenZheng03	2,400,000	27/03/2025	27/03/2027	2,400,000	1.99%
25ShenZheng04	1,800,000	27/03/2025	27/03/2028	1,800,000	2.01%
25ShenZhengK1	1,000,000	13/05/2025	13/05/2028	1,000,000	1.69%
25ShenHong01	1,200,000	24/03/2025	24/03/2027	1,200,000	2.07%
25ShenHong02	600,000	24/03/2025	24/03/2028	600,000	2.10%
25ShenHong04	3,000,000	20/06/2025	20/06/2030	3,000,000	1.93%
21 Shenwan Hongyuan International Finance Limited US dollar Bond(1)	USD 500,000	14/07/2021	14/07/2026	USD 500,000	1.80%
22 Shenwan Hongyuan International Finance Limited US dollar bond(2)	USD 300,000	16/03/2022	16/03/2025	USD 300,000	2.63%
25 Shenwan Hongyuan International Finance Limited US dollar bond(3)	USD 300,000	10/03/2025	10/03/2030	USD 300,000	Compound SOFR + 0.63%
Structured Notes(4)	10,511,596	Note 4	Note 4	10,511,596	2.70%-3.15%

45 Long-term bonds (continued)

<i>Name</i>	<i>Book value as at 1 January 2025</i>	<i>Increase</i>	<i>Amount of amortization</i>	<i>Decrease</i>	<i>Book value as at 30 June 2025</i>
21ShenHong02	500,000	-	-	-	500,000
21ShenHong04	3,000,000	-	-	-	3,000,000
21ShenHong06	2,500,000	-	-	-	2,500,000
21ShenZheng02	1,996,968	-	236	-	1,997,204
21ShenZheng03	2,598,295	-	598	-	2,598,893
21ShenZheng05	2,496,162	-	296	-	2,496,458
21ShenZheng07	2,994,810	-	392	-	2,995,202
21ShenZheng09	4,195,613	-	1,386	-	4,196,999
21ShenZheng11	2,992,599	-	552	-	2,993,151
21ShenZheng13	999,090	-	268	-	999,358
22ShenHong01	1,800,000	-	-	(1,800,000)	-
22ShenHong02	1,200,000	-	-	-	1,200,000
22ShenHong03	3,000,000	-	-	(3,000,000)	-
22ShenHong04	1,000,000	-	-	-	1,000,000
22ShenHong06	2,550,000	-	-	-	2,550,000
22ShenZheng01	4,999,781	-	219	(5,000,000)	-
22ShenZheng02	2,395,943	-	285	-	2,396,228
22ShenZheng03	2,199,541	-	459	(2,200,000)	-
22ShenZheng05	3,499,012	-	988	(3,500,000)	-
22ShenZheng06	2,097,128	-	678	-	2,097,806
22ShenZheng07	1,799,183	-	817	(1,800,000)	-
22ShenZheng08	2,196,750	-	696	-	2,197,446
22ShenZhengC1	2,998,288	-	1,712	(3,000,000)	-
23ShenHong02	4,997,547	-	124	-	4,997,671
23ShenHong04	800,000	-	-	-	800,000
23ShenZheng01	799,711	-	289	(800,000)	-
23ShenZheng02	1,997,989	-	802	-	1,998,791
23ShenZheng03	2,198,200	-	1,455	-	2,199,655
23ShenZheng04	1,797,542	-	783	-	1,798,325
23ShenZheng05	496,657	-	618	-	497,275
23ShenZheng06	1,497,698	-	709	-	1,498,407
23ShenZheng07	2,795,323	-	3,317	-	2,798,640
23ShenZheng08	2,093,142	-	948	-	2,094,090
23ShenZhengC1	1,399,682	-	318	(1,400,000)	-
23ShenZhengC2	1,298,746	-	532	-	1,299,278
23ShenZhengC3	2,297,287	-	1,163	-	2,298,450
23ShenZhengC4	1,594,538	-	670	-	1,595,208
24ShenHong02	2,450,000	-	-	-	2,450,000
24ShenHong03	1,600,000	-	-	-	1,600,000
24ShenZheng01	998,466	-	210	-	998,676
24ShenZheng02	1,496,139	-	438	-	1,496,577
24ShenZheng03	2,694,274	-	1,471	-	2,695,745
24ShenZheng04	2,095,376	-	754	-	2,096,130
24ShenZhengC1	997,262	-	451	-	997,713

45 Long-term bonds (continued)

<i>Name</i>	<i>Book value as at 1 January 2025</i>	<i>Increase</i>	<i>Amount of amortization</i>	<i>Decrease</i>	<i>Book value as at 30 June 2025</i>
24ShenZhengC2	1,493,747	-	600	-	1,494,347
25ShenZheng01	-	2,793,246	-	-	2,793,246
25ShenZheng03	-	2,394,084	-	-	2,394,084
25ShenZheng04	-	1,795,340	-	-	1,795,340
25ShenZhengK1	-	997,293	-	-	997,293
25ShenHong01	-	1,199,410	-	-	1,199,410
25ShenHong02	-	599,690	-	-	599,690
25ShenHong04	-	2,998,198	-	-	2,998,198
21 Shenwan Hongyuan International Finance Limited US dollar Bond(1)	3,587,681	-	-	(13,096)	3,574,585
22 Shenwan Hongyuan International Finance Limited US dollar bond(2)	2,156,346	-	-	(2,156,346)	-
25 Shenwan Hongyuan International Finance Limited US dollar bond(3)	-	2,143,937	-	-	2,143,937
Structured Notes(4)	9,556,505	2,681,057	-	(3,337,048)	8,900,514
Interest payables	1,949,479	1,624,431	-	(2,016,514)	1,557,396
Total	113,148,500	19,226,686	25,234	(30,023,004)	102,377,416

45 Long-term bonds (continued)

As at 31 December 2024

Name	Par value Original currency RMB'000	Value date	Due date	Issue amount Original currency RMB'000	Nominal interest rate
17ShenZheng02	500,000	17/02/2017	17/02/2024	500,000	4.50%
21ShenHong01	1,500,000	08/03/2021	08/03/2026	1,500,000	3.68%
21ShenHong02	500,000	08/03/2021	08/03/2028	500,000	3.95%
21ShenHong04	3,000,000	15/07/2021	15/07/2028	3,000,000	3.65%
21ShenHong05	500,000	04/08/2021	04/08/2024	500,000	2.99%
21ShenHong06	2,500,000	04/08/2021	04/08/2026	2,500,000	3.38%
21ShenZheng01	2,500,000	29/04/2021	29/04/2024	2,500,000	3.45%
21ShenZheng02	2,000,000	29/04/2021	29/04/2031	2,000,000	4.05%
21ShenZheng03	2,600,000	24/05/2021	24/05/2026	2,600,000	3.63%
21ShenZheng04	2,000,000	28/05/2021	28/05/2024	2,000,000	3.27%
21ShenZheng05	2,500,000	28/05/2021	28/05/2031	2,500,000	4.00%
21ShenZheng06	2,000,000	21/07/2021	21/07/2024	2,000,000	3.13%
21ShenZheng07	3,000,000	21/07/2021	21/07/2031	3,000,000	3.77%
21ShenZheng08	2,800,000	28/07/2021	28/07/2024	2,800,000	3.04%
21ShenZheng09	4,200,000	28/07/2021	28/07/2026	4,200,000	3.38%
21ShenZheng10	3,000,000	26/08/2021	26/08/2024	3,000,000	3.02%
21ShenZheng11	3,000,000	26/08/2021	26/08/2031	3,000,000	3.75%
21ShenZheng12	4,800,000	09/09/2021	09/09/2024	4,800,000	3.05%
21ShenZheng13	1,000,000	09/09/2021	09/09/2026	1,000,000	3.40%
21ShenZheng15	2,300,000	22/09/2021	22/09/2024	2,300,000	3.10%
21ShenZhengC1	3,000,000	21/01/2021	21/01/2024	3,000,000	3.93%
21ShenZhengC2	3,800,000	11/03/2021	11/03/2024	3,800,000	3.94%
21ShenZhengC4	1,200,000	27/12/2021	27/12/2024	1,200,000	3.20%
22ShenHong01	1,800,000	08/03/2022	08/03/2025	1,800,000	3.11%
22ShenHong02	1,200,000	08/03/2022	08/03/2027	1,200,000	3.50%
22ShenHong03	3,000,000	26/04/2022	26/04/2025	3,000,000	3.06%
22ShenHong04	1,000,000	26/04/2022	26/04/2027	1,000,000	3.45%
22ShenHong06	2,550,000	30/08/2022	30/08/2032	2,550,000	3.56%
22ShenZheng01	5,000,000	21/01/2022	21/01/2025	5,000,000	2.80%
22ShenZheng02	2,400,000	21/01/2022	21/01/2032	2,400,000	3.60%
22ShenZheng03	2,200,000	23/02/2022	23/02/2025	2,200,000	2.95%
22ShenZheng05	3,500,000	24/03/2022	24/03/2025	3,500,000	3.18%
22ShenZheng06	2,100,000	24/03/2022	24/03/2027	2,100,000	3.53%

45 Long-term bonds (continued)

Name	Par value Original currency RMB'000	Value date	Due date	Issue amount Original currency RMB'000	Nominal interest rate
22ShenZheng07	1,800,000	23/05/2022	23/05/2025	1,800,000	2.78%
22ShenZheng08	2,200,000	23/05/2022	23/05/2027	2,200,000	3.20%
22ShenZhengC1	3,000,000	27/04/2022	27/04/2025	3,000,000	3.19%
23ShenHong02	5,000,000	14/06/2023	14/06/2033	5,000,000	3.49%
23ShenHong03	1,600,000	05/09/2023	05/09/2024	1,600,000	2.49%
23ShenHong04	800,000	05/09/2023	05/09/2026	800,000	2.85%
23ShenZheng01	800,000	14/04/2023	14/04/2025	800,000	2.85%
23ShenZheng02	2,000,000	14/04/2023	14/04/2026	2,000,000	2.99%
23ShenZheng03	2,200,000	17/08/2023	17/08/2025	2,200,000	2.50%
23ShenZheng04	1,800,000	17/08/2023	17/08/2026	1,800,000	2.67%
23ShenZheng05	500,000	30/08/2023	30/08/2025	500,000	2.56%
23ShenZheng06	1,500,000	30/08/2023	30/08/2028	1,500,000	2.95%
23ShenZheng07	2,800,000	21/09/2023	21/09/2025	2,800,000	2.80%
23ShenZheng08	2,100,000	21/09/2023	21/09/2028	2,100,000	3.14%
23ShenZhengC1	1,400,000	06/03/2023	06/03/2025	1,400,000	3.35%
23ShenZhengC2	1,300,000	06/03/2023	06/03/2026	1,300,000	3.55%
23ShenZhengC3	2,300,000	27/03/2023	27/03/2026	2,300,000	3.38%
23ShenZhengC4	1,600,000	08/12/2023	08/12/2028	1,600,000	3.35%
24ShenHong02	2,450,000	13/03/2024	13/03/2029	2,450,000	2.71%
24ShenHong03	1,600,000	02/12/2024	02/12/2026	1,600,000	2.06%
24ShenZheng01	1,000,000	26/02/2024	26/02/2027	1,000,000	2.52%
24ShenZheng02	1,500,000	26/02/2024	26/02/2029	1,500,000	2.66%
24ShenZheng03	2,700,000	28/10/2024	28/10/2026	2,700,000	2.20%
24ShenZheng04	2,100,000	28/10/2024	28/10/2027	2,100,000	2.28%
24ShenZhengC1	1,000,000	27/11/2024	27/11/2027	1,000,000	2.19%
24ShenZhengC2	1,500,000	27/11/2024	27/11/2029	1,500,000	2.30%
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	USD 500,000	14/07/2021	14/07/2026	USD 500,000	1.80%
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	USD 300,000	16/03/2022	16/03/2025	USD 300,000	2.63%
Structured Notes (4)	9,736,973	Note 4	Note 4	9,736,973	2.70%-3.15%

45 Long-term bonds (continued)

<i>Name</i>	<i>Book value as at 1 January 2024</i>	<i>Increase</i>	<i>Amount of amortization</i>	<i>Decrease</i>	<i>Book value as at 31 December 2024</i>
17ShenZheng02	500,000	-	-	(500,000)	-
21ShenHong01	1,500,000	-	-	(1,500,000)	-
21ShenHong02	500,000	-	-	-	500,000
21ShenHong04	3,000,000	-	-	-	3,000,000
21ShenHong05	500,000	-	-	(500,000)	-
21ShenHong06	2,500,000	-	-	-	2,500,000
21ShenZheng01	2,499,308	-	-	(2,499,308)	-
21ShenZheng02	1,996,489	-	479	-	1,996,968
21ShenZheng03	2,597,087	-	1,208	-	2,598,295
21ShenZheng04	1,999,320	-	-	(1,999,320)	-
21ShenZheng05	2,495,563	-	599	-	2,496,162
21ShenZheng06	1,999,026	-	-	(1,999,026)	-
21ShenZheng07	2,994,015	-	795	-	2,994,810
21ShenZheng08	2,799,211	-	-	(2,799,211)	-
21ShenZheng09	4,192,810	-	2,803	-	4,195,613
21ShenZheng10	2,997,583	-	-	(2,997,583)	-
21ShenZheng11	2,991,483	-	1,116	-	2,992,599
21ShenZheng12	4,797,024	-	-	(4,797,024)	-
21ShenZheng13	998,550	-	540	-	999,090
21ShenZheng15	2,297,639	-	-	(2,297,639)	-
21ShenZhengC1	2,999,767	-	-	(2,999,767)	-
21ShenZhengC2	3,798,970	-	-	(3,798,970)	-
21ShenZhengC4	1,198,322	-	-	(1,198,322)	-
22ShenHong01	1,800,000	-	-	-	1,800,000
22ShenHong02	1,200,000	-	-	-	1,200,000
22ShenHong03	3,000,000	-	-	-	3,000,000
22ShenHong04	1,000,000	-	-	-	1,000,000
22ShenHong06	2,550,000	-	-	-	2,550,000
22ShenZheng01	4,995,779	-	4,002	-	4,999,781
22ShenZheng02	2,395,366	-	577	-	2,395,943
22ShenZheng03	2,197,445	-	2,096	-	2,199,541
22ShenZheng05	3,495,804	-	3,208	-	3,499,012
22ShenZheng06	2,096,013	-	1,115	-	2,097,128
22ShenZheng07	1,797,536	-	1,647	-	1,799,183
22ShenZheng08	2,195,580	-	1,170	-	2,196,750
22ShenZhengC1	2,994,248	-	4,040	-	2,998,288
23ShenHong02	4,997,301	-	246	-	4,997,547
23ShenHong03	1,600,000	-	-	(1,600,000)	-
23ShenHong04	800,000	-	-	-	800,000

45 Long-term bonds (continued)

Name	Book value as at 1 January 2024	Increase	Amount of amortization	Decrease	Book value as at 31 December 2024
23ShenZheng01	798,839	-	872	-	799,711
23ShenZheng02	1,996,561	-	1,428	-	1,997,989
23ShenZheng03	2,195,663	-	2,537	-	2,198,200
23ShenZheng04	1,796,177	-	1,365	-	1,797,542
23ShenZheng05	495,682	-	975	-	496,657
23ShenZheng06	1,496,582	-	1,116	-	1,497,698
23ShenZheng07	2,789,731	-	5,592	-	2,795,323
23ShenZheng08	2,091,546	-	1,596	-	2,093,142
23ShenZhengC1	1,398,029	-	1,653	-	1,399,682
23ShenZhengC2	1,297,741	-	1,005	-	1,298,746
23ShenZhengC3	2,295,418	-	1,869	-	2,297,287
23ShenZhengC4	1,593,290	-	1,248	-	1,594,538
24ShenHong02	-	2,450,000	-	-	2,450,000
24ShenHong03	-	1,600,000	-	-	1,600,000
24ShenZheng01	-	1,000,000	-	(1,534)	998,466
24ShenZheng02	-	1,500,000	-	(3,861)	1,496,139
24ShenZheng03	-	2,700,000	-	(5,726)	2,694,274
24ShenZheng04	-	2,100,000	-	(4,624)	2,095,376
24ShenZhengC1	-	1,000,000	-	(2,738)	997,262
24ShenZhengC2	-	1,500,000	-	(6,253)	1,493,747
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	3,529,084	58,597	-	-	3,587,681
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	2,120,444	35,902	-	-	2,156,346
Structured Notes (4)	15,750,996	3,417,243	-	(9,611,734)	9,556,505
Interest payables	2,315,883	3,795,619	-	(4,162,023)	1,949,479
Total	137,228,905	21,157,361	46,897	(45,284,663)	113,148,500

	As at 30 June 2025	As at 31 December 2024
Long-term bonds due within one year	18,801,330	35,896,278
Long-term bonds due after one year	83,576,086	77,252,222
Total	102,377,416	113,148,500

45 Long-term bonds (continued)

As approved by the Board and related regulatory authorities, the Group has issued the following bonds:

- (1) Shenwan Hongyuan International Finance Limited issued a five-year US \$500 million corporate bond on 14 July 2021, with a fixed interest rate and a coupon rate of 1.80%. The simple interest is calculated annually and paid every six months and is guaranteed unconditionally and irrevocably by Shenwan Hongyuan Securities Co., Ltd..
- (2) Shenwan Hongyuan International Finance Limited issued a three-year corporate bond worth 300 million US dollars on 16 March 2022, with a fixed interest rate and a coupon rate of 2.63%. Simple interest is calculated annually and paid every six months and is guaranteed unconditionally and irrevocably by Shenwan Hongyuan Securities Co., Ltd.. The bond was matured and redeemed on 16 March 2025.
- (3) Shenwan Hongyuan International Finance Limited issued a three-year corporate bond worth 300 million US dollars on 10 March 2025, with a fixed interest rate and a coupon rate of Compound SOFR+0.63%. The simple interest is calculated annually and paid quarterly, with joint liability guarantee provided by Shenwan Hongyuan Securities Co., Ltd..
- (4) During the six months ended 30 June 2025, the Group has issued 130 tranches of structured notes due over one year (During the six months ended 30 June 2024: 96 tranches). As at 30 June 2025, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 0.03% to 2.35% (As at 31 December 2024: 0.10% to 8.10%).

46 Share capital

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

	<i>As at 30 June 2025 & 31 December 2024</i>	
	<i>Number of shares (Thousands)</i>	<i>Nominal value</i>
Registered, issued and fully paid:		
A shares of RMB1 each	22,535,945	22,535,945
H shares of RMB1 each	2,504,000	2,504,000
Total	<u>25,039,945</u>	<u>25,039,945</u>

As at 30 June 2025 and 31 December 2024, the number of non-tradable restricted A shares of the Company was 437,244 and 437,244 respectively.

47 Reserves

(1) Capital reserve

Capital reserve mainly includes share premium arising from the issuance of new shares at prices in excess of face value and the difference between the considerations of acquisition of equity interests from non-controlling shareholders and the carrying amount of the proportionate net assets.

(2) Surplus reserve

Pursuant to the Company Law of the PRC, the Company is required to appropriate certain percentage of its net profit to the statutory surplus reserve until the balance reaches 50% of its registered capital.

Subject to the approval of the shareholders, the statutory 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 capitalization is not less than 25% of the registered capital immediately before the capitalization.

(3) General reserve

General reserve includes general risk reserve and transaction risk reserve.

In accordance with the requirements of the CSRC Circular regarding the Annual Reporting of Securities Companies in 2007 (Zhengjian Jigou Zi [2007] No. 320) issued on 18 December 2007, the Company appropriates certain percentage of its annual net profit to the general risk reserve.

In accordance with the requirements of the CSRC Circular regarding the Annual Reporting of Securities Companies in 2007 (Zhengjian Jigou Zi [2007] No. 320) issued on 18 December 2007 and in compliance with the Securities Law, for the purpose of covering securities trading losses, the Company appropriates certain percentage from its annual net profit to the transaction risk reserve.

The Company's subsidiaries appropriate their profits to the general reserve according to the applicable local regulations.

(4) Fair value reserve

The fair value reserve comprises:

- the cumulative net changes in the fair value of equity securities designated at FVOCI; and
- the cumulative net changes in fair values of debt securities at FVOCI until the assets are derecognized or impaired. This amount is reduced by the amount of loss allowance.

(5) Translation reserve

The translation reserve mainly comprises foreign currency differences arising from the translation of the financial statements of foreign currencies.

48 Retained profits

As at 30 June 2025 and 31 December 2024, the consolidated retained profits attributable to the Company included an appropriation of RMB 5,886 million and RMB 5,886 million to surplus reserve made by the subsidiaries respectively, and RMB 2,185 million and RMB 2,185 million enjoyed by shareholders arising from the merger of Hongyuan Securities under common control.

Pursuant to the resolution of the general meeting of the shareholders dated 20 June 2025, the Company was approved to distribute cash dividends of RMB 0.46 (tax inclusive) per 10 shares to shareholders based on the total outstanding shares of 25,039,945 thousand shares, with total dividends amounting to RMB 1,151,837 thousand.

49 Transferred financial assets

In the ordinary course of business, the Group transfers recognized financial assets to third parties or clients during some transactions, but retains the risks and rewards of the transferred financial assets. Therefore, the Group does not derecognize such financial assets in the balance sheet.

The Group receives payments for the transfer of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income to counterparties and has signed agreements to repurchase such assets. According to the agreements, the counterparties have the right to receive contractual cash flows during the term of the agreements and use such securities again as collateral, and is obliged to return such securities to the Group on the due date specified in the agreements. The Group believes that the risks and rewards of such financial assets are not transferred and therefore it does not derecognize such financial assets in the balance sheet.

The Group receives payments for the transfer of the income right of margin financing and securities lending to counterparties and has signed agreements to repurchase such assets. According to the repurchase agreements, the income right transferred to the counterparties by the Group includes any other income that the Group may obtain under the contract of margin financing and securities lending, and the counterparties shall return the income right to the Group after the end of the repurchase period. The Group believes that the risks and rewards of such financial assets are not transferred and therefore it does not derecognize such financial assets in the balance sheet.

	<u>As at 30 June 2025</u>		<u>As at 31 December 2024</u>	
	<i>Carrying amount of transferred assets</i>	<i>Carrying amount of related liabilities</i>	<i>Carrying amount of transferred assets</i>	<i>Carrying amount of related liabilities</i>
Repurchase agreements	4,438,386	3,845,055	760,793	702,449
Securities lending	430,165	-	204,887	-

50 Interests in structured entities

(1) *Interests in structured entities consolidated by the Group*

The Group has consolidated certain structured entities, mainly asset management products. For those structured entities where the Group is involved as manager or as investor, the Group assesses the controlling power according to its accounting policies.

As at 30 June 2025, the net assets of the consolidated asset management products are RMB 81,029,636 thousand.

Interests held by other investors in these consolidated structured entities were classified as net investment gains or interest expenses of the consolidated statement of profit or loss, financial liabilities at fair value through profit or loss, other payables and accruals or other non-current liabilities of the consolidated statement of financial position.

As at 30 June 2025 and 31 December 2024, the Group reassessed the control of structured entities and decided whether the Group is still a principal.

(2) *Structured entities sponsored by third party institutions which the Group does not consolidate but holds an interest in*

The carrying amount of the related accounts in the consolidated statement of financial position is equal to the maximum exposure to loss of interests held by the Group in the unconsolidated structured entities sponsored by third party institutions as at 30 June 2025 and 31 December 2024, which are listed as below:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Financial assets at fair value through profit or loss	50,954,152	49,994,035
Financial assets measured at amortized cost	2,653,711	1,699,308
Financial assets at fair value through other comprehensive income	1,233,833	132,504
	<hr/>	<hr/>
Total	54,841,696	51,825,847
	<hr/>	<hr/>

50 Interests in structured entities (continued)

(3) Structured entities sponsored by the Group which the Group does not consolidate

The types of structured entities sponsored by the Group which the Group does not consolidate but in which it holds an interest include funds and asset management products.

The carrying amount of the related accounts in the consolidated statement of financial position is equal to the maximum exposure to loss of interests held by the Group in the unconsolidated structured entities sponsored by the Group as at 30 June 2025 and 31 December 2024, which are listed as below:

	<i>As at 30 June 2025</i>		
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial Assets measured at amortized cost</i>	<i>Total</i>
Funds	2,311,003	-	2,311,003
Asset management products and others	1,929,176	144,884	2,074,060
Total	4,240,179	144,884	4,385,063

	<i>As at 31 December 2024</i>		
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial Assets measured at amortized cost</i>	<i>Total</i>
Funds	2,675,072	-	2,675,072
Asset management products and others	2,525,919	34,531	2,560,450
Total	5,200,991	34,531	5,235,522

For the six months ended 30 June 2025 and 2024, the Group recognized net income from asset management business of RMB 330,906 thousand and RMB 404,901 thousand, respectively.

51 Contingencies

As at 30 June 2025, the Group was not involved in any material lawsuits, arbitration or administrative proceedings that if adversely determined, the Group expects would materially and adversely affect its financial position or results of operations.

52 Related party relationships and transactions

(1) Relationship of related parties

(a) Major shareholders

Major shareholders include shareholders of the Company with 5% or above ownership. Share percentage in the Company:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
China Jianyin Investment Ltd.	26.34%	26.34%
Central Huijin Investment Ltd.	20.05%	20.05%

(b) Associates and joint ventures of the Group

The detailed information of the Group's associates and joint ventures is set out in Note 20.

(c) Other related parties

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

(2) Related parties transactions and balances

(a) Transactions between the Group and major shareholders:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
Period/Year end:		
Financial assets at fair value through other comprehensive income	680,227	-
Financial assets at fair value through profit or loss	40,876	694,275
Accounts payable to brokerage clients	-	9,946

52 Related party relationships and transactions (continued)

	<u>Six months ended 30 June</u>	
	2025	2024
Transactions during the period:		
Interest income	5,524	14,490
Fee and commission income	179	10,961
Net investment (losses) / gains	(7,314)	623
(b) Transactions between the Group with associates, joint ventures and other related parties:		
	<u>As at</u> <u>30 June</u> <u>2025</u>	<u>As at</u> <u>31 December</u> <u>2024</u>
Balances at the end of the period/year:		
Financial assets sold under repurchase agreements	64,594,257	39,469,525
Cash and bank balances	79,400,422	64,951,840
Financial assets at fair value through profit or loss	13,558,702	7,086,017
Financial assets at fair value through other comprehensive income	11,261,209	18,083,187
Placements from other financial institutions	200,000	1,200,000
Financial liabilities at fair value through profit or loss	197,189	1,148,253
Loans and borrowings	516,589	80,298
Derivative financial liabilities	201,435	383,105
Right-of-use assets	71,935	71,789
Lease liabilities	60,985	63,303
Derivative financial assets	204,922	220,491
Accounts payable to brokerage clients	21,738	206,740
Accounts receivable	55,056	57,050
Other payables and accruals	9,434	3,862

52 Related party relationships and transactions (continued)

	<u>Six months ended 30 June</u>	
	2025	2024
Transactions during the period:		
Interest income	800,666	593,526
Net investment gains	440,472	606,819
Fee and commission income	74,517	81,342
Interest expenses	119,010	95,491
Fee and commission expenses	48,237	39,478
Depreciation and amortization expense	11,785	11,516
Other income and gains	6,032	6,017
Other operating expenses	3,666	3,028

For the six months ended 30 June 2025 and 30 June 2024, the Group has not injected capital into associates and joint ventures.

For the six months ended 30 June 2025 and 30 June 2024, dividend received from associates and joint ventures are RMB 353,585 thousand and RMB 313,172 thousand, respectively.

(3) Key management personnel remuneration

For the six months ended 30 June 2025, the Company accrued and disbursed a total pre-tax remuneration of RMB 4,962 thousand for directors, supervisors, and senior management personnel during the period. The final remuneration for directors, supervisors, and senior management personnel who received compensation from the Company is still under confirmation. The remaining details will be disclosed once the confirmation process is completed.

Total remuneration is included in “staff costs” (see Note 11).

53 Segment reporting

Management manages the business operations by the following segments in accordance with the nature of the operations and the services provided:

- Enterprise finance segment includes investment banking and principal investment services to the corporate clients: investment banking business primarily includes equity underwriting and sponsorship, debt underwriting and financial advisory services; principal investment business primarily includes the Group's equity investment in unlisted companies and debt investment primarily through various financial instruments;
- Personal finance segment primarily includes securities and futures brokerage, margin financing and securities lending, stock-backed lending, sales of financial products and investment advisory provided to individuals and non-professional institutional investors;
- Institutional services and trading segment primarily includes prime brokerage and research services for professional institutional clients, as well as equity and Fixed Income Currencies and Commodities (FICC) proprietary trading to provide sales, market-making, hedging and over-the counter derivatives services to institutional clients;
- Investment management segment primarily includes asset management, mutual fund management, private equity fund management services to clients.

53 Segment reporting (continued)

Business segments

For the six months ended 30 June 2025

	<i>Enterprise finance</i>		<i>Personal finance</i>	<i>Institutional services and trading</i>	<i>Investment management</i>	<i>Segment total</i>
	<i>Investment banking</i>	<i>Principal investment</i>				
Fee and commission income	650,695	4,518	2,941,893	722,013	359,458	4,678,577
Interest income	11,843	211,797	2,708,705	1,318,400	115,214	4,365,959
Net investment gains	259,491	759,644	45,251	5,995,355	236,941	7,296,682
Other income and gains	917	86,864	56,527	4,033	12,077	160,418
Total revenue and other income	922,946	1,062,823	5,752,376	8,039,801	723,690	16,501,636
Segment expenses	593,468	979,945	4,208,230	4,588,765	529,621	10,900,029
Including: Interest expenses	12,058	544,914	731,454	2,770,414	108,352	4,167,192
Net (reversal of) / provision for impairment loss	(729)	193,556	(13,448)	(16,123)	(2,196)	161,060
Share of profit of associates and joint ventures	-	383,822	-	-	-	383,822
Profit before income tax	329,478	466,700	1,544,146	3,451,036	194,069	5,985,429
Other segment information:						
Depreciation and amortization expenses	34,305	26,271	225,233	159,867	18,903	464,579
Capital expenditure paid	975	71,238	41,229	17,048	3,763	134,253
As at 30 June 2025						
Segment assets	1,670,306	39,406,159	186,253,956	419,988,122	33,815,164	681,133,707
Deferred tax assets						918,908
Segment total assets						682,052,615
Segment liabilities	491,464	35,744,561	133,579,881	347,171,895	28,293,687	545,281,488
Deferred tax liabilities						150,802
Segment total liabilities						545,432,290

53 Segment reporting (continued)

For the six months ended 30 June 2024

	<i>Enterprise finance</i>		<i>Personal finance</i>	<i>Institutional services and trading</i>	<i>Investment management</i>	<i>Segment total</i>
	<i>Investment banking</i>	<i>Principal investment</i>				
Fee and commission income	430,040	23,942	2,207,387	530,323	430,342	3,622,034
Interest income	14,264	102,960	2,680,713	1,559,261	154,732	4,511,930
Net investment gains	301,725	326,843	61,497	4,016,489	146,519	4,853,073
Other income and gains	1,594	10,532	81,058	37,594	2,893	133,671
Total revenue and other income	747,623	464,277	5,030,655	6,143,667	734,486	13,120,708
Segment expenses	640,093	631,759	4,039,560	4,261,902	522,849	10,096,163
Including: Interest expenses	16,629	434,611	946,833	3,057,793	111,165	4,567,031
Net provision for / (reversal of) impairment loss	1,299	29,871	69,522	27,682	(46,274)	82,100
Share of profit of associates and joint ventures	-	335,004	-	-	-	335,004
Profit before income tax	107,530	167,522	991,095	1,881,765	211,637	3,359,549
Other segment information:						
Depreciation and amortization expenses	47,407	9,027	248,301	134,314	14,916	453,965
Capital expenditure paid	1,579	137,908	86,271	24,877	3,983	254,618
As at 31 December 2024						
Segment assets	1,408,844	37,867,916	182,223,321	441,840,142	32,635,345	695,975,568
Deferred tax assets						1,621,025
Segment total assets						697,596,593
Segment liabilities	354,218	33,411,744	131,993,113	370,686,931	27,753,521	564,199,527
Deferred tax liabilities						48,140
Segment total liabilities						564,247,667

The Group's non-current assets are mainly located in mainland China. The Group's revenue are substantially derived from its operations in mainland China.

54 Fair value information

(1) Fair value of financial instruments

The Group adopts the following methods and assumptions when evaluating fair value:

- (a) Financial assets including cash and bank balances, cash held for brokerage clients, clearing settlement funds, financial assets held under resale agreements, and financial liabilities including placements from other financial institutions, short-term debt instruments issued, loans and borrowings under current liabilities and financial assets sold under repurchase agreements are mainly short-term financing or floating interest rate instruments. Accordingly, the carrying amounts approximate the fair values.
- (b) Financial assets and liabilities at fair value through profit or loss, derivatives and financial assets at fair value through other comprehensive income are stated at fair value. For the financial instruments traded in active open markets, the Group uses market prices or markets rates as the best estimate for their fair values. For the financial instruments without any market price or market rate, the Group determines the fair values of these financial assets and financial liabilities by discounted cash flow or other valuation methods.
- (c) The fair value of non-current debt investment at amortized cost and long-term bonds are determined with reference to the available market prices or quotes from brokers or agents. If there is no quoted market price in an active market, the Group refers to the yield of financial instruments with similar characteristics such as credit risk and maturity, to estimate the fair value using pricing models or discounted cash flow.
- (d) Accounts receivable, other receivables and prepayments, margin accounts receivable, and accounts payable to brokerage clients are mainly within one year. Accordingly, the carrying amounts approximate the fair values.

(2) Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 valuations: Fair value measured is using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured is using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured is using significant unobservable inputs.

54 Fair value information (continued)

If there is a reliable market quote for financial instruments, the fair value of financial instruments is based on quoted market prices. If a reliable quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include reference to the fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. The inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and foreign exchange rates. Where discounted cash flow analysis is used, estimated cash flows are based on management's best estimates and the discount rate used is reference to another instrument that is substantially the same.

The table below analyses financial instruments, measured at fair value at 30 June 2025 and 31 December 2024, by the level in the fair value hierarchy into which the fair value measurement is categorized. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at 30 June 2025			Total
	Level 1	Level 2	Level 3	
Assets				
Financial assets at fair value through profit or loss				
- Debt securities	-	159,647,315	19,330	159,666,645
- Equity securities	70,399,986	7,813,232	2,297,757	80,510,975
- Hybrid instruments	2,276,858	-	2,403,703	4,680,561
- Asset management products and others	-	8,445,195	6,679,107	15,124,302
Financial assets at fair value through other comprehensive income				
- Debt securities	-	59,735,162	1,933	59,737,095
- Equity securities	12,393,088	60,801,485	263,800	73,458,373
Derivative financial assets	486,865	-	3,916,931	4,403,796
Total	<u>85,556,797</u>	<u>296,442,389</u>	<u>15,582,561</u>	<u>397,581,747</u>
Liabilities				
Financial liabilities at fair value through profit or loss	-	9,570,752	-	9,570,752
Derivative financial liabilities	1,464,657	-	4,448,948	5,913,605
Total	<u>1,464,657</u>	<u>9,570,752</u>	<u>4,448,948</u>	<u>15,484,357</u>

54 Fair value information (continued)

	As at 31 December 2024			Total
	Level 1	Level 2	Level 3	
Assets				
Financial assets at fair value through profit or loss				
- Debt securities	-	175,799,708	32,474	175,832,182
- Equity securities	62,111,180	6,587,249	1,824,065	70,522,494
- Hybrid instruments	1,858,032	-	1,385,162	3,243,194
- Asset management products and others	-	13,233,384	6,692,346	19,925,730
Financial assets at fair value through other comprehensive income				
- Debt securities	-	65,538,125	3,410	65,541,535
- Equity securities	8,752,749	60,469,722	263,800	69,486,271
Derivative financial assets	760,807	2,716,646	5,418,436	8,895,889
Total	<u>73,482,768</u>	<u>324,344,833</u>	<u>15,619,693</u>	<u>413,447,295</u>
Liabilities				
Financial liabilities at fair value through profit or loss	89,582	14,363,939	-	14,453,521
Derivative financial liabilities	857,476	3,070,804	3,617,967	7,546,247
Total	<u>947,058</u>	<u>17,434,743</u>	<u>3,617,967</u>	<u>21,999,768</u>

For the six months ended 30 June 2025 and for the year ended 31 December 2024, there was no significant transfer between Level 1 and Level 2.

For the six months ended 30 June 2025 and for the year ended 31 December 2024, there were transfers into and out of Level 3 due to the delisting of equity securities and the lifting of restricted stocks respectively.

54 Fair value information (continued)

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at 30 June 2025 and 31 December 2024. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price within bid-ask spread. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily securities traded on exchanges and fund investments traded through exchanges or fund management companies.

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(c) Valuation methods for specific investments

As at 30 June 2025 and 31 December 2024, the Group's valuation methods for specific investments are as follows:

- (i) For exchange-listed equity securities, fair value is determined based on the closing price of the equity securities as at 30 June 2025 and 31 December 2024 within the bid-ask spread. If there is no quoted market price as at 30 June 2025 and 31 December 2024, valuation techniques are used to determine the fair value.
- (ii) For exchange-listed investment funds, fair value is determined based on the closing price within the bid-ask spread as at 30 June 2025 and 31 December 2024 or the most recent trading date. For unlisted open-end funds and asset management products, fair value is determined by quoted price which is based on the net asset value as at 30 June 2025 and 31 December 2024.
- (iii) For debt securities, fair values are determined by valuation techniques.
- (iv) For futures traded through exchanges, fair value is determined based on the closing price of the futures as at 30 June 2025 and 31 December 2024.

54 Fair value information (continued)

(d) Financial instruments in Level 3

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurement in Level 3 of the fair value hierarchy:

	<i>For the six months ended 30 June 2025</i>					
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial assets at fair value through other comprehensive income – debt instruments</i>	<i>Financial assets at fair value through other comprehensive income – equity instruments</i>	<i>Derivative financial assets</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivative financial liabilities</i>
As at 1 January 2025	9,934,047	3,410	263,800	5,418,436	-	3,617,967
Gains or losses for the period	318,099	-	-	(635,932)	-	753,256
Changes in fair value recognized in other comprehensive income	-	(945)	-	-	-	-
Purchases	4,188,963	-	-	454,796	-	4,307,091
Sales and settlements	(2,313,507)	(532)	-	(1,320,369)	-	(4,229,366)
Transfer in	8,567	-	-	-	-	-
Transfer out	(736,272)	-	-	-	-	-
As at 30 June 2025	<u>11,399,897</u>	<u>1,933</u>	<u>263,800</u>	<u>3,916,931</u>	<u>-</u>	<u>4,448,948</u>
Total gains or losses for the period included in profit or loss for assets/liability held at the end of the reporting period	<u>268,037</u>	<u>-</u>	<u>-</u>	<u>(562,534)</u>	<u>-</u>	<u>(446,539)</u>

54 Fair value information (continued)

	<i>For the year ended 31 December 2024</i>					
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial assets at fair value through other comprehensive income – debt instruments</i>	<i>Financial assets at fair value through other comprehensive income – equity instruments</i>	<i>Derivative financial assets</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivative financial liabilities</i>
As at 1 January 2024	16,572,122	74,550	263,800	7,779,372	1,804	4,050,231
Gains or losses for the year	1,300,798	-	-	(207,653)	32,217	412,305
Changes in fair value recognized in other comprehensive income	-	(15,375)	-	-	-	-
Purchases	6,176,575	101,011	-	142,418	-	252,127
Sales and settlements	(11,757,740)	(156,776)	-	(2,295,701)	(34,021)	(1,096,696)
Transfer in	-	-	-	-	-	-
Transfer out	(2,357,708)	-	-	-	-	-
As at 31 December 2024	<u>9,934,047</u>	<u>3,410</u>	<u>263,800</u>	<u>5,418,436</u>	<u>-</u>	<u>3,617,967</u>
Total gains or losses for the period included in profit or loss for assets/liability held at the end of the reporting period	<u>(1,010,026)</u>	<u>-</u>	<u>-</u>	<u>(303,259)</u>	<u>-</u>	<u>(198,049)</u>

As for the financial instruments in Level 3, the price is primarily determined by the comparable companies methods, discounted cash flow model, Black-Scholes option pricing model and other methods. Determinations to classify fair value measures within Level 3 of the valuation hierarchy are primarily based on the significance of the unobservable inputs which mainly include liquidity discount, volatility, risk-adjusted discount and market multiplier.

55 Financial instruments risk management

The risks faced by the Group in its daily operation and management mainly include market risk, credit risk and liquidity risk.

The Group aims to strike an appropriate balance between the risks and benefits of its financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Group's financial performance. Based on such objectives, the Group's risk management policies are established to identify and assess the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and compliance with limits. Risk management policies and internal control systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The following information does not include all necessary information and disclosures for the consolidated financial report, and should be read together with the Company's consolidated financial report for the year ended 2024.

Since 31 December 2024, the Company does not have significant change in its risk management process or policy.

Risk analysis and control

(1) Credit Risk

Credit risk refers to the risk that the Group may face when its financiers, counterparties or bond issuers fail to perform the agreed financial obligations. The Group's credit risk exposures mainly exist in its personal finance, proprietary trading, and principal investment businesses.

The Group has mainly adopted the following measures to detect, report and manage credit risk:

- Established an internal rating system for credit risk, and conducted concentration risk management of the clients;
- Optimised risk assessment and analysis of clients and collateral, and reinforced continuous supervision. The Group has also been improving credit risk management system, and set up company-level negative repositories of counterparties so as to collect and manage the list of clients with bad credit, and unified the management of negative information of clients;
- Set up strict entry criteria such as bond and issuer ratings for the proprietary trading business, carried out post-transaction monitoring, and follow up on trading behaviours;
- Enhanced measures and policies of derivatives trading, set up rating and entry criteria for its counterparties, and continuous optimized the risk limit indicators system standard; and

55 Financial instruments risk management (continued)

- Tightened the review and management of certain businesses, such as stock-backed lending and principal investment business, on the assessment of client, concentration control, and scale of the businesses, and closely monitor project status on a continual basis.

Measurement of expected credit loss

The measurement of the ECL allowance for financial instruments, including investments in financial assets measured at amortized cost (including margin accounts, reverse repurchase agreements), and FVOCI is an area that requires the use of models and assumptions about the future economic conditions and credit behaviour of the clients (such as the likelihood of customers defaulting and the resulting losses).

The Group has applied a 'three-stage' impairment model for ECL measurement based on changes in credit quality since the initial recognition of financial instruments as summarized below:

- A financial instrument that is not credit-impaired on initial recognition is classified as "Stage 1" and has its credit risk continuously monitored by the Group;
- If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired;
- If the financial instrument is credit-impaired, the financial instrument is moved to "Stage 3".

Stage 1: The Group measures the loss allowance for a financial instrument at an amount equal to the next 12 months ECL. Stage 2 and 3: The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. The ECL is always measured on a lifetime basis.

For financial instruments under Stage 1 and Stage 2, including investments in financial assets measured at amortized cost (including margin accounts, stock-pledged repo), and FVOCI, the ECL is measured using the risk parameter modelling approach that incorporated key parameters, including Probability of Default ("PD"), Loss Given Default ("LGD"), Exposure at Default ("EAD") and Loss Ratio ("LR") taking into consideration of forward looking factors. For credit-impaired financial assets classified under Stage 3, the management assesses the credit loss allowances by estimating the cash flows expected to arise from the financial assets.

The measurement of ECL adopted by the management according to IFRS 9, involves judgements, assumptions and estimations, including:

- Selection of the appropriate models and assumptions;
- Determination of the criteria for significant increase in credit risk ("SICR"), definition of default and credit impairment;
- Establishment of the number and relative weightings of forward-looking scenarios;
- Forecasts of the discounted cash flow of financial instruments under stage 3.

55 Financial instruments risk management (continued)

Measuring ECL –Inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or Lifetime basis depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired.

For debt securities investments, ECL is the discounted product of the PD, LGD and EAD after considering the forward-looking impact. For financing assets, ECL are the discounted product of the LR and EAD after considering the forward-looking impact.

- PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. For debt securities investments, the Group determines the PD by the appropriate external credit ratings.
- LGD represents the Group's expectation of the extent of loss on a defaulted exposure. For debt securities investments, LGD is determined based on the issuer and type of securities.
- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).
- LR represents the Group's expectation of the likelihood of default and extent of loss on exposure. The Group uses historical loss rates and assesses their appropriateness. The Group determines LR of financing assets based on factors including: the coverage ratio of related loan to underlying collateral value, the volatility of such collateral's valuation and the realized value of collateral upon forced liquidation over the realization period.

55 Financial instruments risk management (continued)

The criteria of Significant increase in credit risk (SICR)

The Group evaluates financial instruments to identify whether a SICR has occurred since initial recognition at each financial statement date. An ECL allowance of financial assets is recognized according to the stage in which the assets are classified. This takes into account of what reasonable information, including forward looking information, is available to identify whether a SICR had arisen. The Group considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met.

For financing assets, the Group sets differentiated collateral to loan ratios as triggering margin calls and force liquidation thresholds (force liquidation thresholds generally no less than 130%) against different exposures related to these transactions, based on the obligors' credit quality, operation situation, contract maturity date, the volatility and liquidity of related collateral securities, and related performance information.

For securities financing business, the Group considers securities financing business to have experienced a SICR if collateral to loan ratios is lower than the force liquidation thresholds, which means collateral valuation has declined or the quality of the third-party collateral is significantly reduced. As at 30 June 2025 and 31 December 2024, over 90% of the securities financing balances of the Group were covered by collateral value of over the force liquidation thresholds of related loan or repo amounts.

For debt securities investments, the Group makes use of open market credit ratings. The Group considers debt securities investments to have experienced a SICR if the following scenarios occurs: the debt securities with an initial rating above AA level (inclusive) downgraded below AA (exclusive); the debt securities with an initial rating below AA level (exclusive) been downgraded; or the debt security is on the warning list. As at 30 June 2025 and 31 December 2024, the vast majority of the debt securities investments of the Group have been rated as investment grade or above and there was no SICR.

Financial instruments are considered to have a low risk when the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group has used the low credit risk exemption for financial instruments, such as cash and bank accounts, settlement reserve, refundable deposits, financial assets held under resale agreements collateralized by debt securities.

55 Financial instruments risk management (continued)

Definition of default and credit impairment

The Group assesses whether a financial instrument has been credit-impaired in accordance with IFRS 9, in a manner consistent with its internal credit risk policies for managing financial instruments. The consideration includes qualitative criteria, quantitative criteria and upper limit. The Group defines a financial instrument as credit-impaired, which is fully aligned with the definition of “in default”, when it meets one or more of the following criteria:

- The borrower is more than 90 days past due on its contractual payments;
- For securities financing business, forced liquidation of a client’s position is triggered based on a predetermined threshold of loan to collateral ratio; whereby the collateral valuation falls short of the related loan or repo amounts;
- The latest external ratings of issuers of debt securities or debt securities themselves are in default grade;
- The debtor, issuer, borrower or counterparty is in significant financial difficulty;
- An active market for that financial asset has disappeared because of debtor’s financial difficulties;
- Concessions have been made by the Group relating to the debtor, issuer, borrower or counterparty’s financial difficulty;
- It is becoming probable that the debtor, issuer, borrower, or counterparty will enter bankruptcy or undertake a financial restructuring, etc.

When a financial asset is considered to be credit-impaired, it may be the result of multiple events, not due to a separately identifiable event.

Forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information.

When considering forward-looking information, the Group is not required to forecast the situation of financial instruments throughout their expected lifespan. The level of judgment that the Group needs to apply when estimating credit losses depends on the availability of specific information. The degree of the judgment that the Group must use when estimating ECL will increase when the prediction time span is longer or the availability of specific information is lower.

Based on the analysis of various business characteristics and historical data, the Group identified key economic indicators that affect the ECL of various businesses, mainly including the growth rate of Domestic GDP, cumulative year-on-year completion of fixed assets investment, the fluctuation of the Shanghai Composite index and the growth rate of Consumer Price Index (CPI). The Group determines the relationship between these economic indicators and macro factors through regression analysis, and makes forward-looking adjustments to the ECL of various businesses.

55 Financial instruments risk management (continued)

In addition to the base economic scenario, the Group's expert team also provided other possible scenarios along with scenario weightings. The number of other scenarios used is set based on an analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each financial statement date.

At 30 June 2025 and 31 December 2024, for all portfolios the Group concluded that three scenarios appropriately captured non-linearities of key economic variables. The scenario weightings are determined by a combination of statistical analysis and expert judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The number of scenarios and their attributes are reassessed at each financial statement date.

The assessment of SICR is performed using the Lifetime PD under each of the base and other scenarios multiplied by the associated scenario weighting, as well as qualitative criteria, quantitative criteria and upper limit. The Group measures ECL as either a probability weighted 12-month ECL or a probability weighted lifetime ECL. These probability weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

At 30 June 2025 and 31 December 2024, comprehensively considering of the current economic situation, and various supporting policies adopted by the government, the Group updated relevant economic indicators for forward-looking measurement based on the latest economic forecasts. As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes as at the financial statement date.

At 30 June 2025, the base scenario weightings adopted by the Group do not exceed the sum of other possible scenario weightings.

55 Financial instruments risk management (continued)

Sensitivity analysis

The allowance for credit losses is sensitive to the inputs used in internally developed models, macroeconomic variables in the forward-looking forecasts, weighting applied to economic scenarios and other factors considered when applying expert judgement. Changes in these inputs, assumptions and judgements are likely to have an impact on the measurement of ECLs, and the impact on ECL recognized is not significant.

A sensitivity analysis is performed on key economic indicators, economic scenarios and weightings assigned use in forward-looking measurement. When increasing the weighting applied to the optimistic scenario by 10% and a corresponding reduction of 10% weighting applied to the base scenario, or shifting 10% of the weighting from the base case scenario to the pessimistic scenario, the impact on ECL recognized is not significant.

Meanwhile, the Group also uses sensitivity analysis to monitor the impact of changes to the credit risk classification of the financial assets on ECL. As at 30 June 2025 and 31 December 2024, assuming there was no significant increase in credit risk since initial recognition, and all the financial assets in Stage 2 were moved to Stage 1, the decremental impact on ECL to be recognized in financial statements is not significant.

Collateral and other credit enhancements

The Group employs a range of policies and credit enhancements to mitigate credit risk exposure to an acceptable level. The most common of these is accepting collateral for funds advanced or guarantee. The Group determined the type and amount of collateral according to the credit risk evaluation of counterparties. The collateral under margin financing and reverse repurchase agreements is primarily stocks, debt securities, funds etc. The management would test the market value of collateral periodically, and send margin calls according to related agreements, also monitor the market value fluctuation of collaterals when reviewing the measurement of the loss allowance.

55 Financial instruments risk management (continued)

Loss Ratio and impairment provision of securities financing business

Based on the obligors' credit quality, contract maturity date, the related collateral securities information, which including the sector situation, liquidity discount factor, concentration, volatility and related information, the Group sets differentiated collateral to loan ratios (generally no less than 140%) as triggering margin calls and force liquidation thresholds (collateral to loan ratios generally no less than 130%) against different exposures related to these transactions.

- For financing assets exposures with collateral to loan ratios above 130% and those not past due are classified under Stage 1.
- For financing assets exposures with collateral to loan ratios fall below 130% of the pre-determined force liquidation thresholds but above 100%; or those past due for no more than 90 days are considered to be with significant increase in credit risks and are classified under Stage 2.
- For financing assets exposures with collateral to loan ratios fall below 100%; or those past due for more than 90 days are classified under Stage 3.

Loss ratio applied by the Group on its Financing Assets under the 3 stages were as follows:

Stage 1: 0.00% to 1.19% according to the different collateral ratios;

Stage 2: No less than 0.88%;

Stage 3: Discounted cash flow on individual exposure.

55 Financial instruments risk management (continued)

Credit risk exposure analysis

The Group considered the credit risk of the Financing Assets was relatively low. As at 30 June 2025 and 31 December 2024, majority most of the Financing Assets' ratio to underlying collateral value was over force liquidation level and there is sufficient collateral information indicating that the Financing Assets are not expected to default. As at 30 June 2025 and 31 December 2024, most of the debt securities investments of the Group were rated at investment grade or above.

The maximum credit risk exposure on the balance sheet date, without taking into account any collateral and other credit enhancements, refers to the carrying value of the relevant financial assets after the deduction of impairment provisions. The Group's maximum credit risk exposure is disclosed as follows:

	30 June 2025	31 December 2024
Refundable deposits	27,813,447	21,795,817
Accounts receivable	2,549,572	6,005,511
Other receivables and prepayments	509,303	298,638
Margin accounts receivable	73,895,535	74,844,217
Financial assets held under resale agreements	13,531,695	12,389,756
Financial assets at fair value through profit or loss	163,628,791	183,845,151
Derivative financial assets	4,403,796	8,895,889
Financial assets measured at amortized cost	2,799,026	2,512,807
Financial assets at fair value through other comprehensive income	59,737,095	65,541,535
Clearing settlement funds	10,750,255	10,829,210
Cash held on behalf of brokerage clients	108,511,772	111,689,377
Bank balances	35,703,996	33,870,188
	<hr/>	<hr/>
Total maximum credit risk exposure	<u>503,834,283</u>	<u>532,518,096</u>

55 Financial instruments risk management (continued)

Significant credit risk exposure

	As at 30 June 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
Margin accounts receivable	73,895,535	-	-	73,895,535
Financial assets held under resale agreements	13,214,698	-	316,997	13,531,695
Financial assets measured at amortized cost	2,445,818	-	353,208	2,799,026
Accounts receivable	-	2,392,591	156,981	2,549,572
Financial assets at fair value through other comprehensive income	59,091,626	601,489	43,980	59,737,095
Other receivables and prepayments	508,952	-	351	509,303
	As at 31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL (Credit-impaired)	
Margin accounts receivable	74,843,164	1,053	-	74,844,217
Financial assets held under resale agreements	12,074,249	-	315,507	12,389,756
Financial assets measured at amortized cost	2,012,180	-	500,627	2,512,807
Accounts receivable	-	5,796,359	209,152	6,005,511
Financial assets at fair value through other comprehensive income	65,285,299	206,376	49,860	65,541,535
Other receivables and prepayments	298,287	-	351	298,638

55 Financial instruments risk management (continued)

(2) Liquidity risk

Liquidity risk is the risk that the Group may face if the Group fails to acquire sufficient funds in time with reasonable cost to repay its debts due, perform other payment obligations and satisfy capital requirements in normal business operations.

In managing its liquidity risks, the Group considers its short, medium and long-term funding needs and liquidity management requirements, and reinforces the management of both the total amount and the structure of high-quality liquid assets through continuously improving the management system of its liquidity reserve, so as to maintain a sufficient liquidity reserve. The Group maintains adequate cash and cash equivalents and continuously monitors and compares cash flow forecast and actual cash flows. The Group also adopts a risk indicator analysis method to manage its overall liquidity risk. Through the analysis of key risk indicators, such as liquidity coverage ratio, net stable funding ratio, liquidity gap, and asset and liability concentration, the Group assesses and measures its overall liquidity risk status.

For liquidity risks, the Group has primarily adopted the following measures:

- Formulated a comprehensive capital plan to maintain a sufficient liquidity reserve;
- Expanded the scope of cooperation of financial institutions, improved debt financing management capabilities and diversified liquidity management tools;
- Enhanced the dynamic monitoring of liquidity risk, maintained the tracking and assessment of information such as liquidity monitoring indicators, cash flow gap, liquidity reserve and its short-term financing capabilities;
- Carried out stress testing of liquidity risk, improved the ability to measure liquidity shock and put forward effective measures; and
- Improved the capability of reporting and dealing with liquidity risk contingencies through conducting emergency drills for liquidity risk to enhance the ability to respond to liquidity crisis.

55 Financial instruments risk management (continued)

(3) Market risk

(a) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will affect the Group's operation performance, financial position and cash flows. The Group's interest-bearing assets mainly include cash and bank balances, clearing settlement funds, margin accounts receivable, financial assets at fair value through profit or loss, financial assets held under resale agreements, refundable deposits and financial assets at fair value through other comprehensive income; interest-bearing liabilities mainly include loans and borrowings, short-term debt instruments issued, placements from other financial institutions, financial liabilities at fair value through profit or loss, financial assets sold under repurchase agreements, accounts payable to brokerage clients and long-term bonds.

For financial instruments held on the balance sheet date that expose the Group to fair value interest rate risk, the Group applies interest rate repricing exposure analysis and sensitivity analysis as the primary approach for monitoring interest rate risk. Sensitivity analysis measures the effect of any reasonable and possible changes in the interest rate on the net profits and shareholders' equity with all other variables held constant.

Sensitivity analysis

For those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period, the Group adopts sensitivity analysis to measure the potential effect of changes in interest rates on the Group's and the Company's profit after tax and equity. Assuming all other variables remain constant, interest rate sensitivity analysis is as follows:

Sensitivity of profit after tax

	30 June 2025	31 December 2024
Move in yield curve		
Up 25 basis points	(1,059,473)	(1,009,579)
Down 25 basis points	1,019,197	986,406

Sensitivity of equity

	30 June 2025	31 December 2024
Move in yield curve		
Up 25 basis points	(1,592,637)	(1,454,378)
Down 25 basis points	1,572,068	1,501,165

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax and equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period.

In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group, the impact on the Group's profit after tax and equity is estimated as an annualised impact on interest expense or income of such a change in interest rates.

(b) Foreign currency rate risk

Foreign currency risk is the risk arising from foreign exchange business of the Group, which is attributable to the fluctuation and monitor of foreign exchange rates. The Group's recognized foreign currency assets and liabilities and future foreign currency transactions (the valuation currencies of foreign currency assets and liabilities and foreign currency transactions are mainly US dollars and Hong Kong dollars) have foreign currency rate risk. The Group continuously monitors the scale of the Group's foreign currency transactions and foreign currency assets and liabilities to minimize the foreign currency rate risk it faces. As the net foreign currency exposure is relatively low in the Group, the foreign currency rate risk faced by the Group is not significant.

(c) Other price risks

Other price risks refer to the risk that the fair value or future cash flows of any equity securities and funds held by the Group will be affected by changes in market price factors (other than interest rates and foreign exchange rates). The Group mainly invests in stocks listed on stock exchanges and funds and the maximum market price risk is determined by fair value of financial instruments held by the Group.

Assuming that the market price of the financial instruments mentioned above increases or decreases by 10%, with all other variables held constant, the effect of these balance sheet assets on the Group shareholders' equity and net profit is listed as follows:

Sensitivity of profit after tax

	30 June 2025	31 December 2024
Increase by 10%	5,999,891	5,210,537
Decrease by 10%	(5,999,891)	(5,210,537)

Sensitivity of equity

	30 June 2025	31 December 2024
Increase by 10%	6,948,947	5,866,993
Decrease by 10%	(6,948,947)	(5,866,993)

55 Financial instruments risk management (continued)

(4) Capital management

The Group's primary objectives when managing capital are to safeguard its continued operations, so that it can continue to provide returns for shareholders, by pricing products and services according to the level of risk and by securing access to finance at a reasonable cost.

The Group's capital structure is regularly reviewed and managed to achieve an optimal structure and return for shareholders. Factors for the Group's consideration include: its future funding requirements, capital efficiency, actual and expected profitability, expected cash flows, expected capital expenditure and risk level. Adjustments are made to the capital structure in light of changes in the factors mentioned above affecting the Group.

On 20 March 2020, the CSRC issued the Administrative Measures for Risk Control Indicators of Securities Companies (2020 amended) with amendments to the framework and criteria of risk control indicators which securities companies must be continually compliant, which came into effect on 20 March 2020; on 13 September 2024, the CSRC issued the Calculation Rules for Risk Control Indicators of Securities Companies (2024), which came into effect on 1 January 2025. Based on the rules above and other related rules issued or revised subsequently, the Company is required to meet the following standards for risk control indicators on a continual basis:

- (i) the ratio of net capital divided by the sum of its various risk capital provisions shall be no less than 100%;
- (ii) the ratio of net capital divided by net assets shall be no less than 20%; the ratio of net capital divided by liabilities shall be no less than 8%;
- (iii) the ratio of net assets divided by liabilities shall be no less than 10%;
- (iv) the ratio of the value of equity securities and derivatives held divided by net capital shall not exceed 100%;
- (v) the ratio of the value of non-equity securities and non-equity derivatives held divided by net capital shall not exceed 500%;
- (vi) the ratio of core net capital divided by total assets on and off-balance sheet shall be no less than 8%;
- (vii) the ratio of high quality liquid assets divided by net cash outflows within 30 days shall be no less than 100%;
- (viii) the ratio of stable funds available divided by stable funds required shall be no less than 100%; and the ratio of the value of margin financing, securities lending, stock-pledged financing and securities repurchase divided by net capital shall not exceed 400%.

56 Events after the reporting date

(1) Profit distribution

As at 13th August 2025, the Group's 2024 A-share and H-share cash dividends have been distributed.

Pursuant to the resolution of the Board of Directors dated 29 August 2025, the Board proposed to distribute cash dividends of RMB0.35 (tax inclusive) per 10 shares to shareholders based on the total outstanding shares of 25,039,945 thousand shares, with total dividends amounting to RMB876,398 thousand. The proposal is subject to the approval of the shareholders in the forthcoming general meeting.

(2) Issuance of long-term bonds, short-term bonds and structured notes

From 1 July 2025 to the reporting date, the Group issued long-term bonds, short-term bonds and a number of structured notes, with coupon rates ranging from 1.45% to 1.90%. The issuance amount was approximately RMB36.91 billion in total.

(3) Repayment of long-term bonds, short-term bonds and structured notes

From 1 July 2025 to the reporting date, the Group repaid long-term bonds, short-term bonds and a number of structured notes, with coupon rates ranging from 1.50% to 3.00%. The repayment amount was approximately RMB24.75 billion in total.