中国银河证券股份有限公司
CHINA GALAXY SECURITIES CO.,LTD.

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

Stock Code : 06881

2026 Interim Report

IMPORTANT NOTES

I. The Board of Directors, Directors and senior management of the Company undertake the authenticity, accuracy and completeness of the information contained in the interim report, and that there is no misrepresentation, misleading statement or material omission, and they are jointly and severally liable for any legal liabilities.

II. This report has been considered and approved at the 19th (regular) meeting of the fifth session of the Board of Directors. All Directors of the Company attended the Board meeting in person, except for the following Director, and none of them raised any objection to this report.

Name of the absent Director	Position of the absent Director	Reason for the absence of the Director	Name of the appointee
Song Weigang	Non-executive Director	Other business engagements	Li Hui

III. This interim report is unaudited. In accordance with the IFRS, the Company has prepared the interim financial report for 2026, which has been reviewed by Ernst & Young.

IV. Wang Sheng, the person in charge of the Company, Xue Jun, the person in charge of the accounting affairs, and Wang Dansen, the person in charge of the accounting firm (head of accounting department) hereby confirm that the financial report as disclosed in this interim report is true, accurate and complete.

V. The Company proposed to distribute a cash dividend of RMB1,640,160,338.40 (tax inclusive), based on the total share capital of 10,934,402,256 shares as at the end of June 2026, with a cash dividend of RMB1.50 (tax inclusive) for every 10 shares. In case of any changes in the total share capital of the Company on the record date, the amount of cash dividend per share to be distributed will be adjusted accordingly, up to a total of RMB1,640,160,338.40 (tax inclusive). The 2026 interim profit distribution plan of the Company was considered and approved at the 19th (regular) meeting of the fifth session of the Board of Directors, subject to the consideration and approval at the shareholders' general meeting of the Company.

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

VII. There is no utilisation of funds for non-operating purposes by the controlling shareholder or other related parties of the Company.

VIII. There is no external guarantee provided by the Company which violates the decision-making procedures of the Company.

IX. There is no more than a majority of Directors of the Company who cannot guarantee the authenticity, accuracy and completeness of the interim report published by the Company.

X. The business of the Company is highly dependent on the overall economy and market conditions in China and the regions in which it operates. Any significant fluctuations in the domestic and international capital markets will have a significant impact on the Company's operating results.

The risks that the Company faces mainly include: legal and compliance risks resulting from failure of its business management and standards to promptly adapt to adjustments in national laws and regulations as well as the regulatory policies; strategic risks associated with failure to make corresponding adjustments in strategic planning amid profound changes in domestic and overseas capital markets; risks of internal operations and management arising from changes such as business model transformation, the launch of new business lines and the emergence of new technologies; market risks caused by market price fluctuations of investment assets or linked underlying assets held by the Company; credit risks arising from borrowers or counterparties failing to fulfil their contractual obligations; liquidity risks arising from a shortage of funds when the Company attempts to fulfil its payment obligations; operational risks that may lead to losses due to lapses in internal process management, failure of the information system, the improper conduct of practitioners or external adverse events. In addition, the Company is also exposed to risks from international competition and fluctuations in exchange rates, etc.

In response to the above risks, the Company will work on improving its organisational structure, consolidating management responsibilities at all levels, optimising management mechanisms and tools, refining risk management and control measures, establishing a risk management system, optimising and upgrading system functions, cultivating a professional risk management team, regulating employee management, enhancing management capabilities and other aspects, to continuously strengthen the foundation of risk management and establish a sound and integrated risk prevention system.

Contents

DEFINITIONS

"Company"	China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司), a joint stock limited company incorporated in the PRC on 26 January 2007, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 06881), the A Shares of which are listed on the SSE (Stock Code: 601881)
"Group"	the Company and its subsidiaries
"Articles of Association"	the articles of association of the Company, as amended to reflect the most recent changes
"Board" or "Board of Directors"	the board of directors of the Company
"Directors"	the directors of the Company
"Ministry of Finance"	Ministry of Finance of the People's Republic of China
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"CSRC Guangdong Bureau"	the China Securities Regulatory Commission Guangdong Bureau
"CSRC Hunan Bureau"	the China Securities Regulatory Commission Hunan Bureau
"SSE"	the Shanghai Stock Exchange
"SZSE"	the Shenzhen Stock Exchange
"BSE"	the Beijing Stock Exchange
"HKEX"	Hong Kong Exchanges and Clearing Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"SCH"	Shanghai Clearing House (銀行間市場清算所股份有限公司)
"Galaxy Futures"	Galaxy Futures Company Limited (銀河期貨有限公司), a wholly-owned subsidiary of the Company
"Galaxy Derivatives"	Galaxy Derivatives Capital Management Company Limited (銀河德睿資本管理有限公司), which is owned as to 100% by Galaxy Futures and is an indirectly wholly-owned subsidiary of the Company
"Galaxy Capital"	Galaxy Capital Management Company Limited (銀河創新資本管理有限公司), a wholly-owned subsidiary of the Company

"Galaxy Jinhui"	Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司), a wholly-owned subsidiary of the Company
"Galaxy Yuanhui"	Galaxy Yuanhui Investment Co., Ltd. (銀河源匯投資有限公司), a wholly-owned subsidiary of the Company
"Galaxy International Holdings"	China Galaxy International Holdings Company Limited (中國銀河國際控股有限公司), an overseas wholly-owned subsidiary of the Company
"CGS International"	collectively refers to CGS International Securities Pte. Ltd. and CGS International Securities Malaysia Sdn. Bhd., the wholly-owned subsidiaries of Galaxy International Holdings
"Galaxy Financial Holdings"	China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限責任公司), the controlling shareholder of the Company, holding 47.43% of the issued share capital of the Company as at the End of the Reporting Period
"CIC"	China Investment Corporation, holding 100% of the equity interest in Huijin as at the End of the Reporting Period
"Huijin"	Central Huijin Investment Ltd. (中央匯金投資有限責任公司), holding 69.07% of the equity interest in Galaxy Financial Holdings as at the End of the Reporting Period
"ChiNext"	the ChiNext of the Shenzhen Stock Exchange
"Science and Technology Innovation Board" or "STAR Market"	the Science and Technology Innovation Board (STAR Market) of the Shanghai Stock Exchange
"Securities Law"	the Securities Law of the People's Republic of China, as amended to reflect the most recent changes
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified to reflect the most recent changes)
"Company Law"	the Company Law of the People's Republic of China, as amended to reflect the most recent changes
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Stock Exchange Listing Rules
"CG Code"	Corporate Governance Code set out in Appendix C1 to the Stock Exchange Listing Rules
"Stock Exchange Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended to reflect the most recent changes
"SSE Listing Rules"	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended to reflect the most recent changes

DEFINITIONS

"connected person"	has the same meaning ascribed to it under the Stock Exchange Listing Rules
"related party transaction(s)"	has the same meaning as "related party transaction" as defined under the SSE Listing Rules as currently in force and as amended from time to time
"connected transaction(s)"	has the same meaning as "connected transaction" as defined under the Stock Exchange Listing Rules as currently in force and as amended from time to time
"China Accounting Standards for Business Enterprises"	China Accounting Standards for Business Enterprises and related regulations issued by the Ministry of Finance
"ESG"	Environmental, Social and Governance
"FICC"	fixed income, foreign currencies and commodities
"ETF"	exchange-traded funds
"FOF"	Fund of Funds, a fund with funds as investment objectives
"REIT(s)"	real estate investment trusts
"margin and securities refinancing"	a business in which securities firms can act as intermediaries to borrow funds or securities from China Securities Finance Corporation Limited and lend such funds and securities to their clients
"A Share(s)"	domestic share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the SSE, subscribed for and traded in Renminbi
"H Share(s)"	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Hong Kong Stock Exchange and subscribed for and traded in HK dollars
"IPO"	initial public offering
"VaR"	Value at Risk, means the maximum possible loss of value of a financial asset or portfolio of securities in a given future period at a certain confidence level
"End of the Reporting Period"	30 June 2026
"Reporting Period"	the period from 1 January 2026 to 30 June 2026
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"HK$" or "HK dollars" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"US$" or "U.S. dollars" or "USD"	United States dollars, the lawful currency of the United States
"S$" or "Singapore dollars"	Singapore dollars, the lawful currency of Singapore
"THB"	Thai baht or baht, the lawful currency of Thailand
"MYR"	Malaysian ringgits, the lawful currency of Malaysia
"IDR"	Indonesian rupiah, the lawful currency of Indonesia

Notes:

1. In this report, any discrepancies between totals and sums of amounts listed are due to rounding.
2. This report is prepared in both Chinese and English languages, and in the event of any inconsistency, the Chinese version shall prevail.

COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS

I. Company Information

Chinese Name	中國銀河證券股份有限公司
Abbreviation of Chinese Name	中國銀河
English Name	China Galaxy Securities Co., Ltd.
Abbreviation of English Name	CGS
Legal representative	Wang Sheng
General manager (president)	Xue Jun
Board secretary	Liu Bing
Authorised representatives of the Company	Wang Sheng, Ng Ka Man
Company secretary	Ng Ka Man
Registered address	No. 101, 7/F-18/F, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing
Office address	Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing
Postal code	100073
Principal place of business in Hong Kong	20th Floor, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong
Website of the Company	https://www.chinastock.com.cn
Email address	zgyh@chinastock.com.cn

Registered Capital and Net Capital of the Company

Unit: Yuan Currency: RMB

	30 June 2026	31 December 2025
Registered Capital	**10,934,402,256.00**	10,934,402,256.00
Share Capital (paid-up capital)	**10,934,402,256.00**	10,934,402,256.00
Net Capital	**125,811,165,831.93**	115,200,026,161.69

Qualification of individual business of the Company

According to the Articles of Association, the scope of business of the Company includes: (1) permitted projects: securities business; distribution of publicly offered securities investment funds; concurrent insurance agency business; introducing broker services for futures companies; custody of securities investment funds. (Projects subject to approval in accordance with law can be conducted upon approval by the relevant departments. The specific business projects are subject to the approval documents or permits of the relevant departments); (2) general projects: sales of gold and silver products. (Except for those projects subject to approval in accordance with law, the business activities shall be carried out independently and legally by virtue of the business license) (No business activity involving projects that are prohibited and restricted by national and municipal industrial policies shall be undertaken.); and (3) any other businesses approved by relevant regulatory authorities.

In addition, the Company also qualifies to operate the following businesses:

1. Qualification of businesses approved or recognised by the CSRC: qualification for open-ended securities investment funds agency sales business, qualification for securities investment fund evaluation business, qualification for online securities entrustment business, qualification as registered sponsor, qualification for introducing broker services for futures companies, qualified book builder for offline placements, qualification for pilot direct investment business, qualification for margin financing and securities lending business, qualification for stock-index futures trading business, qualification for engagement in foreign securities investment and management businesses as a qualified domestic institutional investor, qualification for financial products agency sales business, qualification for equity return swaps services, qualification for engagement in interest rate swap business, qualification for pilot securities-based lending business, qualification for securities investment fund custody business, qualification for gold spot contract agency business, qualification for pilot cross-border business, qualification for non-equity return swaps business, qualification for national debts and futures market-maker, qualification for credit derivative business, qualification for pilot fund investment advisory business, qualification for proprietary trading for gold spot contract, qualification for pilot account management function optimisation business, qualification for market-making trading business of listed securities, qualification for market-making business of stock options, qualification for market-making business of commodity futures and options, qualification for engagement in SFISF business, and qualification for proprietary participation in carbon emissions trading business.

2. Qualification of businesses approved by exchanges: qualified warrant dealer, qualified primary dealer for ETF, membership of the SSE, membership of the SZSE, qualified block-trader of the SZSE, qualified block-trader of the SSE, qualified electronic platform of the SSE for IPO offline subscription, qualified electronic platform of the SZSE for EIPO offline issue, qualification for primary dealer at the SSE for fixed income integrated system, qualified investor for block trading system on the SSE, qualification for the SSE dealer-quoted repurchase business, authorisation for securities-based lending transactions, qualification for stock lending business under margin and securities refinancing, authorisation for stock pledge repurchase transactions, qualification for the SZSE dealer-quoted repurchase business, qualification for pilot securities-based lending business, authorisation for Hong Kong Stock Connect business transactions, membership of the Shanghai Gold Exchange, qualification as a market-maker of the Shanghai Gold Exchange, qualification as a stock options trading participant on the SSE, authorisation for Hong Kong Stock Connect business transactions under the Shenzhen-Hong Kong Stock Connect, qualification for commodity swap dealers, qualification for crude oil futures business, qualification for the SSE bond pledge agreement repurchase, qualification as a primary market-maker for listed funds on the SSE, qualification as a stock options trading participant on the SZSE, qualification as a Credit Protection Certificate Creation Institution, qualification for pilot business of financing for exercising incentive share options of listed companies, membership of the BSE, qualification for interbank gold price inquiry transactions on the Shanghai Gold Exchange, market-maker on the Jijintong platform of the SZSE, market-maker on the Jijintong platform of the SSE, qualification for market-making trading business of stocks on the STAR Market, qualification for market-making trading business of stocks on the BSE and qualification as a senior trading entity in the Shanghai carbon market of Shanghai Environment and Energy Exchange.

3. Qualification of businesses approved by the Securities Association of China: qualification for pilot underwriting of private placement of bonds for small- and medium-sized enterprises, qualification for OTC trading, qualification for pilot business of Internet securities, qualification as a participant in the quotation and service system for inter-institutional private equity product, and second-tier dealer qualification for OTC option business.

4. Qualification of businesses approved by the People's Bank of China: qualification for national interbank lending business, qualification for spot bond market-maker in the interbank bond market, qualification for participation in the "Northbound Bond Connect" trading, qualification for pilot business of the "Wealth Management Connect" and qualification for participation in the "Southbound Bond Connect" trading.

5. Qualification of businesses approved by the SCH: qualification as a Class A ordinary clearing member of the SCH for centralised clearing of bonds, centralised clearing of credit default swaps, centralised clearing of RMB interest rate swaps, centralised clearing of standard bond forwards, and central counterparty clearing for commodity derivatives.

6. Other qualifications: qualification for warrant settlement business, clearing participant of China Securities Depository and Clearing Company Limited, qualification for offering comprehensive services for insurance institutional investors, qualification for securities company members to participate in the lead underwriting business of debt financing instruments for non-financial enterprises, qualification for conducting business with special institutional clients of insurance institutions, qualification as a chief agency broker in national share transfer system, qualification for digital certificate authentication agency business, qualification for conducting relevant businesses at Zhejiang Equity Exchange, qualification for pilot short selling business, qualification for pilot margin refinancing business, qualification for pilot margin and securities refinancing business, qualification for pilot consumption payment service for clients with securities funds, qualification for concurrent insurance agency business, qualification for private equity fund manager, qualification for pilot OTC income certificates business, qualification for market-making business in national share transfer system, qualification for options settlement business, innovative scheme for account opening through WeChat, qualification for engagement of debt financing instruments quotation business for non-financial enterprises, membership of the Asset Management Association of China, membership of the China Futures Association, qualification as an outsourced services provider for private investment funds, qualification for selling precious metal products, qualification for Science and Technology Innovation Board securities lending business, and qualification for ChiNext securities lending business.

II. Contact Persons and Contact Details

Contact persons	Board secretary: Liu Bing
	Company secretary: Ng Ka Man
Address	Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing
Telephone	010-80926608
Fax	010-80926725
Email	yhzd@chinastock.com.cn

III. Disclosure of Information and Place for Inspection

Name of newspapers designated by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily
Website address for publication of the interim report	Designated website of the CSRC: http://www.sse.com.cn (website of the SSE) Designated website of the Hong Kong Stock Exchange: https://www.hkexnews.hk (HKEXnews website of the HKEX) Company website: https://www.chinastock.com.cn
Locations designated for maintaining the Company's interim report	Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing 20th Floor, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong

IV. Overview of Company Shares

Class of Share	Stock Exchange	Stock Short Name	Stock Code	Former Stock Short Name
A Share	SSE	CGS	601881	N/A
H Share	Hong Kong Stock Exchange	CGS	06881	N/A

V. Other Related Information

Accounting firm engaged by the Company (domestic)	Name	Ernst & Young Hua Ming LLP (Special General Partnership)
	Office address	19/F, Ernst & Young Tower, 1 East Chang'an Avenue, Dongcheng District, Beijing
	Names of signing accountants	Li Linlin (李琳琳), Yu Xiaoyue (于曉月)
Accounting firm engaged by the Company (overseas)	Name	Ernst & Young
	Office address	27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
	Name of signing accountant	Leung Chiu Yu
Legal adviser engaged by the Company (domestic)	Name	Beijing King & Wood
	Office address	17-18th Floor, East Tower, World Financial Center, 1 Dongsanhuan Zhonglu, Chaoyang District, Beijing
Legal adviser engaged by the Company (Hong Kong)	Name	Latham & Watkins LLP
	Office address	18/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong
Share registrar for A Shares	Name	China Securities Depository and Clearing Corporation Limited
	Office address	No. 188 South Yanggao Road, Pudong New Area, Shanghai
Share registrar for H Shares	Name	Computershare Hong Kong Investor Services Limited
	Office address	Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

VI. Major Accounting Data and Financial Indicators

Item	January – June 2026	January – June 2025	Increase/decrease from the same period last year
Operating results (RMB'000)			
Total revenue, gains and other income	**22,323,312**	18,798,367	**18.75%**
Total expenses	**13,129,799**	11,167,241	**17.57%**
Profit before income tax	**9,224,398**	7,635,466	**20.81%**
Profit for the period – attributable to owners of the Company	**7,797,061**	6,487,816	**20.18%**
Net cash flow used in operating activities	**-35,564,097**	-4,382,322	**-711.54%**
Earnings per share (RMB per share)			
Basic earnings per share	**0.66**	0.54	**22.22%**
Diluted earnings per share Note 1	**0.66**	0.54	**22.22%**
Profitability ratio			
Weighted average return on net assets	**6.00%**	5.16%	**Increase of 0.84 percentage point**

COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS

Item	30 June 2026	31 December 2025	Increase/decrease from the end of last year
Scale indicators (RMB'000)			
Total assets	**1,060,474,284**	855,744,927	**23.92%**
Total liabilities	**904,754,896**	707,948,510	**27.80%**
Equity attributable to owners of the Company	**155,702,947**	147,780,143	**5.36%**
Accounts payable to brokerage clients	**334,845,972**	222,670,085	**50.38%**
Total share capital (in thousand shares)	**10,934,402**	10,934,402	**–**
Net assets per share attributable to owners of the Company (RMB per share) Note 2	**14.24**	13.52	**5.36%**
Gearing ratio (%) Note 3	**78.54%**	76.65%	**Increase of 1.89 percentage points**

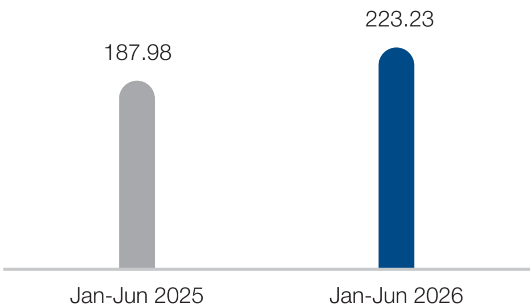
Note 1: There were no dilutive potential ordinary shares of the Company in 2025 and the first half of 2026.

Note 2: Net assets per share attributable to owners of the Company as at 30 June 2026 and 31 December 2025 presented in the table above include perpetual bonds issued by the Company. After deducting such effect, net assets per share attributable to owners of the Company as at the End of the Reporting Period and the end of last year amounted to RMB11.04 and RMB10.78, respectively.

Note 3: Gearing ratio = (total liabilities – accounts payable to brokerage clients – accounts payable to underwriting clients)/(total assets – accounts payable to brokerage clients – accounts payable to underwriting clients).

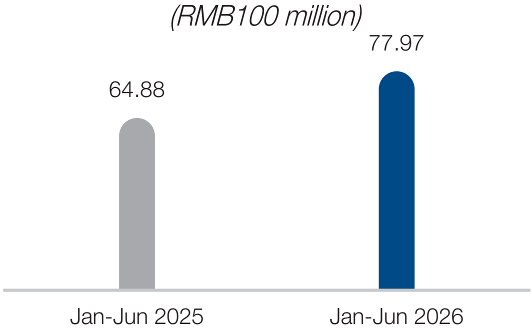
Revenue, gains and other income

(RMB100 million)



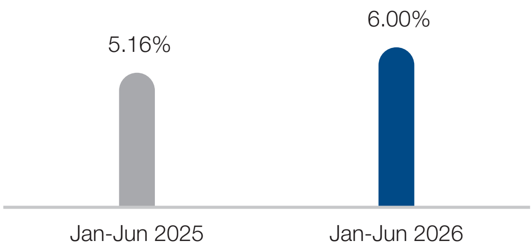
Profit for the period – attributable to owners of the Company

(RMB100 million)



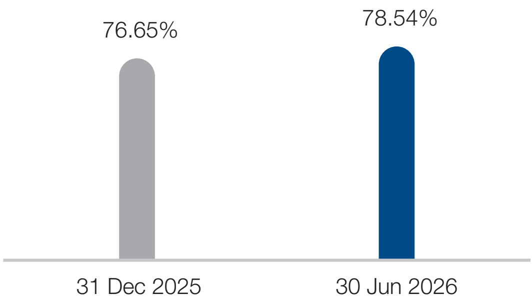
Weighted average return on net assets

(%)



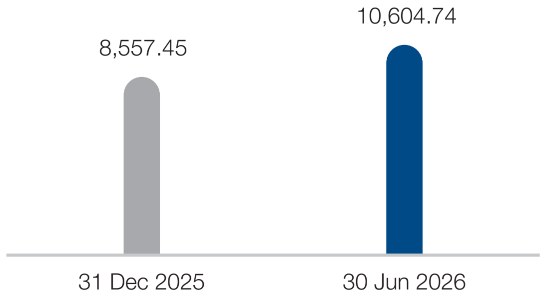
Gearing ratio

(%)



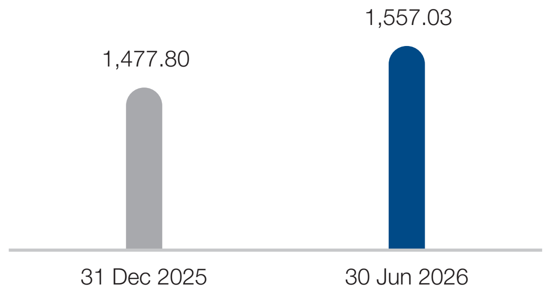
Total assets

(RMB100 million)



Equity attributable to owners of the Company

(RMB100 million)



VII. Net Capital and Relevant Risk Control Indicators of the Parent Company

During the Reporting Period, the risk control indicators for various businesses of the parent company complied with relevant provisions in the Measures for the Administration of Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》) issued by the CSRC.

As at the End of the Reporting Period and the end of last year, the key risk control indicators of the parent company such as net capital were as follows:

Item	30 June 2026	31 December 2025
Net capital (RMB)	**125,811,165,831.93**	115,200,026,161.69
Net assets (RMB)	**148,382,244,702.75**	141,147,079,598.00
Total risk capital provisions (RMB)	**49,782,061,614.13**	46,049,054,333.98
Total on-/off-balance sheet assets (RMB)	**642,880,769,961.35**	576,659,234,509.95
Risk coverage ratio (%)	**252.72**	250.17
Capital leverage ratio (%)	**13.54**	14.92
Liquidity coverage (%)	**246.04**	298.00
Net stable funding ratio (%)	**154.98**	154.59
Net capital/net assets (%)	**84.79**	81.62
Net capital/liabilities (%)	**25.95**	26.84
Net assets/liabilities (%)	**30.60**	32.89
Proprietary equity securities and their derivatives/net capital (%)	**27.98**	30.76
Proprietary non-equity securities and their derivatives/net capital (%)	**285.44**	289.21

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

(i) Types of Principal Businesses in Which the Group Operates

The year 2026 marked the beginning of the "15th Five-Year Plan". The Company had consistently upheld its mission of "serving the country with finance and putting customers first" and was committed to building a first-class investment bank in China. It comprehensively developed a business ecosystem comprising the "three major investment banking segments", namely wealth investment banking, corporate investment banking and capital investment banking, to foster an international development ecosystem for the Company.

Wealth investment banking (wealth management/asset management) positioned itself as a provider of wealth management services for individuals. The wealth management business mainly provided clients with agency trading of stocks, funds, bonds, derivative financial instruments, etc., with financial services including investment advisory, portfolio advice, financial product sales and asset allocation, and offered them margin trading and securities lending, stock-pledged repurchases, agreed repurchase transactions and so forth. The asset management business was primarily engaged in asset management-related operations through Galaxy Jinhui, a subsidiary of the Company.

Corporate investment banking (investment banking/private equity) positioned itself as a service provider to the real economy. The investment banking business mainly provided one-stop investment banking services for a variety of corporate and government clients, including financial services such as equity financing, bond financing, structured financing, financial advisory and diversified financing solutions. The private equity fund business was primarily conducted through Galaxy Capital, a subsidiary of the Company, and the alternative investment business was primarily conducted through Galaxy Yuanhui, a subsidiary of the Company.

Capital investment banking (securities investment/institutional services) positioned itself as a stabilising force in the capital markets. The securities investment business was primarily engaged in investment trading of equity securities, fixed-income securities, commodities, foreign exchange and derivative financial instruments, and provided integrated financial solutions for clients' investment, financing and risk management. The institutional business mainly provided prime brokerage, OTC derivatives, seat leasing, custody and fund services, investment research, market making, and sales and trading.

The Company relied on Galaxy International Holdings and CGS International to carry out cross-border and overseas local operations. Galaxy International Holdings, as the strategic hub for cross-border operations, was establishing itself as a benchmark for world-class investment banking competitiveness. CGS International, as the core of the regional business ecosystem, was consolidating its local competitive advantages and strengthening its position as a strategic bridgehead for "China-ASEAN" relations.

(ii) Operating Model of the Group

During the "15th Five-Year Plan" period, the Company clearly defined a development model "led by three major investment banking segments and empowered by three-pronged synergies" in its new strategic plan. It not only established its wealth investment banking, corporate investment banking and capital investment banking but also enhanced its professional services, strengthened the intensive management and control, and accelerated its digital and intelligent transformation, thus deepening comprehensive synergies and endeavouring to build a first-class investment bank.

(iii) Development Characteristics of the Industry in Which the Group Operates

1. *Economic Environment*

During the Reporting Period, the global macroeconomic landscape exhibited a pattern of "moderate slowdown with K-shaped divergence" and an overall trend of stable growth. However, performance varied significantly across various economies and asset classes due to the AI supercycle, geopolitical conflicts and fluctuations in energy prices. According to data from the National Bureau of Statistics, China's economy withstood pressures and operated within a reasonable range. Supported by relatively fast-paced growth in production and supply, the generally stable employment situation, mild rises in consumer prices, strong momentum in foreign trade, and rapid development of new growth drivers, China's economy secured effective protection of people's livelihood and demonstrated sustainable development resilience. In the first half of the year, gross domestic product (GDP) reached RMB69,570.4 billion, representing a year-on-year increase of 4.7% at constant prices.

2. *Market Trends*

During the Reporting Period, the A-share market demonstrated a structural trend characterised by the technology sector leading gains and volatile upward movements of the indices. As at the End of the Reporting Period, the Shanghai Composite Index (SCI), the CSI 300 Index, and the Shenzhen Component Index (SZCI) climbed by 3.2%, 7.5%, and 19.8%, respectively, as compared to the beginning of the year, while the STAR 50 Index and the ChiNext Index posted the strongest gains, rising by 64.3% and 35.6%, respectively, compared to the beginning of the year. The BSE 50 Index fluctuated and corrected, falling by 13.1% from the beginning of the year. The domestic bond market witnessed low-level interest rate fluctuations with a steeper yield curve. As at the End of the Reporting Period, the 1-year, 10-year and 30-year treasury yields stood at 1.12%, 1.73%, and 2.24%, down by 21.55 bps, 11.43 bps and 3.14 bps from the beginning of the year, respectively. In the commodities market, oil prices fluctuated at high levels before experiencing a significant pullback, while gold prices initially performed strongly but later weakened. As at the End of the Reporting Period, the spot price of Brent crude oil increased by 13.8% as compared to the beginning of the year, while the London spot gold price decreased by 7.2%. In the foreign exchange market, Renminbi continued its modest appreciation trend. As at the End of the Reporting Period, the exchange rate of USD against RMB dropped by 2.92% as compared to the beginning of the year.

3. Industry Landscape

During the Reporting Period, China pushed forward and deepened the development of a strong financial sector. The high-quality development of the capital market unleashed consistent institutional dividends. In addition, the technology and innovation market continued to gain momentum, with trading activity remaining at a high level. Investors also showed a stronger willingness to invest in the A-share market, and household savings were increasingly shifting toward the equity market, contributing to the improving industry sentiment. At the same time, the industry continued to advance supply-side reforms, and leading institutions were expanding their competitive advantages, leading to steadily increasing industry concentration. Small and medium-sized brokerages sought to cultivate niche segments and forge distinctive development paths, which accelerated the formation of a differentiated competitive landscape and continuously strengthened their capability to serve the real economy and new quality productive forces.

II. BUSINESS DISCUSSION AND ANALYSIS

(i) Overall Business Situation

During the Reporting Period, the Company's businesses were conducted as follows:

1. Wealth Management Business

(1) Retail Brokerage and Wealth Management Business

During the Reporting Period, the government continued to roll out policies to secure ample liquidity in the capital market. The A-share market exhibited structural divergence, registering continuous growth in general trading volume and maintaining bustling trading activities. According to the statistics of stock exchanges, in the first half of 2026, the trading volume of equity funds (excluding Shanghai Stock Connect, Shenzhen Stock Connect and exchange-traded money market funds) on the three stock exchanges (i.e. the SSE, the SZSE and the BSE) was approximately RMB355.60 trillion, with an average daily trading volume of RMB3.07 trillion, representing an increase of 57.3% as compared to 2025.

The Company actively adhered to the political and people-oriented nature of financial work, positioning itself as a wealth manager for residents. Staying committed to the concept of "replacing business with ecosystem, replacing marketing with scenarios", the Company focused on building a better client ecosystem, continuously improving the quality of client acquisition across all channels, advancing in-depth, categorised and refined operations from an account perspective, and enhancing synergy in client base development and the joint development of a service ecosystem. It upgraded the "Stellar Entrepreneur Office (星耀企業家辦公室)" to target privately offered fund peers and corporate clients. The Company also optimised the "Jin • Yao (金•耀)" asset allocation brand and adopted a scenario-based service ecosystem to comprehensively address institutional clients' full-lifecycle and customised wealth management needs, thereby building an integrated service ecosystem. With a focus on tool innovation, experience optimisation and system integration, the Company established an integrated service chain covering the entire process for clients before, during and after trading. It continued to strengthen foundational trading capabilities, innovate intelligent trading tools, optimise clients' trading experience, enhance its professional service capabilities for strategic trading, and comprehensively improve its professional trading capabilities as well as overall service standards, with a view to building an integrated and multi-dimensional wealth management and trading service system. As at the End of the Reporting Period, the Company had more than 20.50 million clients.

(2) Financial Product Sales Business and Investment Advisory Business

According to the statistics of the Galaxy Securities Fund Research Center, during the Reporting Period, there were 883 newly established funds (excluding conversion funds), raising a total of RMB659.870 billion. Among them, there were 380 equity funds, accounting for 43.04% of the total number. These funds raised a total of RMB151.504 billion, representing 22.96% of the total asset value. There were 252 hybrid funds, accounting for 28.54% of the total number. These funds raised a total of RMB232.689 billion, representing 35.26% of the total asset value.

The Company adhered to a flexible and efficient strategic layout, strengthened the alignment between financial product supply and demand and drove steady growth in product scale. In respect of publicly offered funds, the Company focused on developing the securities company settlement model and broadened its strategy coverage. For privately offered products, it strengthened cooperation with high-quality managers. With respect to fixed-income products, the Company focused on prudent portfolio allocation to enhance clients' investment experience. Meanwhile, it continued to expand its portfolio of pension products to promote the development of the pension financial services system. The Company deepened the development of its buy-side investment advisory service system, and introduced the "STAR Wealth Solution" to address core wealth management needs. Buy-side investment advisory services were provided to over 700,000 clients. The Company also used the "Fortune Star (財富星)" investment advisory service as a medium to provide multi-dimensional coverage for index investment clients and to continuously upgrade its intelligent investment advisory strategy system. Focusing on enhancing service capabilities for high- and medium-net-worth clients, the Company fostered a multi-tiered investment advisory talent pipeline. Regarding asset allocation, the Company continued to upgrade the "Jin • Yao (金•耀)" service brand. The standard product series delivered outstanding performance, while the customised series precisely addressed clients' individual needs, effectively enhancing the retention of high-net-worth clients. In terms of wealth planning, the Company leveraged the dual brand synergies between the "Stellar Family Office (星耀家族辦公室)" and "Stellar Entrepreneur Office (星耀企業家辦公室)" to provide integrated one-stop wealth planning solutions.

As at the End of the Reporting Period, the size of financial products of the Company exceeded RMB287.0 billion, representing an increase of 13.9% from the end of the previous year. The Company employed over 4,400 investment advisors. The "Jin • Yao (金•耀)" asset allocation brand, specialising in wealth management and targeting high-net-worth clients, reached a scale of over RMB12.0 billion, up by 88% from the end of the previous year. More than 230,000 individual pension accounts were opened in total, and the scale of the comprehensive retirement service brand "Galaxy Xinganyang (銀河星安養)" surpassed RMB870 million. The sales of pension funds grew by 455% year on year, helping clients achieve steady growth in their pension wealth.

(3) Credit Business

According to stock exchange statistics, the balance of margin trading and securities lending amounted to RMB3,020.396 billion as at the End of the Reporting Period, representing an increase of 18.9% from the end of the previous year. In particular, the balance of margin trading stood at RMB2,997.093 billion, representing an increase of 18.7% from the end of the previous year, while that of securities lending was RMB23.303 billion, representing an increase of 41.0% from the end of the previous year.

During the Reporting Period, the Company's credit business fully focused on functional development, adhering to sound practices and embracing innovation. With a customer-centric approach and compliance as the bottom line, the Company continued to deepen customer management, service iteration and business synergy, striving to enhance its comprehensive financial solution capabilities and drive high-quality development of the credit business. On the market front, the Company responded swiftly to market changes, closely followed the guidance of regulatory policies, and made every effort to ensure compliant business operations and protect the legitimate rights and interests of investors. On the client front, the Company strengthened the dual-wheel drivers of technology and professional capabilities to provide differentiated and tailored services and products to various client segments, including individuals, enterprises and institutions. On the brand front, the Company upgraded the "public securities lending pool with Galaxy's characteristics", expanded its business coverage, including financing for exercising options and agreed repurchase transactions, and continued to enhance the inclusiveness of its services. In terms of risk management, the Company improved the risk prevention and control system and enhanced its capabilities in risk forecasting and resolution. In terms of business expansion, the Company developed a competitive "Credit Business + X" cluster, leveraging stock pledges to drive the development of diversified and comprehensive financial services.

As at the End of the Reporting Period, the balance of the Company's margin trading and securities lending business amounted to RMB164.757 billion, representing an increase of 21.0% as compared to the end of the previous year, with an average maintenance margin of 281.2%. The outstanding balance of its stock pledge business was RMB17.779 billion, with an average performance security ratio of 342.4%. Risks were generally under control.

2. Investment Banking Business

During the Reporting Period, China's capital market policies adhered to the general principle of "pursuing progress while maintaining stability, and improving quality and efficiency". Reforms of the STAR Market and the ChiNext were further deepened to support the listing of high-quality, innovative companies, including unprofitable technology enterprises and those in new consumer sectors and modern services industries. Guided by the core principles of "supporting top-notch and technology firms, improving quality and efficiency, ensuring flexibility and convenience, and balancing strict regulation", the SSE, the SZSE and the BSE simultaneously introduced a package of measures to optimise refinancing. The bond market saw further improvement in quality with structural adjustments and expansion in total volume, focusing on serving new quality productive forces and technological innovation. According to Wind statistics, the A-share equity financing (excluding exchangeable bonds and asset purchases through issuance of shares) in the first half of 2026 amounted to RMB227.581 billion, representing a year-on-year decrease of 66.9%. Specifically, the proceeds from IPOs were RMB70.574 billion, representing a year-on-year increase of 88.9%. Refinancing amounted to RMB157.007 billion, representing a year-on-year decrease of 75.9%, which was mainly attributable to the private placement of RMB520.0 billion by the four major banks during the same period last year. New domestic bond issuance (excluding convertible bonds) in the first half of 2026 amounted to RMB19.00 trillion, representing a year-on-year increase of 1.1%.

During the Reporting Period, the Company's investment banking business was closely aligned with its functional role. It continuously optimised its business development system, hired new professionals, improved project management and collaborated in business development. In particular:

(1) Equity Financing and Financial Advisory Business

The Company continued to strengthen its project pipeline in the A-share equity financing business, while raising the standards for project acquisition and execution and enhancing its comprehensive service capabilities. During the Reporting Period, it completed one IPO project and four refinancing projects, with a total underwriting amount of RMB2.169 billion. The Company completed two projects of major asset restructuring or asset purchase through issuance of shares by listed companies, with a total transaction amount of RMB338 million.

(2) Bond Financing Business

The Company actively strengthened business synergies and further explored business opportunities such as local government bonds, financial bonds, medium-term notes and targeted debt financing instruments. The growth in bond underwriting outpaced the industry average. According to Wind statistics, during the Reporting Period, the Company's bond underwriting scale reached RMB375.129 billion, representing a year-on-year increase of 14.9%, ranking 6th in the industry. In particular, the underwriting scale for local government bonds was RMB220.882 billion, ranking 6th in the industry; the underwriting scale for financial bonds was RMB103.953 billion, ranking 10th in the industry; the underwriting scale for medium-term notes was RMB11.295 billion, ranking 8th in the industry; and the underwriting scale for short-term commercial papers was RMB3.078 billion, ranking 7th in the industry.

3. Institutional Business

According to statistics from the Asset Management Association of China, as at the End of the Reporting Period, the net asset value of public funds managed by public fund management institutions in the PRC amounted to RMB39.67 trillion, representing an increase of 5.20% as compared to the end of the previous year. The number of private fund managers in operation was 18,662, managing 143,204 funds with a total scale of RMB23.66 trillion, representing an increase of 6.82% as compared to the end of the previous year.

During the Reporting Period, the Company continued to refine its institutional service ecosystem, coordinated and advanced the building of service brands, including "Galaxy Sky Bow (銀河天弓)", "Stellar Entrepreneur Office (星耀企業家辦公室)" and "Stellar Private Fund Manager Club (星耀私募管理人俱樂部)", which effectively expanded its service coverage for institutional clients. It continuously enhanced its business characteristics and promoted the deep integration of science and technology with business operations. Upon completion of the functional upgrade, the "Galaxy Sky Bow (銀河天弓)" platform covered diverse business scenarios, including OTC derivatives, institutional wealth management, custody outsourcing and prime brokerage (PB) business, which enabled an end-to-end, fully online closed-loop workflow for cross-border derivatives business. Adhering to a technology-driven approach and leveraging large AI models, the Company focused on key projects such as the "Galaxy Sky Bow (銀河天弓)" intelligent customer service and investment research LLMs to comprehensively advance the application of cutting-edge technologies in trading, operations and customer service scenarios, thereby laying a solid foundation for the continuous iteration and upgrade of the institutional service experience. As at the End of the Reporting Period, the Company's institutional client base exceeded 6,500, representing a year-on-year increase of over 16%.

(1) PB Business

During the Reporting Period, the Company's PB business sustained strong development momentum. The three major centres, namely the "Qiming (啟明)" Algorithm Centre, the "Qirui (啟睿)" Strategy Centre and the "Qitai (啟泰)" Risk Control Centre, continued to optimise and expand their functional modules while maintaining stable operations. Actively responding to the call for fair trading from regulatory authorities, the Company further tapped into the T0 client base while enhancing personalised services, including customised strategies, self-developed algorithms and link optimisation, to broaden and deepen its service offerings to high-net-worth clients. The Company scientifically adopted AI technologies, such as large models and AI agents, to empower trading operations. During the Reporting Period, it launched various intelligent tools, such as the PB Smart Assistant and the Strategy Centre's MCP/Skill, implementing the core concept of "PB Makes Investing Simpler".

As at the End of the Reporting Period, the Company's PB business served 9,134 clients, representing an increase of 13.6% from the end of the previous year. The business volume reached RMB563.9 billion, up by 17.1% from the end of the previous year. The stock and fund trading volume was RMB4.00 trillion, representing a year-on-year increase of 77.9%.

(2) OTC Derivatives Business

During the Reporting Period, the Company continued to optimise the structure and business model of OTC derivatives trading with an emphasis on stability and sustainability, and thus achieved steady growth in operating revenue. It continued to advance the integrated management of its cross-border derivatives business, providing clients with one-stop solutions to enhance their experience. The Company also released version 2.0 of a number of self-developed strategy indices to further promote the Galaxy brand and meet the risk management needs of medium-and long-term funds.

(3) Custody and Fund Services

During the Reporting Period, the Company's custody business passed the ISAE3402 international accreditation for five consecutive years. As at the End of the Reporting Period, the Company had a total of 3,973 active products under its custody and fund services, and the scale of such products amounted to RMB355.692 billion, representing a year-on-year increase of 61%.

(4) Equity Market Making Business

As at the End of the Reporting Period, based on the number of market making enterprises/products, the Company provided market making services for 103 stocks on the STAR Market and 53 stocks on the BSE, ranking 4th in both markets. The Company also provided market making services for 563 funds, ranking 11th in the market.

(5) Research Business

During the Reporting Period, the Company promoted the overall development of industry research through macro research, and facilitated the integrated layout of domestic and overseas research. Centring on the goal of building a "financial powerhouse", the Company proactively supported national strategies and built a modern high-end think tank with a global perspective, in a bid to facilitate the development of "technology finance, green finance, inclusive finance, pension finance, and digital finance". The Company continued to refine its product and service systems and enhanced its comprehensive research competitiveness. The returns of its Top Picks portfolio ranked among the top in the industry with remarkable results in investment research. The Company organised the 2026 interim investment strategy presentation to deepen and expand its engagement with institutional investors. Through a diversified service matrix covering research reports, special projects, field research, roadshows, research salons, media publications and conference calls, the frequency and efficiency of daily services improved, thus boosting market confidence. With efficient collaboration between the headquarters and CGS International as the pivot, the Company deepened cross-border institutional coordination and launched the "Galaxy Navigator (銀河領航)" cross-border research and roadshow initiative to make two-way international activities more systematic and normalised. The Company also strengthened its professional capability in fund evaluation, contributed to the development of the national public fund database, and expanded standardised services for the private fund industry, further giving play to the professional value and leadership role of fund evaluation institutions.

4. International Business

During the Reporting Period, the Hong Kong stock market was characterised by overall pressure on indices, a booming IPO market, and pronounced structural divergence. According to HKEX statistics, the Hang Seng Index and the Hang Seng TECH Index fell by 10.7% and 18.9%, respectively, compared to the beginning of the year. Average daily turnover of the Hong Kong stock market reached HKD283.0 billion, representing a year-on-year increase of 18%. The size of equity financing was HKD346.1 billion, representing a year-on-year increase of 22%. In particular, the size of IPO issuance was HKD210.2 billion, representing a year-on-year increase of 92%. According to Wind statistics, a total of 632 Chinese offshore bonds were underwritten, representing a year-on-year decrease of 24.5% and amounting to USD104.17 billion in aggregate, representing a year-on-year decrease of 73.9%. The indices of the core four Southeast Asian markets experienced ups and downs with growing trading volume across all markets. The Singapore Straits Times Index rose by 11.3% from the beginning of the year; the Malaysia KLCI Index dropped by 1.0% from the beginning of the year; the Indonesia Jakarta Index dropped by 34.7% from the beginning of the year; and the Thailand SET Composite Index rose by 26.3% from the beginning of the year. The average daily turnover of the Singapore stock market was S$2.1 billion, up by 46% year on year; the average daily turnover of the Malaysian stock market was MYR3.2 billion, up by 37% year on year; the average daily turnover of the Indonesian stock market was IDR24 trillion, up by 81% year on year; the average daily turnover of the Thai stock market was THB65.8 billion, up by 59% year on year.

(1) Galaxy International Holdings

During the Reporting Period, Galaxy International Holdings served as the Group's cross-border strategic hub. Based in Hong Kong and grounded in its own development context, Galaxy International Holdings adhered to a strategy of "promoting asset-light business with asset-heavy business while maintaining a balance between the two", and took fixed-income products, OTC derivatives and other capital intermediary businesses as key drivers to strengthen its Hong Kong operations with all-out efforts, enhance its contribution to the Group's performance and elevate its position in the industry. It also accelerated the development of investment banking, wealth management, asset management and other asset-light businesses, and deepened comprehensive synergy both domestically and internationally. During the Reporting Period, Galaxy International Holdings completed six Hong Kong IPO projects and the CTG DUTY-FREE merger and acquisition project, and underwrote 60 offshore bond issuances.

(2) CGS International

During the Reporting Period, CGS International continued to enhance the collaboration between capital markets in China and ASEAN countries. It organised a visit to China by a high-level financial delegation comprising members of the Securities Commission Malaysia, Bursa Malaysia Securities Berhad and Central Bank of Malaysia, opening a new chapter in high-level dialogue between the two countries' capital markets. It also organised a series of exchange meetings on key Asian markets and investment opportunities, and visited a number of domestic banks and public fund companies to conduct in-depth business exchanges. It assisted Xicheng District, Beijing in organising an investment promotion conference in Malaysia, innovating the cross-border investment promotion model to establish a new benchmark for cross-border investment promotion under the Belt and Road Initiative. It also assisted the Hangzhou Municipal Government delegation on its visit to the Kuala Lumpur City Hall, actively promoting cross-border technical exchange and practical cooperation between China and Malaysia in the field of smart cities, thereby continuing to deepen the achievements of regional opening.

In terms of brokerage business, CGS International continued to maintain its dominant position in the core Southeast Asian markets. As at the End of the Reporting Period, it ranked 1st in Malaysia, 3rd in Singapore, 5th in Indonesia, and 6th in Thailand in terms of market share in brokerage business. In terms of investment banking business, CGS International completed a total of 11 investment banking deals in the stock market during the Reporting Period with a total transaction size of S$1.91 billion. According to statistics from Bloomberg, CGS International ranked 4th in the equity capital markets of four ASEAN nations and completed a total of 23 bond underwriting projects with a total underwriting amount of THB1.837 billion. In terms of investment business, CGS International executed the first offshore RMB borrowing from non-bank financial institutions in Southeast Asia, which integrated the whole business chain of overseas financing and domestic allocation, and effectively supported the broader objective of RMB internationalisation. In terms of private equity business, the China-ASEAN Investment Cooperation Fund completed the first close with CGS International being a general partner. With a target total size of USD1 billion, the fund focused on key sectors such as industry, healthcare, consumer goods, business services and technology, thoroughly exploring high-quality investment targets in the region to support the transformation and upgrade of the regional industrial structure.

5. Investment Trading Business

During the Reporting Period, the Company adhered to a prudent and steady investment strategy. With absolute returns as its goal, the Company continuously refined its multi-asset, multi-strategy, and balanced investment framework, strengthened the development of its talent pipeline in investment research, continuously optimised its portfolio structure, enhanced its core capabilities in trading and pricing, built core competitiveness in the FICC field, and effectively promoted market stability and the realisation of investment returns.

(1) Equity Investment

During the Reporting Period, the Company focused on "technology finance, green finance, inclusive finance, pension finance, and digital finance", actively safeguarded capital market stability, earnestly carried out investment research, captured investment opportunities in the market, and enhanced its portfolio management. Amid volatility in global equity markets significantly heightened by geopolitical conflicts, the Company firmly committed to its prudent investment philosophy and proactively employed a range of instruments to rigorously control investment risks. Guided by the "15th Five-Year Plan", the Company explored opportunities in sectors such as artificial intelligence and semiconductors, actively positioned itself in the themes of domestic substitution and self-reliance, and effectively captured upside market opportunities. In convertible bond investments, the Company actively responded to the market's siphoning effect, effectively locking in a portion of returns. The Company's FOF investments and self-developed market neutral strategies both continued to deliver stable returns and effectively reduced overall portfolio volatility during periods of significant market fluctuations. The operation of the Securities, Funds and Insurance Companies Swap Facility (SFISF) by the central bank and high-dividend investments operated steadily, providing a stable stream of cash inflow from dividends. The Company actively responded to the Belt and Road Initiative by investing in China-ASEAN ETFs, supporting high-level opening-up.

(2) Fixed Income

During the Reporting Period, the Company was actively committed to serving the real economy and national strategies, placing functionality at the forefront. Closely focusing on "technology finance, green finance, inclusive finance, pension finance, and digital finance" in the major asset investment layout for the FICC field, it continued to strengthen its comprehensive assessment and management of market risks, adhered to a prudent and robust investment strategy, optimised its portfolio structure, enhanced its trading and pricing capabilities, captured diversified investment opportunities, and strengthened the core competitiveness of its FICC business. The Company actively demonstrated its pioneering spirit and drove business innovation. It successfully completed the first interbank credit derivatives transaction for a sci-tech Panda Bond. It also executed the first transaction under the China Financial Futures Exchange's "Financial Futures Direct Financing Support Program" and completed the exercise of an OTC interest rate option transaction. In addition, the Company completed the first batch of interest rate swap transactions with fund product counterparties, obtained approval to provide request-for-quote responses for interbank interest rate swaps and completed its first such transaction, and fully participated in the primary investment and market making services for the first batch of commercial real estate REITs, contributing to the high-quality development of commercial real estate by leveraging its extensive experience in the field of public REITs. The Company advanced the vertical integration of cross-border investment and refined its international business layout. It supported Galaxy International Holdings in becoming one of the first securities firm liquidity providers for Renminbi foreign exchange futures on HKEX, enhancing its comprehensive financial service capabilities for both domestic and international clients and contributed to the implementation of RMB internationalisation strategy. It actively developed the Huijin bond market by launching the market's first select Huijin bond basket as well as providing quotation and trading services, creating a standardised and efficient asset allocation and trading instrument for Huijin bonds. These initiatives continued to help improve the price discovery mechanism and enhance the secondary market liquidity of the Huijin bond market, while promoting the value realisation and efficient circulation of state-owned financial capital.

6. *Futures and Derivatives Business*

During the Reporting Period, China's futures industry showed robust growth momentum, with total market funds remaining at a high level and market activity increasing significantly. Risk management demand from brick-and-mortar enterprises evolved from "passive hedging" to "proactive planning", creating a strategic opportunity for futures companies to deepen their industry services. The futures market had entered a new development stage characterised by scale expansion and enhanced functions. According to statistics from the China Futures Association, in the first half of 2026, when calculated on a single-sided basis, the cumulative trading volume in China's futures market was 5.105 billion contracts, representing a year-on-year increase of 25.23%, while the cumulative turnover reached RMB482.70 trillion, representing a year-on-year increase of 42.08%.

Galaxy Futures capitalised on market opportunities through coordinated business growth, structural optimisation and service enhancement, achieving breakthroughs in its key operating indicators and steadily improving the quality and effectiveness of its institutional and industrial services, with significant results in digital empowerment. Based on the practical hedging needs of industries, the futures brokerage business accurately matched the risk management requirements of state-owned enterprises, listed companies, leading enterprises and characteristic industries, driving the industrial services business toward specialisation, standardisation and refinement. It continued to serve clients such as privately offered funds and wealth management subsidiaries of banks, while continuing to guide medium- and long-term capital towards the market. Its social security and pension business achieved rapid growth. It successfully launched China's first dedicated pension asset futures account which was funded by state-owned equity interest and cash proceeds to supplement the social security fund, providing a replicable model for the industry. The "Insurance + Futures" model achieved constant innovation, with inclusive finance supporting rural revitalisation. A total of 15 insurance and futures projects were implemented during the Reporting Period, securing 206,300 tonnes of spot commodities and benefiting approximately 20,000 farming households, representing a year-on-year increase of nearly 180%. The futures asset management business focused on the features of futures and derivatives, with futures and options as its core investment strategies to enhance both the quality and size of its offering. It continued to pursue its strategic goal of establishing a "multi-strategy product system", build differentiated competitive barriers within the industry and strengthen its asset allocation and investment capabilities. As at the End of the Reporting Period, the scale of the futures asset management business increased by 47.58% year on year to RMB19.315 billion. In response to the calls of the "New Nine Articles", the business also promoted the development of the index market ecosystem for "long-term investment with long-term capital". Since the beginning of the year, it had published its research results for 14 proprietary indices on the Wind platform, while the size of the major asset allocation index strategy products exceeded RMB1.7 billion. Galaxy Futures' investment research focused on its primary responsibility and core business. It comprehensively enhanced both the depth and breadth of its services, gained deep understanding and continuously followed up its clients' fundamental needs. It served more than 1,500 enterprises and produced over 500 thematic and major market reports, quick reviews and risk alerts. Continuous improvements in service responsiveness and matching efficiency provided a solid foundation for precision services and product innovation. Leveraging the dual drivers of integrated investment research as well as digitalisation, Galaxy Futures strengthened the competitiveness of its quantitative products by continuously enhancing its quantitative research infrastructure and establishing a full-chain support system covering data management, strategy validation and trading tests, thereby providing efficient and reliable technological safeguard for strategy development and product implementation. It also actively expanded its diversified cooperation network to promote the in-depth development of the futures market, working closely with futures exchanges to steadily advance a variety of promotional activities, such as cultivating new futures product markets, organising industry conferences and the "Futures Academy" series of investor education initiatives.

In the OTC derivatives business, Galaxy Derivatives, as the risk management subsidiary of Galaxy Futures, continued to expand its presence in the cross-border commodities market. It broadened the range of tradable products and increased the transaction scale, with its business currently covering 95 commodity sub-categories, significantly improving operational quality and efficiency. In the market making business, covering 52 products, including commodity options, equity options, commodity futures, and government bond futures, Galaxy Derivatives fully launched its proprietary system, while its market-making strategies continued to undergo iterative upgrades. In the futures-spot business, business volume increased substantially across both traditionally advantageous products such as cotton and rubber, and emerging strategic products such as lithium carbonate and silicon manganese.

7. *Asset Management Business*

During the Reporting Period, China's financial reforms continued to deepen. A number of financial sector opening-up and innovation initiatives were rolled out in rapid succession, accelerating the development of a modern financial market system. "Technology finance, green finance, inclusive finance, pension finance, and digital finance" were steadily implemented, and the industry's overall effectiveness in serving the real economy continuously improved. Securities firms' asset management businesses remained committed to the core asset management positioning, and continued to strengthen their active management capabilities. As at the End of the Reporting Period, the outstanding scale of securities private asset management products exceeded RMB6 trillion, maintaining steady overall growth.

Adhering to the main line of high-quality development, Galaxy Jinhui focused on the strategic priority of building systematic capabilities, and continuously enhanced its level of internal governance and quality of business development, with dedicated efforts in business expansion, product innovation and operational efficiency enhancement. It delivered multiple breakthroughs in its main business and significantly improved the overall quality and efficiency of its operations. In support of the national strategy, Galaxy Jinhui launched its first retirement-themed product, further deepening its presence in retirement finance. Key equity products were launched efficiently, further strengthening its equity investment capabilities. In product innovation and service system development, it was guided by customer demands, advancing the establishment of a full-lifecycle customer service system, enhancing the refined management and maintenance of channels, and expanding customer coverage. It adhered to a balance between developing new products and optimising the existing product portfolio. The number of newly established products increased significantly year on year, and the product portfolio had become more comprehensive. Galaxy Jinhui completed the transformation of its large collective products into public funds, further enhancing operational quality and resource allocation efficiency. It also promoted the use of information technology to empower investment research and daily operations, continuously optimised business processes, and elevated operational quality and efficiency to a new level.

During the Reporting Period, the assets under management of the Company's private asset management business increased by RMB15.0 billion. In particular, the Company issued four asset-backed securitisation products, representing an aggregate issuance size of almost RMB4.0 billion.

8. *Alternative Investment Business*

During the Reporting Period, China's equity investment industry continued its recovery under the drivers of policy support and new quality productive forces, while exhibiting pronounced structural characteristics. Capital became highly concentrated in leading hard technology projects, covering the full AI industry chain, semiconductors, commercial aerospace and embodied intelligence. The overall sentiment in the primary market picked up. Overall, equity investment exhibited a pattern of "lead investment by state-owned capital, co-investment by industries and support by financial institutions", with hard technology, future industries and strategic emerging industries becoming key focuses for capital. The secondary market displayed a volatile pattern characterised by "policy support, sentiment-driven movements and rapid sector rotation". Focusing on the AI industry, the market showed a highly structured trend, while the traditional cycle and new energy sectors came under pressure.

In equity investment, Galaxy Yuanhui adhered to its strategic positioning of serving "technology finance" and closely aligned its planning direction with the strategic emerging industries and future industries set out under the "15th Five-Year Plan". It solidified its presence in sectors including artificial intelligence, quantum information, integrated circuits and advanced manufacturing. During the Reporting Period, Galaxy Yuanhui made capital contribution of approximately RMB497 million in equity investment. It finished the first phase of capital contribution to the Beijing-Tianjin-Hebei Fund under the National Venture Capital Guidance Fund, further enhancing the effectiveness of investment and financing integration as well as business synergies. The overall operating and development trend of the investees was favourable, with a number of them having commenced the IPO filing process. In financial product investment, Galaxy Yuanhui stuck to the principle of prudent asset allocation, actively built high-quality medium- to long-term investment portfolios, balanced return potential with liquidity under stringent risk control, and continuously optimised its investment strategies and portfolio allocation.

9. Private Equity Investment Management Business

According to statistics from the Asset Management Association of China, as at the End of the Reporting Period, it registered 11,189 private equity and venture capital fund managers, managing 59,441 private equity/venture capital investment funds with a fund size of RMB15.36 trillion, representing an increase of 3.99% from the end of the previous year.

During the Reporting Period, Galaxy Capital fully leveraged the unique advantages of private equity funds as long-term and patient capital, supporting technology innovation and the development of new quality productive forces. During the Reporting Period, it had 4 newly registered funds with a total size of RMB1.259 billion, and 20 investment projects and sub-funds with a total investment amount of RMB662 million, which increased by 115.64% year on year with a focus on technology innovation industries. As at the End of the Reporting Period, Galaxy Capital managed 35 funds with a total registered size of RMB37.618 billion, achieving effective coverage of key regions under the national strategies.

(ii) Challenges and Prospects for the Second Half of 2026

In the second half of 2026, the global macroeconomic landscape is expected to be characterised by "the coexistence of supply shocks, policy constraints and investment-driven support". China's economy is expected to maintain a stable trajectory while continuing to build momentum for transformation and moving towards innovation. The capital market is expected to exhibit a pattern of "upward movement amid fluctuations, structural divergence and performance-first", with market logic shifting from valuation repair to profit-driven dynamics. As capital market reforms deepen, market activity improves and business structures become optimised, the securities industry boom is expected to continue, although divergence among business lines and institutions may become more pronounced.

The Company will actively contribute to the construction of a strong financial nation by earnestly fulfilling its responsibilities and mission as a state-owned securities firm. It will establish and implement the correct view on political achievements, take deepening reform and development as its impetus, and comprehensive and stringent Party discipline as its foundation to better coordinate development and security, and to accelerate the development of a first-class investment bank. The Company will pursue "technology finance, green finance, inclusive finance, pension finance, and digital finance" in depth, prioritise functionality and proactively plan with focus on the eight key tasks identified by the Central Economic Work Conference. It will increase support for key areas including the expansion of domestic demand, technological innovation and SMEs, with particular emphasis on technology finance. The Company will improve a balanced and mutually promoting business framework. Its wealth management business will enhance a development framework centred on long-term value creation and investor returns, while committing to the empowerment and digital and intelligent transformation of its internet branches. Its investment banking business will increase its investment, deepen reforms and realise high-quality development through a client-centric approach. Its investment business will enhance its investment robustness and value assessment capabilities. Its institutional business will provide comprehensive services for "long-term capital", such as products, trading, market making and risk management. Its international business will further deepen the integration of domestic and overseas operations and strengthen cross-border empowerment. Each specialised subsidiary will intensively cultivate its specific sub-sector, distinctive client group and key region, in order to continuously optimise the Company's business structure. The Company will also strengthen an efficient support and enabling framework by enhancing professional services, reinforcing centralised management, accelerating digital and intelligent transformation, and deepening comprehensive synergy. It will strengthen systematic transformation in its operating philosophy, operational mechanisms and management model. Adhering to the principles of stability and prudence, the Company will reinforce a bottom-line mindset that coordinates development with security, implement risk prevention measures in key areas, and enhance the forward-looking nature of risk management and control. It will strictly control incremental risks, properly resolve existing risks and prevent the occurrence of "meltdowns". The Company will remain vigilant against illegal financial activities at all times and make every effort to safeguard the security of its overseas assets.

III. ANALYSIS ON CORE COMPETITIVENESS DURING THE REPORTING PERIOD

As a state-owned securities firm, the Company can grasp the national development policies in a timely manner to deepen and extend its business and services and enjoy the synergy of systemic resources. After years of development, the Company has established significant competitive advantages as follows:

(i) Advantages arising from the shareholders' background. The Company is one of the leading securities firms with the highest proportion of state ownership. Its de facto controller is Huijin, whose parent company is CIC, the sovereign wealth fund of China.

(ii) Strengths stemming from prudent operations. Adhering to the principle of focusing on risk control and prioritising compliance, the Company maintains a prudent and robust risk appetite. It allocates risk resources appropriately, balancing risk and return, and strictly upholding the bottom line of compliant operations. By capitalising on the characteristics of its branch network, it consolidates its strengths in compliance management, ensuring its steady and sustainable development as a first-class investment bank.

(iii) Strong market position in certain business areas. The Company enjoys a strong market position in business areas such as wealth management and fixed-income investment. It has consistently been ranked among the industry leaders, enjoying a high level of brand recognition and reputation.

(iv) Advantages of regional networks. The Company has constantly stepped up its presence in the domestic market. After years of development, the Company has 38 branch offices and 453 branches in 31 provinces, autonomous regions and municipalities, allowing it to conveniently serve the needs of all kinds of clients seeking integrated financial services. With the deepening of the Belt and Road Initiative, the Company has expanded its international business network from Hong Kong to Singapore, Malaysia, Indonesia, Thailand, South Korea, etc., making it one of the Chinese brokerages with the most extensive network in Asia.

IV. SIGNIFICANT CHANGES IN MAJOR ASSETS OF THE COMPANY DURING THE REPORTING PERIOD

As at the End of the Reporting Period, the Group had total assets of RMB1,060.474 billion, representing an increase of 23.92% from the end of 2025. The items with greater changes were as follows: monetary capital amounted to RMB230.531 billion, representing an increase of 24.76% from the end of last year, which was mainly due to the increase in clients' deposits; clearing settlement funds amounted to RMB117.611 billion, representing an increase of 121.09% as compared with the end of last year, which was mainly due to the increase in clearing settlement funds for clients; advances to customers amounted to RMB171.243 billion, representing an increase of 18.11% as compared with the end of last year, which was mainly due to the increase in the size of financing business; derivative financial assets amounted to RMB8.247 billion, representing an increase of 66.72% from the end of last year, which was mainly due to the changes in fair value of derivative financial instruments; financial assets measured at fair value through profit or loss amounted to RMB280.691 billion, representing an increase of 22.20% from the end of last year, which was mainly due to the increase in bond and equity investments; debt instruments measured at fair value through other comprehensive income amounted to RMB106.106 billion, representing an increase of 7.14% from the end of last year, which was mainly due to the increase in bond investments; equity instruments measured at fair value through other comprehensive income amounted to RMB55.603 billion, representing a decrease of 9.64% from the end of last year, which was mainly due to the decrease in investment.

As at the End of the Reporting Period, the Group had overseas assets equivalent to RMB92.637 billion, accounting for 8.74% of the total assets.

V. ANALYSIS OF FINANCIAL STATEMENTS

(i) Analysis of the Company's Profitability during the Reporting Period

During the Reporting Period, the Group realised revenue, gains and other income of RMB22.323 billion, representing a year-on-year increase of 18.75%, of which wealth management business realised revenue, gains and other income of RMB9.784 billion, representing a year-on-year increase of 32.07%; investment banking business realised revenue, gains and other income of RMB306 million, representing a year-on-year increase of 6.88%; institutional business realised revenue, gains and other income of RMB1.950 billion, representing a year-on-year increase of 79.52%; international business realised revenue, gains and other income of RMB3.047 billion, representing a year-on-year increase of 48.46%; investment trading business realised revenue, gains and other income of RMB5.000 billion, representing a year-on-year decrease of 22.66%; parent-subsidiary integration business realised revenue, gains and other income of RMB2.129 billion, representing a year-on-year increase of 39.65%.

The changes in the major items of revenue, gains and other income were as follows:

Commission and handling fee income amounted to RMB6.94 billion, representing an increase of 47.91% year-on-year, mainly due to the year-on-year increase in commission on securities dealing and broking and handling fee income.

Interest income amounted to RMB7.56 billion, representing an increase of 15.33% year on year, mainly due to the year-on-year increase in deposits with exchanges and financial institutions, as well as interest income from advances to financing customers.

Investment income and gains or losses amounted to RMB7.65 billion, representing an increase of 3.34% year-on-year, mainly due to the increase in realised and unrealised investment income from financial assets measured at fair value through profit or loss.

In the first half of 2026, the Group's expenses totalled RMB13.13 billion, representing an increase of 17.57% year-on-year, and the changes in major items were as follows:

Depreciation and amortisation expenses amounted to RMB0.58 billion, representing a decrease of 3.20% year on year, mainly due to the decrease in the depreciation for right-of-use assets.

Staff costs amounted to RMB5.04 billion, representing an increase of 14.18% year on year, mainly due to the corresponding increase in staff costs along with the growth in the Company's operating results.

Commission and handling fee expenses amounted to RMB0.66 billion, representing an increase of 51.67% year on year, mainly due to the increase in expenses in securities brokerage fees.

Interest expenses amounted to RMB4.83 billion, representing an increase of 4.68% year on year, mainly due to the increase in interest expenses on bonds payable and debt instruments.

Other operating expenses amounted to RMB1.52 billion, representing an increase of 15.87% year on year, mainly due to the increase in the general and administrative expenses.

Credit impairment losses amounted to RMB330 million, representing an increase of 238.74% year on year, mainly due to the increase in expected credit risk of the Company's credit business. Accordingly, the Company conducted prudent risk assessments and made reasonable provisions for credit impairment losses.

Impairment losses on other assets amounted to RMB160 million, representing an increase of 446.09% year-on-year, mainly due to the increase in the provision for impairment on other current assets related to the bulk commodity sales business of the subsidiary, Galaxy Derivatives.

(ii) Asset Structure and Quality

During the Reporting Period, the Group continuously maintained its profitability and realised capital preservation and appreciation. As at 30 June 2026, equity attributable to owners of the Company amounted to RMB155.703 billion, representing an increase of RMB7.923 billion or 5.36% as compared with that as at the end of 2025.

As at the End of the Reporting Period, the total assets of the Group amounted to RMB1,060.474 billion, representing an increase of RMB204.729 billion or 23.92% as compared with that as at the end of 2025, and the self-owned assets, after deducting accounts payable to brokerage clients and accounts payable to underwriting clients, amounted to RMB725.618 billion. Among them, self-owned cash assets (bank balances, clearing settlement funds, and deposits with exchanges and financial institutions) amounted to RMB53.681 billion, accounting for 7.40%; financial investments amounted to RMB451.325 billion, accounting for 62.20%; loaned funds and financial assets held under resale agreements amounted to RMB191.479 billion, accounting for 26.39%.

As at the End of the Reporting Period, the total liabilities of the Group amounted to RMB904.755 billion, representing an increase of RMB196.806 billion or 27.80% as compared with that as at the end of 2025, and the self-owned liabilities, after deducting accounts payable to brokerage clients and accounts payable to underwriting clients, amounted to RMB569.899 billion. Among them, self-owned current liabilities amounted to RMB467.101 billion, accounting for 81.96% of self-owned liabilities; self-owned non-current liabilities amounted to RMB102.797 billion, accounting for 18.04% of self-owned liabilities. Self-owned liabilities were mainly financial assets sold under repurchase agreements of RMB169.818 billion, accounting for 29.80%; bond payables (subordinated bonds and corporate bonds) of RMB127.440 billion, accounting for 22.36%; financial liabilities measured at fair value through profit or loss of RMB78.913 billion, accounting for 13.85%; debt instruments (corporate short-term bonds, short-term commercial papers and income certificates) of RMB70.210 billion, accounting for 12.32%; amount due to banks and other financial institutions of RMB33.130 billion, accounting for 5.81%; and other liabilities of RMB90.388 billion, accounting for 15.86%.

As at 30 June 2026, the gearing ratio of the Group was 78.54%, representing an increase of 1.89 percentage points as compared to that of 76.65% as at the end of 2025 (Note: gearing ratio = (total liabilities – accounts payable to brokerage clients – accounts payable to underwriting clients)/(total assets – accounts payable to brokerage clients – accounts payable to underwriting clients)). The operating leverage ratio was 4.66 times, representing an increase of 0.38 as compared with 4.28 times as at the end of 2025 (Note: operating leverage ratio = (total assets – accounts payable to brokerage clients – accounts payable to underwriting clients)/equity attributable to owners of the Company).

(iii) Cash Flows

During the Reporting Period, the net change in cash and cash equivalents of the Company amounted to RMB-626 million, as compared to RMB-882 million for the same period of 2025, which was mainly attributable to the increase in net cash flows from financing activities.

During the Reporting Period, net cash flows from operating activities of the Company amounted to RMB-35.564 billion, as compared to RMB-4.382 billion for the same period of 2025, representing a year-on-year increase in net outflows of RMB31.182 billion, which was mainly attributable to the year-on-year increase of net cash outflows from advances to customers, financial assets measured at fair value through profit or loss, derivative financial assets and financial assets sold under repurchase agreements.

During the Reporting Period, net cash flows from investing activities of the Company amounted to RMB-2.440 billion, as compared to RMB11.574 billion for the same period of 2025, representing a year-on-year increase in net outflows of RMB14.014 billion, which was mainly attributable to the year-on-year increase in net cash outflows generated from purchases and disposal of debt instruments measured at fair value through other comprehensive income.

During the Reporting Period, net cash flows from financing activities of the Company amounted to RMB37.378 billion, as compared to RMB-8.074 billion for the same period of 2025, representing a year-on-year increase in net inflows of RMB45.452 billion, which was mainly attributable to the year-on-year increase in net cash flows received from the issuance and repayment of bonds payable and debt instruments.

(iv) Financial Assets Measured at Fair Value

Unit: '000 yuan Currency: RMB

Category of assets	31 December 2025	Profit or loss from changes in fair value during the period	Cumulative changes in fair value charged to equity	Impairment recognised during the period	30 June 2026
Financial assets measured at fair value through profit or loss	229,694,563.35	4,481,269.57	–	–	280,690,562.28
Debt instruments measured at fair value through other comprehensive income	99,034,328.38	–	148,144.81	-3,568.76	106,105,834.10
Equity instruments measured at fair value through other comprehensive income	61,536,504.73	–	-1,566,471.21	–	55,602,626.83
Derivative financial instruments	-1,634,678.02	1,518,419.13	–	–	-5,162,127.13
Total	**388,630,718.43**	**5,999,688.70**	**-1,418,326.40**	**-3,568.76**	**437,236,896.08**

VI. ANALYSIS OF MAJOR CONTROLLED COMPANIES AND INVESTEES

As at the End of the Reporting Period, the Company directly held 4 domestic wholly-owned subsidiaries, namely Galaxy Futures, Galaxy Capital, Galaxy Jinhui and Galaxy Yuanhui, and one overseas wholly-owned subsidiary, namely Galaxy International Holdings. The basic information is as follows:

Unit: 100 million yuan Currency: RMB

Name of company	Type of company	Primary business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Galaxy Futures	Subsidiary	Commodity futures brokerage, financial futures brokerage, futures investment advisory, asset management and sales of funds	50	1,478.57	85.02	11.51	4.39	3.32
Galaxy Capital	Subsidiary	Asset management, project investment and investment management	15	18.11	17.04	0.48	0.37	0.33
Galaxy Jinhui	Subsidiary	Securities asset management	10	18.87	15.32	1.71	0.25	0.15
Galaxy Yuanhui	Subsidiary	Proprietary investment (including equity investment or debt investment) in enterprises, or investment in other investment funds related to equity investment and debt investment	50(Note 1)	60.89	49.10	4.46	4.11	3.08
Galaxy International Holdings	Subsidiary	Provision of securities and futures brokerage, research and analysis, investment banking, margin financing and securities lending, asset management, wealth management, proprietary trading, foreign exchange trading and derivatives, etc. in regions Including Hong Kong in China and in countries such as Singapore, Malaysia, Indonesia, Thailand, South Korea, the United Kingdom, the United States and Mauritius through a number of subsidiaries	86(Note 2)	925.84	94.16	16.88	5.65	4.49

Note 1: As at the End of the Reporting Period, Galaxy Yuanhui had a registered capital of RMB5.0 billion and a paid-in capital of RMB4.0 billion.

Note 2: As at the End of the Reporting Period, Galaxy International Holdings had a registered capital of HK$8.6 billion.

Note 3: The total assets, net assets, operating revenue, operating profit and net profit mentioned above are financial data prepared in accordance with the China Accounting Standards for Business Enterprises as at the End of the Reporting Period/during the Reporting Period.

VII. STRUCTURED ENTITIES CONTROLLED BY THE COMPANY

As at the End of the Reporting Period, the structured entities included in the Group's scope of consolidation primarily consisted of those held by the Group or those in which the Group, acting as the manager, had invested with its own funds. The factors considered when determining the inclusion of the structured entities in the scope of consolidation include: the Group is the manager or de facto controller and has a certain amount of investment in each of these structured entities, enjoying a greater variable return in such structured entities. As at 30 June 2026, a total of 126 structured entities were included in the scope of consolidation in the Group's interim financial statements. As at the End of the Reporting Period, the equity attributable to the Group from the above-mentioned consolidated structured entities amounted to RMB45.439 billion.

VIII. MAJOR FINANCING CHANNELS, MEASURES ADOPTED FOR MAINTAINING LIQUIDITY LEVEL AND RELEVANT MANAGEMENT POLICIES, FINANCING CAPABILITY AND THEIR EFFECTS ON THE FINANCIAL POSITION

The Company maintains a long-term and prudent financial policy, focuses on management of asset liquidity and guarantees smooth financing channels. During the Reporting Period, the Company raised short-term funding primarily by means of interbank lending, repurchase and short-term commercial papers. Meanwhile, it may borrow long-term funds through issuance of corporate bonds, subordinated bonds and other ways approved by the competent authorities according to the market environment and its own needs. At present, the Company has secured a line of credit from several commercial banks. It may employ a combination of the foregoing financing instruments to borrow funds according to its own business needs.

As at the End of the Reporting Period, the line of credit granted to the Company amounted to more than RMB500.0 billion.

IX. OTHER DISCLOSURES

(i) Potential Risks

During the Reporting Period, the Company launched risk management work around two major objectives, namely, to continue to enhance its risk management capability and to practically prevent and control major risks, with an aim to meet external regulatory requirements, internal business development and risk management needs. The Company continued to build and improve the comprehensive risk management system of the Group to meet the requirements of a modern investment bank by optimising its comprehensive risk management system, strengthening the consolidated financial statements management of the Group, improving new risk management mechanisms for, among others, environmental and climate risks and country-specific and geopolitical risks, reinforcing forward-looking research and judgment while ensuring effective responses, and strengthening the assessment, investigation, and control of risks in key areas and businesses to support business development while reducing marginal incremental risk. The Company continued to increase its investments in talent and resources for data governance, system construction, and risk measurement. Additionally, the Group enriched its professional risk management tools, and continuously enhanced the level of risk management intelligence. During the Reporting Period, the risks of the Company were generally under control and no significant business risks arose.

1. Major risks affecting the operations of the Company

The risks facing the Company in business activities mainly include, among others, market risk, credit risk, liquidity risk, operational risk and cybersecurity risk. During the Reporting Period, the Company adopted effective measures to actively address various risks, guaranteeing the secure conduct of operating activities.

(1) Market risk

Market risk refers to the risk of the potential or actual loss incurred by the Company due to the fluctuation of the fair value or future cash flows in respect of financial instruments held or to be held by the Company resulting from the adverse changes in securities price, interest rate and currency rate, including securities price risk, interest rate risk and currency rate risk. Market risk is mainly measured by professional indicators such as sensitivity and VaR, and managed through measuring, monitoring and dynamically adjusting the limit indicators by setting risk limits such as risk exposure, scale, concentration level, limit of loss, sensitivity and VaR. As at the End of the Reporting Period, the VaR (1D, 95%[Note]) of the Group amounted to RMB339 million.

Securities price risk

Securities price risk refers to the risk of the loss incurred by the Company's positions caused by the fluctuation of the fair value or future cash flows in respect of financial instruments due to the changes in the market prices of securities such as equities, commodities and their derivatives (other than changes resulting from interest rate risk or currency rate risk).

The securities price risk of the Company mainly arose from the positions held in businesses such as proprietary investment and market-making business. In order to control such risks effectively, the Company mainly adopted the following measures. Firstly, it made use of financial derivatives such as futures and options to carry out effective risk hedging. Secondly, it implemented stringent risk limit management to effectively control indicators such as risk exposure, scale, concentration level, limit of loss, VaR and sensitivity, and conducted risk monitoring, measurement, analysis, assessment and reporting for indicators such as risk limits to identify and deal with risks in a timely manner as well as adjusted the risk limits on a regular basis or from time to time after taking into account changes in the market, business operation and risk characteristics, thereby coping with the potential changes in risks. Thirdly, it adopted quantitative analysis to assess risks in a timely manner, and carried out dynamic and forward-looking assessment of risks of the securities portfolio by adopting scenario analysis, sensitivity analysis, risk performance attribution, stress tests and other methods. Fourthly, it enhanced the risk judgment on ad hoc or extreme events and timely adopted risk response measures.

Note: 1 day, 95% confidence interval.

Interest rate risk

Interest rate risk refers to the risk of the loss on fixed income assets and derivatives arising from adverse changes in, among others, risk-free interest rates, credit spreads, yield curve patterns and changes in basis spreads. The assets of the Company exposed to interest rate risks mainly include bank deposits, clearing settlement funds, refundable deposits and bonds, etc. The Company used sensitivity indicators such as DV01 as the main instrument for monitoring interest rate risk, and controlled indicators such as DV01 of the investment portfolio by optimising the allocation of fixed income instruments in terms of duration and convexity, as well as adopted derivatives such as treasury bond futures and interest rate swaps to hedge interest rate risks, thereby keeping interest rate risks within a controllable and acceptable range.

During the Reporting Period, the overall interest rate risk faced by the Company was under control.

Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to adverse changes in exchange rates. The risk arises mainly from international business and cross-border business. The Company mainly adopts reasonable and effective measures such as hedging with foreign exchange derivatives and setting exchange rate exposure limits to manage its exchange rate risk.

(2) Credit risk

Credit risk refers to the risk of incurring losses resulting from the failure of the borrower or counterparty to timely fulfil its contractual obligations. The Company managed credit risk mainly by evaluating credit risk in advance and following up credit risk afterward. In the pre-evaluation phase, the Company constantly improved the internal credit rating system, strengthened unified credit-granting management, optimised the system of credit risk limits and conducted strict enforcement of the negative list management mechanism, thereby effectively controlling the front-end risks and leveraging the management tool of the same client to effectively prevent client concentration risk. During the duration management, the Company regularly evaluated and monitored the credit risk, continuously traced significant events that would affect clients' credit, adjusted the credit limit in a timely manner based on clients' credit status; constantly enhanced the ability in credit risk measurement and closely monitored the exposure to credit risk; carried out regular risk screening, strengthened risk classification and management, and continuously enhanced the capability in making risk anticipation and warning, to identify, report and deal with default risks in a timely manner, and formulate risk response measures or plans in advance.

During the Reporting Period, the Company's credit risk preference for bond investment remained relatively stable. The investors of credit bonds were mainly central-government-controlled enterprises and state-owned enterprises, with AA+ level or above accounting for over 95%, and the credit rating was generally high and the default risk was low. As at the End of the Reporting Period, the Company maintained a high margin of safety in the average performance guarantee ratios of its margin financing and securities lending clients with outstanding liabilities and its stock pledged repurchase clients with outstanding liabilities. The overall credit risk faced by the Company was within the acceptable range.

(3) ***Liquidity risk***

Liquidity risk refers to the risk resulting from the failure to make payment, settlement, reimbursement, redemption and to meet obligations in connection with financial liabilities due to shortage of funds in the ordinary course of business of the Company.

To cope with and manage liquidity risk effectively, the Company mainly adopted the following measures. Firstly, it established and continued to optimise the liquidity risk indicator system to monitor the liquidity risk of the Company on a daily basis and issue risk warning and report in a timely manner. Secondly, the model for liquidity risk measurement was constantly optimised to improve the accuracy and foresight of the indicators. Thirdly, regular stress tests were conducted to analyse and assess the liquidity risk level faced by the Company, business departments and subsidiaries under a stress scenario. Fourthly, it carried out regular emergency drills to constantly strengthen the Company's ability in tackling emergency in relation to liquidity. Fifthly, it constantly optimised the asset and liability structure by establishing a hierarchical liquidity reserve system and diversified the capital replenishment channels through the money market, capital market and bank credit. Sixthly, real-time monitoring and management was strengthened on the usage of large amount of funds, in order to achieve centralised fund allocation and unified liquidity risk management.

During the Reporting Period, the overall liquidity risk faced by the Company was under control, the high-quality liquid assets and reserves were relatively sufficient, and various liquidity risk control indicators met regulatory requirements continuously.

(4) ***Operational risk***

Operational risk refers to the risk of incurring losses resulting from internal events including the defect of the Company's process, misconduct of personnel or information system failures, or from such external events as natural disaster and fraud committed by external personnel.

In order to effectively control operational risks, the Company mainly adopted the following measures: firstly, establishing a sound operational risk management system with a clear structure and clear responsibilities, continuously improving and perfecting the operational risk management system of the Company, its branches and domestic and foreign subsidiaries, further consolidating the responsibility for operational risk management at the first line of defence, strengthening the application of loss data collection (LDC), risk and control self-assessment (RCSA), key risk indicators (KRI) and other management tools, and continuously optimising the functionality of the operational risk management system; secondly, by sorting out the main business processes, key risk points and control measures of business departments, branches and subsidiaries, establishing an operational risk and control matrix covering key areas and critical links, conducting self-assessment on a regular basis, and promoting the improvement of processes and measures in response to control weaknesses; thirdly, by establishing a key risk indicator library for the operational risk of key business operations, monitoring and analysing the operation of indicators in each business line regularly to give full play to the role of indicator warning; fourthly, through the collection and analysis of loss data, realising the classification and categorisation of operational risk events, attribution analysis, problem rectification and action plan management, and supervising the continuous improvement of the weak points of internal control; fifthly, incorporating the identification and assessment of operational risks into the review process for the launch of new businesses and new products, upgrading important business systems or major system changes, strengthening risk pre-assessment and risk warnings, and achieving front-end control of operational risks and closed-loop management throughout the entire process; sixthly, establishing a business continuity management system to identify and evaluate the risk exposure of key resources for important businesses, formulating a risk management plan for the interruption of important business operations, and enhancing the ability to cope with business interruption risks and the resilience of sustainable operations under stress scenarios.

During the Reporting Period, the Company's overall operational risk was within the acceptable range.

(5) Cybersecurity risk

Cyber and information security risk refers to the risks involved in confidentiality, integrity or availability of data generated by the use of information and communication technologies of the Company, as well as risks including property damage and prejudice to investors' legitimate interests caused by business interruptions as a result of the Company's cyber operation technologies.

In order to effectively prevent and cope with the cyber and information security risks, and to protect data security and personal information security of investors, the Company mainly adopted the following measures: firstly, establishing and improving the cyber and information security management system, continuously improving the investor personal information protection mechanism, implementing the cybersecurity responsibility system, making full use of various technologies, and enhancing the establishment of a sound cyber and information security technology protection system; developing a system for disaster recovery and offsite backup within the same city, and ensuring a safe physical network environment; using data backup technology and hardware redundancy backup technology to improve the security level of hardware, software and data of the network system; secondly, taking multiple measures, including network planning and isolation, information system security baseline, access to network, and office terminal control, to strengthen information security management and control in key matters; installing firewalls, application firewalls, traffic safety detection systems and other cybersecurity devices at network boundaries, as well as deploying anti-virus and data anti-leakage systems to prevent malicious network attacks and mitigate the risk of data leakage; conducting security vulnerability scanning on important systems on a regular basis; conducting tiered protection, security assessments and penetration tests for essential systems; carrying out data security assessment work, as well as personal information protection impact assessment work; formulating a comprehensive contingency plan for information system emergencies and organising drills on a regular basis; and organising various forms of safety awareness training for the Company's employees and investors.

During the Reporting Period, the overall cyber and information security risks of the Company were controllable, and the important information technology systems of the Company operated in a safe and stable manner, providing strong support for the smooth development of the Company's business and the protection of investors' personal information security.

2. ***Countermeasures and measures the Company has taken or planned to take***

The Company always attaches great importance to risk management, constantly improves the risk management system, strengthens the application of risk management methods and tools, promotes the establishment of risk management information systems, implements whole-process risk management, and uses consolidated management as a lever to effectively advance group-wide risk management, in order to safeguard the Company's sustainable and steady operation.

(1) Deepening the establishment of the Group's comprehensive risk management system

The Board of Directors and the management of the Company, from the top down, place great importance on risk management. Based on serving the national development and from the perspective of political and national security, they have firmly established a mindset of maintaining bottom-line and limit-case thinking, fulfilled the important mission of preventing and resolving financial risks, organised and led the Group in comprehensively deepening all aspects of risk management, enhanced risk management and duty performance, and improved the professional level of risk management. The Company has improved the comprehensive risk management and consolidated financial statements management system, and optimised the Group's risk appetite and hierarchical risk limit management system based on the needs for business development and risk management. In addition, the Company improved the risk management mechanism and process and strengthened the front-end risk assessment. It also conducted T+1 risk measurement and control to enhance the closed-loop management of risk investigation, early warning, disposal, recovery and accountability. Through all these efforts, the Company further deepened the integrated vertical risk control of its subsidiaries, and continued to build the Group's comprehensive risk management system that meets the requirements of a modern investment bank.

(2) Strengthening the application of risk management methods and tools

The Company consistently devoted more resources to strengthening risk assessment and measurement, enhancing the application of risk management methods and tools, thoroughly identifying risks in a timely manner, prudently assessing various types of risks, constantly monitoring risks, actively taking effective measures to deal with risks, and reporting risks in a timely and all-round manner.

During the Reporting Period, the Company mainly adopted the following measures: firstly, reinforcing forward-looking risk research, judgment and responses, keeping track of market changes, interpreting and analysing the impact of, among others, geopolitical risks, in order to get prepared for risks of extreme scenarios; secondly, optimising the model management mechanism, enhancing the continuous evaluation and validation of its measurement models, expanding scenarios for stress tests, and dynamically examining and judging business risks in a timely manner through scenario analysis models, enhancing the refined measurement of market risks and strengthening the performance attribution analysis of proprietary investment and the OTC derivatives business; thirdly, optimising liquidity risk measurement, stress test and other models and parameters to ramp up the capabilities to measure and evaluate the Company's liquidity risk; fourthly, continuously building and optimising the unified customer and business management system and credit risk management system, promoting the construction and application of the internal credit rating system, optimising the risk alert model and intelligent risk alert system, conscientiously implementing the negative list management mechanism on an ongoing basis, and effectively implementing the asset risk classification and management mechanism; fifthly, continuously improving the operational risk management system and mechanism, clarifying the principle of hierarchical management and control of operational risks, diligently implementing the accountability system at different levels, promoting the corporate culture of risk awareness among all employees, and enhancing the quality and efficiency of operational risk management.

(3) Enhancing the informatisation and intelligentisation of risk management

Leveraging the data middle platform, the Company built the Group's risk data mart and supported the centralised integration and standardised control of the Group' s risk data, so as to achieve a comprehensive, timely and accurate acquisition and processing of the various risk data of its parent and subsidiaries. On this basis, it built a professional risk management system cluster to improve the information, automation, and intelligence of risk management, providing comprehensive support for "group-wide and look-through" operations across risk measurement, monitoring, early warning, and reporting.

The Company mainly adopted the following measures: Firstly, the Company thoroughly optimised the group-level risk data mart and devoted consistent efforts to gathering overseas information and data, thereby fortifying the group-level risk data foundation. Secondly, the Company steadily expanded various systems, including management systems for market risk, credit risk, liquidity risk and operational risk, risk indicator and reporting system, the unified business and customer management system, market risk measurement platform, the internal credit rating system, the risk monitoring system for margin financing business, the consolidated financial statement management system, and the economic capital measurement system. It also drove the development of risk management functional modules at domestic and overseas subsidiaries and sub-subsidiaries and promoted the centralised integration of the Group's risk management functions to boost the effectiveness of group-based risk measurement, identification, early warning and disposal. Thirdly, the Company enhanced the proportion of independent research and development, deeply explored large AI model application, and completed the establishment of intelligent systems for several risk management scenarios, thus effectively supporting the risk management of the Group.

(4) Implementing whole-process risk management

The Company applied risk management to the entire business process, and the measures included the performance of risk assessment before launching business, the design of risk control measures and process, risk control indicator and threshold setting, the improvement of risk management supporting system and rules, and the development of a risk measurement and monitoring system. Apart from that, pre-assessment and audit in the course of business, in-process risk measurement, independent monitoring, risk screening and risk reporting were conducted in addition to the post-incident closed-loop management mechanism, which covered risk assessment, risk review, risk disposition and accountability, ensuring that risk management effectively covered the entire business process.

(5) Deepening integrated vertical risk management

Within the Group's unified risk management framework and based on the Group's risk appetite, the Company has promoted the parent-subsidiary integrated risk management after taking into account the operating and risk characteristics of each subsidiary. During the Reporting Period, the Company mainly adopted the following measures: firstly, conducting the pre-assessment of the basic systems of subsidiaries to ensure that subsidiaries' risk control systems for similar businesses are consistent with those of the parent company; secondly, setting important quotas for subsidiaries by the headquarters to control subsidiaries' aggregate risk exposures and monitor subsidiaries' major investment decision-making to prevent major risks; thirdly, incorporating new businesses and products of subsidiaries into the scope of the Group for unified control, escalating the approval of major new businesses and products of subsidiaries and proactively controlling the key risks of subsidiaries; fourthly, incorporating subsidiaries at all levels into the consolidated risk management system of the Group to deepen the data collection and application of parent and subsidiaries. Through consolidating the subsidiaries in the group-level unified risk measurement, monitoring and reporting, the Company extended to subsidiaries its systems for internal ratings, unified customer and business management, and unified credit management; fifthly, establishing a daily communication mechanism between parent and subsidiaries for vertical management of key risk posts in subsidiaries, such as chief risk officer. In addition, the Company assigned key personnel in overseas subsidiaries to ensure the effective operation of the vertical risk management system of subsidiaries.

(II) Establishment and disposal of securities branches and branch offices

As at the End of the Reporting Period, the Company established 38 branch offices and 453 securities branches.

1. Establishment of Branch Offices

During the Reporting Period, the Company newly established Beijing Internet Securities Branch Office in Beijing in accordance with the Announcement on Various Issues in relation to the Cancellation or Adjustment of Certain Administrative Review and Approval Projects of Securities Firms (《關於取消或調整證券公司部分行政審批項目等事項的公告》).

2. Closure of Securities Branches

During the Reporting Period, the Company completed the closure of 5 securities branches in accordance with the Announcement on Various Issues in relation to the Cancellation or Adjustment of Certain Administrative Review and Approval Projects of Securities Firms (《關於取消或調整證券公司部分行政審批項目等事項的公告》), namely Shanghai Putuo District Daduhe Road Securities Branch, Longyan Hualian Road Securities Branch, Shanghai Songjiang District Rongle East Road Securities Branch, Shanghai Qingpu District Xinfu Middle Road Securities Branch and Shanghai Pudong New Area Lingyan South Road Securities Branch.

3. Relocation of Branch Offices and Securities Branches

The Company has constantly adjusted and optimised the distribution of its branches. During the Reporting Period, the Company completed same-city relocation of a total of 23 branches, including 4 branch offices and 19 securities branches. Details are as follows:

(1) Relocation of branch offices

No.	Province/ autonomous region/ municipality	Branch office	Current address
1	Jilin Province	Jilin Branch	Rooms 4105B and 4106, Building A, Changchun International Financial Center, No. 1888 Jiefang Road, Nanguan District, Changchun
2	Tianjin	Tianjin Branch	Units 08B, 09A, 09B and 10, 17/F, Luneng International Center, Intersection of Shuishang Park North Road and Shuishang Park East Road, Nankai District, Tianjin
3	Beijing	Beijing Branch	Units 1501, 1502, 1503, 1504 and 1505, Rooms 1-40, 15/F, Building 1, No. 11 Financial Street, Xicheng District, Beijing
4	Liaoning Province	Dalian Branch	Units B2 and C1, 5/F, No. 620 Huanghe Road, Shahekou District, Dalian, Liaoning Province

(2) Relocation of securities branches

No.	Province/autonomous region/municipality	Original name of securities branch	Current name of securities branch	Current address
1	Guangdong Province	Guangzhou Zengcheng Licheng Street Securities Branch	Guangzhou Zengcheng Licheng Street Securities Branch	Room 2002, No. 4 Yunxi Street, Licheng Sub-district, Zengcheng District, Guangzhou
2	Guangdong Province	Shenzhen Jingtian Securities Branch	Shenzhen Jingtian Securities Branch	Unit A, 4/F, New Media Building, No. 2 Shangbao Road, Jinghua Community, Lianhua Street, Futian District, Shenzhen
3	Guangdong Province	Shenzhen Luohu Securities Branch	Shenzhen Luohu Securities Branch	Rooms 1501-1506, Dongmen Financial Building, No. 2020 Dongmen Middle Road, Chengdong Community, Dongmen Sub-district, Luohu District, Shenzhen
4	Zhejiang Province	Ningbo Ningnan North Road Securities Branch	Ningbo Ningnan North Road Securities Branch	Room 5-1-6, No. 1, Shengchuang Building, Zhonggongmiao Sub-district, Yinzhou District, Ningbo, Zhejiang Province
5	Zhejiang Province	Qingtian Longjin Road Securities Branch	Qingtian Linjiang East Road Securities Branch	Room 201, Block 1, No. 1 and No. 5, Dongchun Yuan, Hecheng Sub-district, Qingtian County, Lishui, Zhejiang Province
6	Jiangsu Province	Changzhou Beidajie Securities Branch	Changzhou Xinmin Road Securities Branch	Units 104, 105, 109, 110 and 111, Building 1, South Plaza Apartment, Tianning District, Changzhou
7	Jiangsu Province	Nanjing Shuanglong Avenue Securities Branch	Nanjing Shuanglong Avenue Securities Branch	Rooms 07, 08, 09 and 10, 13/F, Jingfeng Center, No. 1698 Shuanglong Avenue (Jiangning Development Zone), Jiangning District, Nanjing, Jiangsu Province
8	Shandong Province	Rizhao Weihai Road Securities Branch	Rizhao Jinan Road Securities Branch	1/F (Units 02-102)/2/F (Units 02-204), Tower A, Xingye Wealth Plaza, north of Jinan Road and south of Juzhou Road, Donggang District, Rizhao, Shandong Province
9	Liaoning Province	Shenyang Dabeiguan Street Securities Branch	Shenyang Chongshan East Road Securities Branch	Room 401, Shenyang Lixinghang Plaza, No. 11 Chongshan East Road, Huanggu District, Shenyang, Liaoning Province
10	Liaoning Province	Dalian Huanghe Road Securities Branch	Dalian Huanghe Road Securities Branch	Units C2, D1 and D2, 5/F, No. 620 Huanghe Road, Shahekou District, Dalian, Liaoning Province
11	Chongqing	Chongqing Shanan Street Securities Branch	Chongqing Shapingba Securities Branch	No. 32-34-1, Yubei Road, Yubei Road Sub-district, Shapingba District, Chongqing
12	Chongqing	Chongqing Danzishi Securities Branch	Chongqing Danzishi Securities Branch	No. 17-31, No. 32, No. 33 and No. 34, Qunhui Road, Nan'an District, Chongqing
13	Henan Province	Xinxiang Youyi Road Securities Branch	Xinxiang Pingyuan Road Securities Branch	2/F, Room 117, Guomao Building, No. 356 Xin'er Street, Hongqi District, Xinxiang City, Henan Province
14	Shaanxi Province	Baoji High-tech Avenue Securities Branch	Baoji High-tech Avenue Securities Branch	No. 08, 1/F, Block 1, No. 39 High-tech Avenue, Baoji High-Tech Industrial Development Zone, Shaanxi Province
15	Yunnan Province	Kunming Dongfeng West Road Securities Branch	Kunming Dongfeng West Road Securities Branch	Nos. 901, 902, 903, 904-1 and 906, 9/F, Shunchengdongta, No. 11 Dongfeng West Road, Wuhua District, Kunming, Yunnan Province

No.	Province/autonomous region/municipality	Original name of securities branch	Current name of securities branch	Current address
16	Jilin Province	Changchun Qianjin Street Securities Branch	Changchun Jiefang Road Securities Branch	Rooms 4104A, 4105A, 4107, and A1F03, Tower A, Changchun International Financial Center, No. 1888 Jiefang Road, Nanguan District, Changchun
17	Tianjin	Tianjin Shengli Road Securities Branch	Tianjin Xiangwei Road Securities Branch	Unit 101-1, Building 4, Wanghai International Apartment, No. 168 Binhai Road, Hebei District, Tianjin
18	Tianjin	Tianjin Water Park North Road Securities Branch	Tianjin Water Park North Road Securities Branch	Units 06, 07 and 08A, 17/F, Luneng International Center, Intersection of Water Park North Road and Water Park East Road, Nankai District, Tianjin
19	Hainan Province	Danzhou Zhongxing Street Securities Branch	Yangpu Securities Branch	Rooms 3A05 and 3A06, Block 2#, Yangpu International Shipping Tower, located on the east side of the intersection of Xinying Avenue and Jinyang Road, Xinying Bay Area, Yangpu Economic Development Zone, Hainan Province

(III) Dynamic Risk Control Indicator Monitoring and Top-up Mechanism Establishment

The Company established a sound risk control indicator management mechanism and formulated the Management Measures for Risk Control Indicators of the Company to standardise the management of risk control indicators from a system perspective. The Company established the dynamic monitoring system for risk control indicators to conduct dynamic monitoring and analysis of risk control indicators and give an early warning, through which it can report and deal with various abnormalities in a timely manner, so as to ensure that all risk control indicators always meet the regulatory requirements. The Company established an early warning mechanism for risk control indicators by setting up internal early warning thresholds for the indicators to strengthen the forward-looking control of the indicators. During the Reporting Period, the Company's net capital remained robust and various risk control indicators continued to meet regulatory standards.

During the Reporting Period, the Company strengthened asset-liability matching management, ensured safe liquidity, optimised asset allocation and reasonable funds pricing, and strove to improve its asset-liability management level. The Company established a dynamic top-up mechanism and made long-term top-up plans for net capital. The Company raised short-term capital to increase its liquidity coverage by issuing short-term commercial papers and short-term corporate bonds, etc. It replenished the long-term available stable fund to increase the net stable fund rate through the issuance of long-term corporate bonds and subordinated debts, etc., so as to ensure a dynamic balance between the Company's business development and its risk resistance. The Company effectively managed capital allocation and debt financing arrangements. When the capital adequacy target continued to fall or there were potentially significant adverse factors, the Company could initiate the financing plan at an appropriate time based on market conditions to guarantee the level of capital adequacy. As at the End of the Reporting Period, the Company issued 9 long-term subordinated debts and 7 perpetual subordinated bonds to replenish supplementary net capital by RMB40.8 billion. During the Reporting Period, the Company's net capital and other risk control indicators continued to meet the relevant regulatory requirements.

(IV) Issuance of Bonds

1. Issuance of bonds during the Reporting Period

(1) During the Reporting Period, the Company issued corporate and subordinated bonds with an aggregate principal amount of RMB47.0 billion, which were listed on the SSE. Details are as follows:

Unit: 100 million yuan Currency: RMB

Bond short name	Type of bonds	Date of completion of issuance	Issue price or interest rate	Issuance amount	Listing date	Amount approved for listing and trading	Maturity date
26 Galaxy Y1	Perpetual subordinated bonds	2026/1/15	2.37%	50	2026/1/21	50	N/A
26 Galaxy G1	Corporate bonds	2026/1/26	1.79%	15	2026/1/29	15	2028/1/26
26 Galaxy G2	Corporate bonds	2026/1/26	1.85%	45	2026/1/29	45	2029/1/26
26 Galaxy G3	Corporate bonds	2026/2/6	1.80%	43	2026/2/11	43	2028/3/6
26 Galaxy G4	Corporate bonds	2026/2/6	1.85%	17	2026/2/11	17	2029/3/6
26 Galaxy Y2	Perpetual subordinated bonds	2026/3/12	2.25%	50	2026/3/18	50	N/A
26 Galaxy K1	Technology innovation corporate bonds	2026/3/23	1.79%	10	2026/3/27	10	2029/3/23
26 Galaxy G5	Corporate bonds	2026/5/11	1.64%	30	2026/5/15	30	2028/5/11
26 Galaxy G6	Corporate bonds	2026/5/11	1.73%	30	2026/5/15	30	2029/5/11
26 Galaxy G8	Corporate bonds	2026/5/21	1.58%	13	2026/5/26	13	2028/5/21
26 Galaxy G9	Corporate bonds	2026/5/21	1.68%	47	2026/5/26	47	2029/5/21
26 Galaxy Y3	Perpetual subordinated bonds	2026/6/11	2.00%	50	2026/6/17	50	N/A
26 Galaxy S1	Short-term corporate bonds	2026/6/15	1.49%	40	2026/6/22	40	2026/12/23
26 Galaxy S2	Short-term corporate bonds	2026/6/24	1.53%	30	2026/6/29	30	2027/3/24

During the Reporting Period, the proceeds from the Company's issuance of corporate and subordinated bonds were utilised to replenish the working capital of the Company or to repay its maturing bonds.

(2) During the Reporting Period, the Company issued short-term commercial papers with an aggregate amount of RMB36.0 billion, which were listed on the interbank market. Details are as follows:

Unit: 100 million yuan Currency: RMB

Bond short name	Date of completion of issuance	Issue price or interest rate	Issuance amount	Listing date	Amount approved for listing and trading	Maturity date
26 Galaxy Securities CP001	2026/1/8	1.69%	40	2026/1/9	40	2026/7/8
26 Galaxy Securities CP002	2026/1/14	1.71%	50	2026/1/15	50	2026/9/18
26 Galaxy Securities CP003	2026/1/21	1.71%	40	2026/1/22	40	2026/11/24
26 Galaxy Securities CP004	2026/2/9	1.67%	40	2026/2/10	40	2026/12/8
26 Galaxy Securities CP005	2026/4/20	1.50%	40	2026/4/21	40	2026/10/21
26 Galaxy Securities CP006	2026/5/15	1.44%	50	2026/5/18	50	2026/11/18
26 Galaxy Securities CP007	2026/5/19	1.47%	20	2026/5/20	20	2027/2/24
26 Galaxy Securities CP008	2026/5/22	1.47%	40	2026/5/25	40	2027/1/28
26 Galaxy Securities CP009	2026/6/23	1.53%	40	2026/6/24	40	2027/6/23

Note: From the date of this report onwards, the Company will no longer separately publish provisional announcements in relation to the issuance and redemption of corporate bonds and short-term commercial papers. These pieces of information will be collectively disclosed in periodic reports.

During the Reporting Period, the proceeds from the Company's issuance of short-term commercial papers were utilised to replenish the working capital of the Company.

As at the End of the Reporting Period, the scale of the Company's existing income certificates amounted to RMB36.786 billion. During the Reporting Period, the redemption payments on the Company's income certificates totalled RMB18.705 billion (including interests and dividends).

2. *Bond financing activities after the Reporting Period*

(1) Corporate bonds issued after the Reporting Period

For details, please refer to the section headed "RELEVANT INFORMATION OF BONDS" of this report.

(2) Short-term commercial paper financing activities after the Reporting Period

From the End of the Reporting Period and up to the date of this report, the issuance of short-term commercial papers of the Company is set out in the table below:

Unit: 100 million yuan Currency: RMB

Bond name	Bond short name	Issuance amount	Date of completion of issuance	Maturity date	Term	Coupon rate
2026 Tenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	26 Galaxy Securities CP010	30	2026/7/28	2027/7/22	359 days	1.53%

CORPORATE GOVERNANCE, ENVIRONMENTAL AND SOCIAL

I. Operation of the Board and its special committees

As at the date of this report, the Board currently comprises 10 Directors, including 2 executive Directors, 4 non-executive Directors and 4 independent non-executive Directors, of which Mr. Liu Li, an independent non-executive Director, is a Certified Public Accountant in the PRC.

The Strategy and ESG Development Committee, the Compliance and Risk Management Committee, the Nomination and Remuneration Committee and the Audit Committee have been established under the Board. The responsibilities of each committee are clearly divided and defined. The committees assist the Board in conducting work within the terms of reference as specified in the rules of procedure, and are accountable to and report to the Board. The majority of the members of the Nomination and Remuneration Committee and the Audit Committee are independent non-executive Directors, and the chairman of each of the two committees is an independent non-executive Director.

All Directors performed their duties compliantly, faithfully and diligently in accordance with the relevant requirements of laws, regulations and the Articles of Association, so as to protect the interests of the Company and its shareholders. During the Reporting Period, all Directors faithfully and diligently performed their duties as mandated by laws and regulations, and protected the overall interests of the Company, especially the legitimate interests of small and medium shareholders.

During the Reporting Period, the Board convened 1 annual general meeting, submitted 7 proposals for shareholders' consideration; and convened 1 extraordinary general meeting and submitted 2 proposals for shareholders' consideration. The Board actively organised, supervised and followed up with the implementation of the resolutions passed at shareholders' general meetings. The Board convened 7 Board meetings to consider 51 proposals. The Strategy and ESG Development Committee convened 4 meetings, the Compliance and Risk Management Committee convened 3 meetings, the Nomination and Remuneration Committee convened 5 meetings, and the Audit Committee convened 6 meetings. The special committees gave full play to their own professional strengths, provided strong support for the decision-making of the Board and further enhanced the efficiency and level of decision-making of the Board.

The Audit Committee and the management have reviewed the accounting policies adopted by the Company, discussed matters including the risk management, internal control and financial reporting of the Company, and fully reviewed the consolidated interim financial information and interim report for the six months ended 30 June 2026. The external auditor of the Company has reviewed the interim financial information in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The financial information set forth in this interim report is unaudited.

II. CHANGES IN DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Name	Position	Changes	Reason for changes
Qu Yanping	Executive Director, Member of the Compliance and Risk Management Committee	Election	Election by the shareholders' general meeting
Liang Shipeng	Member of the Executive Committee, Chief compliance officer, Chief risk officer	Resignation	Work adjustment
Guo Chen	Vice president, Member of the Executive Committee, Chief risk officer	Appointment	Appointment by the Board of Directors
Sun Jing	Vice president, Member of the Executive Committee	Appointment	Appointment by the Board of Directors
Zhang Ruibing	Chief compliance officer	Appointment	Appointment by the Board of Directors
Law Cheuk Kin, Stephen	Independent Non-executive Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee	Resignation	Expiration of a six-year term of office
Qu Yanping	Executive Director, Member of the Compliance and Risk Management Committee	Resignation	Attainment of the retirement age
Lee Wai Wang, Robert	Independent Non-executive Director	Election	Election by the shareholders' general meeting

Changes in Directors and Senior Management of the Company:

1. On 12 February 2026, the Company held the first extraordinary general meeting of 2026 and elected Ms. Qu Yanping as an executive Director of the Company. On 30 March 2026, the Company convened the 12th (regular) meeting of the fifth session of the Board of Directors, and it was agreed that Ms. Qu Yanping would serve as a member of the Compliance and Risk Management Committee.

2. On 30 March 2026, the Company convened the 12th (regular) meeting of the fifth session of the Board of Directors, and it was agreed that Mr. Liang Shipeng would no longer serve as a member of the Executive Committee, the chief compliance officer, the chief risk officer and other relevant duties of the Company due to work adjustment.

3. On 30 March 2026, the Company convened the 12th (regular) meeting of the fifth session of the Board of Directors, and it was agreed that Ms. Guo Chen would serve as a vice president, a member of the Executive Committee and the chief risk officer of the Company, and Ms. Sun Jing would serve as a vice president and a member of the Executive Committee of the Company, both with effect from the date of consideration and approval of the resolutions by the Board.

4. On 13 April 2026, the Company convened the 13th (extraordinary) meeting of the fifth session of the Board of Directors, and it was agreed that Mr. Zhang Ruibing, the business director and a member of the Executive Committee of the Company, would serve as the chief compliance officer of the Company, with effect from the date of consideration and approval of the resolution by the Board.

5. On 26 June 2026, the Board of Directors received a written resignation report from Mr. Law Cheuk Kin, Stephen, an independent non-executive Director, who applied for resignation as an independent non-executive Director, a member of the Audit Committee and a member of the Nomination and Remuneration Committee of the Board as he had consecutively served as an independent non-executive Director for nearly six years. Pursuant to the relevant requirements of the Administrative Measures for Independent Directors of Listed Companies and the Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies — Standardised Operations, as the resignation of Mr. Law Cheuk Kin, Stephen will result in the proportion of independent non-executive Directors falling below one-third of the total number of members of the Board, his resignation will take effect from the date on which a new independent non-executive Director is elected by the Company. During that period, Mr. Law Cheuk Kin, Stephen will continue to perform the relevant duties as an independent non-executive Director and a member of the special committees of the Board of Directors in accordance with the provisions of the relevant laws, regulations and the Articles of Association.

Except for the above changes, during the Reporting Period, there were no other changes in the Directors and senior management of the Company.

From the End of the Reporting Period to the date of this report, the changes in the Directors and senior management of the Company are as follows:

1. On 10 August 2026, the Board of Directors received a written resignation report from Ms. Qu Yanping, an executive Director. Ms. Qu Yanping resigned as an executive Director of the fifth session of the Board of Directors and a member of the Compliance and Risk Management Committee of the Company due to attainment of the retirement age. Her resignation became effective from 10 August 2026.

2. On 25 August 2026, the Company held the second extraordinary general meeting of 2026 and elected Mr. Lee Wai Wang, Robert as an independent non-executive Director of the Company. His term of office commenced on the date of consideration and approval by the shareholders' general meeting of the Company and will end on the date on which the term of office of the fifth session of the Board expires. Mr. Law Cheuk Kin, Stephen ceased to be an independent non-executive Director, a member of the Audit Committee and a member of the Nomination and Remuneration Committee of the Board of Directors of the Company, with effect from 25 August 2026, being the date on which Mr. Lee Wai Wang, Robert's appointment became effective.

   Pursuant to Rule 3.09D of the Stock Exchange Listing Rules, Ms. Qu Yanping (appointed as an executive Director of the Company on 12 February 2026) obtained the legal opinion referred to in Rule 3.09D on 5 February 2026, while Mr. Lee Wai Wang, Robert (appointed as an independent non-executive Director of the Company on 25 August 2026) obtained the legal opinion referred to in Rule 3.09D on 17 August 2026. Each of Ms. Qu Yanping and Mr. Lee Wai Wang, Robert has confirmed that they understand their responsibilities as a Director of the Company and the potential consequences of making false statements or providing false information to the Hong Kong Stock Exchange.

III. INTERIM DIVIDEND

The 2026 interim profit distribution plan of the Company was considered and approved at the 19th (regular) meeting of the fifth session of the Board of Directors. The Company proposed to distribute the 2026 interim cash dividend of RMB1,640,160,338.40 (tax inclusive) to shareholders based on the total share capital of 10,934,402,256 shares as at the end of June 2026, with a cash dividend of RMB1.50 (tax inclusive) for every 10 shares. In case of any changes in total share capital of the Company on the record date, the amount of cash dividend per share to be distributed will be adjusted accordingly, up to a total of RMB1,640,160,338.40 (tax inclusive).

The cash dividend will be denominated and declared in RMB, and paid to A Shareholders and investors via the Hong Kong Stock Connect Program in RMB and to H Shareholders (excluding investors via the Hong Kong Stock Connect Program) in its equivalent in HK dollars, respectively. The conversion rate of HK dollar will be determined based on the average benchmark exchange rate for conversion between RMB and HK dollars as announced by the People's Bank of China for five working days prior to the date of the shareholders' general meeting at which the profit distribution plan is being considered.

The above profit distribution plan is subject to consideration and approval at the shareholders' general meeting before implementation. The Company will announce in due course the date of the shareholders' general meeting and the period during which the register of members will be closed for the purpose of determining the shareholders entitled to attend and vote at the shareholders' general meeting. The Company will issue separate announcements regarding the record date and specific distribution date in respect of the distribution of dividend for A Shares, and the record date and the period of closure of the register of members in respect of the distribution of dividend for H Shares.

IV. Development of Compliance Management System

1. *Continuing to optimise and improve the compliance management system*

The Company's system clearly stipulated the compliance management responsibilities of the Board of Directors, operating management, the chief compliance officer, the Legal and Compliance Headquarters, all departments, branches and subsidiaries of the Company, clarifying the compliance requirements of all staff and the compliance management responsibilities, content and standards of all parties. The Company adhered to the work approach of "anchor the regulatory requirements, benchmark against industry peers and closely follow business operations (錨定監管、對標同業、緊跟業務)". Guided by the concept of "forward-looking, penetrative and precise management", the Company took compliance review, compliance training, compliance inspection, compliance advisory, supervision and rectification as core measures to strengthen the development of its "all-inclusive, penetrative and full-chain" compliance management system on a continuous basis. It made every effort to properly control relevant processes and continuously enhanced the compliance management requirements of the Company and subordinated units.

2. *Promoting the in-depth development of a compliance culture across multiple levels*

In accordance with regulatory spirit and requirements, and the requirements of industry culture development and in view of the actual circumstances of the Company, the Company continued to promote compliance culture across all employees and strengthened the development of its compliance culture. Through initiatives such as publishing legal and regulatory updates, issuing compliance reminders, distributing weekly regulatory case reports, launching online compliance training courses and carrying out targeted special compliance training for key positions, regulations and groups, the Company continued to popularise compliance expertise, strengthen the awareness of compliance practice of staff at all levels and encourage all employees to voluntarily adhere to various regulations, with a view to consistently embedding the implications of compliance culture into all employees' mindset and daily work routines. By comprehensively implementing the requirements of company-wide compliance management, the Company continuously elevated the awareness of compliant business development among all employees, giving full play to the role of compliance culture in guaranteeing the Company's high-quality development.

3. *Reinforcing the penetration compliance management over subsidiaries on an ongoing basis*

The Company has established a compliance management system that comprehensively covers its parent and subsidiaries in accordance with regulatory requirements and the Company's strategic planning, etc., so that subsidiaries at all levels are included in the scope of unified compliance management, and subsidiaries comply with the Company's unified compliance management standards while complying with the special compliance management requirements of different jurisdictions and industries. Meanwhile, in view of the different business types and industry characteristics of the parent and subsidiaries, the differences in laws and regulations and regulatory systems of different countries and regions within and outside the country, as well as the basic principle of independence of the parent's and subsidiaries' legal persons and the requirements for prevention of conflict of interest and information segregation, the Company, on the basis of attaching importance to the construction of the penetration compliance management system, continued to take effective measures to enhance the effectiveness of the subsidiaries' own compliance management.

4. *Solidly promoting the implementation of the new Anti-money Laundering Law and its supporting rules, and actively cooperating in the fifth round of international mutual assessment*

The Company continued to adopt a "risk-based" approach to its anti-money laundering work. It regularly reported updates of anti-money laundering work to the management of the Company, commenced a new round of self-evaluation on money laundering risks and continued to improve the anti-money laundering internal control system. It solidly launched training on the new anti-money laundering regulations, strengthened its management efforts and front-end control measures on customer trading behaviours, consistently improved its anti-money laundering and related information systems, and conducted ongoing anti-money laundering inspections of its overseas subsidiaries. The Company also refined anti-money laundering-related policies, business agreements and other documentation, and implemented the recommended rectification from the special audit on anti-money laundering, in order to enhance the effectiveness of anti-money laundering work. During the Reporting Period, the Company participated in the on-site interview for the fifth round of international mutual assessment as a representative for financial institutions, and shared its insights from the interview with other financial institutions.

V. Number of Employees, Remuneration and Training Plan

As at the End of the Reporting Period, the Group had 13,974 employees (including sales account managers), of which 10,563 were employees of the Company (including sales account managers).

The remuneration of employees of the Company comprises basic remuneration, allowances, performance-based bonus and welfare benefits. The Company's basic remuneration is a relatively fixed part in the composition of remuneration. The allowances are supplemental to the basic remuneration. The performance-based bonus will be distributed based on the performance achieved and the results of performance assessment. The Company has provided social insurance, housing provident fund and other statutory benefits to its employees according to the relevant requirements of the PRC. Meanwhile, the Company has also provided supplementary welfare, such as annuity fund and supplementary medical insurance, to its employees.

In terms of staff training, the Company adhered to the principles of "planning first, coordination of resources, lean management", and comprehensively enhanced the strategic support of education and training. During the Reporting Period, the Company organised and implemented a total of 16 online and offline training sessions, training approximately 17,000 participants. "Galaxy Classroom (銀河學堂)" launched 25 new projects and 70 new courses, with a total viewing time of approximately 25,000 hours. It also conducted 119 live-streamed training sessions. The training is provided to management personnel at different levels, key business personnel, etc., and some online courses are offered to all employees. The training covers a range of topics, including political ability, leadership, ideals and beliefs, job-specific skills, safety and confidentiality, compliance and risk control, establishing a learning matrix of "demonstration by the critical minority, coverage to all key employees, participation by all members under the system".

VI. PERFORMANCE OF SOCIAL RESPONSIBILITIES DURING THE REPORTING PERIOD

During the first half of 2026, the Company adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implementing the guiding principles of the 20th National Congress of the Communist Party of China and the plenary sessions of the 20th Central Committee. It thoroughly implemented the spirit of General Secretary Xi Jinping's important expositions and directives on the work related to agriculture, rural areas, and farmers ("Three Rural Issues"), effectively implemented the work requirements of CIC's Party committee, and strictly implemented the relevant requirements from the CSRC and the Securities Association of China. Guided by the correct view on achievements and using the promotion of the comprehensive revitalisation of rural areas as the overall lever, the Company focused on the principles of "consolidating the foundations, increasing the driving forces, promoting revitalisation, and strengthening the guarantees". It spared no effort in helping Jingning County, Gansu Province and Kunpeng New Village of Dongming County, Shandong Province improve the levels of rural industrial development, rural construction and rural governance, and continued to solidify the foundation against falling back into poverty, in order to promote the comprehensive revitalisation of rural areas.

During the Reporting Period, the Party Committee, the Board of Directors and the Executive Committee of the Company placed assistance work on the key agenda, and successively studied and deployed assistance-related work on 10 occasions to provide all-rounded support and security, as well as effectively facilitate the implementation of various works.

During the Reporting Period, the Company allocated assistance funds totalling approximately RMB8 million, of which:

(i) RMB7 million was invested in the assistance fund of Jingning County in Gansu Province to implement planned assistance projects, including:

1. Education assistance projects: Renovation of the indoor heating equipment of three rural comprehensive high schools; introduction of educational resources from Beijing No. 4 High School; launch of mental health trainings by Nankai University; support for the summer teaching program run by the Loving Heart Society of Peking University; and organisation of in-person inspirational growth talk by Peng Chao.

2. Medical assistance projects: Renovation of the heating equipment of 13 township health centres; launch of Red Cross emergency rescue trainings; construction of Academician Liu Liang workstations; installation of additional hardware facilities for inclusive childcare centres.

3. Anti-poverty insurance projects: Purchase of insurance against falling back into poverty for "three types of households" within the county, namely unstable households, households prone to poverty and poverty households due to sudden severe difficulties, so as to achieve full coverage of insurance for key population who easily fall back into poverty.

4. Harmonious village construction projects: Assisting in enhancing the infrastructure of Yangzui Village, Gangou Town and Yegou Village, Shuangxian Town to strengthen the foundation for development.

5. Industrial revitalisation projects: Purchase of intelligent agricultural machinery equipment for smart orchard; launch of a high-speed rail special train in promoting "Jingning Apple"; promotion of the "Jingning Apple" public brand; establishment of national geographical indication product protection demonstration areas; support of the compilation of the "Jingning Apple price index"; construction of a premium cattle fattening and direct sales base for Pingliang Red Cattle; provision of interest subsidy for loans to corporations in the beef cattle and chicken industry chains; purchase of price insurance in respect of agricultural products (such as apples and cattle feed) for parties involved in agricultural industry (including parties under monitoring) under the "Insurance + Futures" project.

6. Talent cultivation projects: Purchase of training equipment for intelligent training classrooms; launch of training for the "Jingning Apple Farmer" and "Chengji Craftsman" labour brands; organisation of skill competitions; launch of training in agricultural skills and techniques.

7. Cultural revitalisation projects: Construction of phase IV of the "CIC Galaxy • Party's Voice Spreads to Thousands of Homes" project; construction of the Wenpingjiayuan 24-hour city library; diversified development and utilisation of archival resources.

8. Ecology revitalisation projects: Creation of demonstration rural village for the comprehensive utilisation of clean energy.

9. Organisational revitalisation projects: Launch of business skill demonstration training to promote rural revitalisation through Party building, and skill and qualification enhancement training for rural cadres to promote rural revitalisation.

(ii) RMB1 million was invested in the assistance fund of Kunpeng New Village, Dongming County in Shandong Province to implement planned assistance projects, including:

1. People's livelihood construction projects: Repair to or replacement of public facilities such as street lamps and manhole covers; dredging of or repair to sewage blockages; replanting and maintaining green plants, etc.

2. Industrial revitalisation projects: Construction of a garment processing factory of approximately 1,000 square metres and the ancillary roads.

During the Reporting Period, the Company introduced RMB16.27 million in a pro bono assistance fund to Jingning County in Gansu Province, trained 3,258 personnel, purchased agricultural products worth RMB9.9481 million from formerly impoverished areas, and assisted in the sale of agricultural products worth RMB12.1943 million from formerly impoverished areas.

During the Reporting Period, the Company assigned a total of five poverty alleviation cadres to various positions, including deputy county mayor, deputy director of the Bureau of Agriculture and Rural Development and deputy director of the Bureau of Education in Jingning County, Gansu Province, the first secretary stationed in Yangzui Village, and the first secretary stationed in Kunpeng New Village, Dongming County, Shandong Province.

VII. OTHER DISCLOSURES

(i) Rights of the Directors to Acquire Shares or Debentures

During the Reporting Period and as at the End of the Reporting Period, there was no arrangement to which the Company, its subsidiaries or holding company or a subsidiary of its holding company was a party and the purpose or one of the purposes of which was to benefit any Director, their respective spouses or any of their minor children under 18 years of age through acquisition of any shares or debentures of the Company or any other body corporate.

(ii) Compliance with the CG Code

As a public company listed in the Chinese mainland and Hong Kong, the Company strictly conforms to the requirements of the laws, regulations and regulatory documents of the domestic and overseas jurisdictions where the Company is listed, operates in a regulated manner, and remains dedicated to maintaining and improving the outstanding image of the Company in the market. According to the Company Law, the Securities Law and other laws, regulations and regulatory requirements, the Company has established a power-balanced and duty-segregated governance structure between the shareholders' general meeting, the Board of Directors and the management, which ensures the operation of the Company in a regulated manner. The convening and voting procedures of the shareholders' general meeting and the meetings of the Board of Directors are legal and valid. The information disclosed by the Company is true, accurate, timely and complete. The investor relations are managed effectively and the corporate governance is scientific, rigorous and orderly.

During the Reporting Period, the Company fully complied with all code provisions in the CG Code, and met the requirements of the vast majority of the recommended best practice provisions set out in the CG Code.

(iii) Compliance with the Model Code

The Company has adopted the Model Code for securities transactions by Directors. The Company has made specific enquiries to all Directors concerning the compliance with the Model Code. All Directors have confirmed that they have strictly complied with all standards set out in the Model Code during the Reporting Period.

I. UTILISATION OF FUNDS FOR NON-OPERATING PURPOSES BY THE CONTROLLING SHAREHOLDER OR OTHER RELATED PARTIES

During the Reporting Period, there was no utilisation of funds for non-operating purposes by the controlling shareholder or other related parties of the Company.

II. NON-COMPLIANT GUARANTEES

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

III. MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Company had no material litigation or arbitration.

IV. SUSPICION OF VIOLATION OF LAWS OR REGULATIONS, PUNISHMENT AND RECTIFICATION AGAINST THE COMPANY AND ITS DIRECTORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER

During the Reporting Period and as of the date of this report, the Company, its branches and domestic subsidiaries received administrative penalties or administrative regulatory measures from the securities regulatory authorities as follows:

1. Guangzhou branch of Galaxy Futures Received the Decision on Administrative Regulatory Measures to Issue a Warning Letter from the CSRC Guangdong Bureau

   On 15 April 2026, the Guangzhou branch of Galaxy Futures received the Decision on Measures to Issue a Warning Letter to the Guangzhou Branch of Galaxy Futures Company Limited issued by the CSRC Guangdong Bureau, which highlighted that the Guangzhou branch of Galaxy Futures was found to have engaged in unfair competition, such as through commission rebates, thereby conferring undue benefits on clients; there were inadequacies in the process controls for its brokerage and introducing broker businesses, as well as deficiencies in compliance management and internal control.

   Galaxy Futures had urged and supervised its Guangzhou branch to carry out rectification measures. In response to the issues identified in the regulatory warning letter, Galaxy Futures required the branch to draw lessons from the case to strengthen its internal management, and to ensure that the rectification would achieve tangible results.

2. Changsha Shaoshan North Road Securities Branch of the Company Received the Decision on Administrative Regulatory Measures to Issue a Warning Letter from the CSRC Hunan Bureau

   On 20 April 2026, the Changsha Shaoshan North Road Securities Branch of the Company received the Decision on Administrative Regulatory Measures to Issue a Warning Letter to the Changsha Shaoshan North Road Securities Branch of China Galaxy Securities Co., Ltd. issued by the CSRC Hunan Bureau, which highlighted that a number of customer managers at the Changsha Shaoshan North Road Securities Branch carried out their businesses in other territories without being subject to attendance management, and excessive incentives were offered for the sales of newly launched fund products, which reflected deficiencies in the branch's internal management and compliance operations.

The Company had urged and supervised the branch to carry out rectification measures. In response to the issues identified in the regulatory warning letter, the Company required the branch to draw lessons from the case to strengthen internal management, and to ensure that the rectification would achieve tangible results.

During the Reporting Period and as of the date of this report, the Company in all material respects complied with the laws and regulations and regulatory requirements of the places where the Company operates. There were no instances of the following: the Company being suspected of a crime and therefore subject to any investigation in accordance with the law; the controlling shareholder, the de facto controller, the Directors or senior management of the Company being suspected of a crime and therefore subject to mandatory measures in accordance with the law; the Company or its controlling shareholder, the de facto controller, the Directors or senior management of the Company being subject to any criminal penalty, suspected of violating laws or regulations and therefore subject to any investigation or administrative penalties by the CSRC, or major administrative penalties by other competent authorities; the controlling shareholder, the de facto controller, the Directors or senior management of the Company being suspected of serious violations of law or disciplinary offences, or job-related crimes and therefore subject to detention measures by the discipline inspection and supervision authority, affecting their performance of the duties; the Directors or senior management of the Company being suspected of violating laws or regulations and therefore subject to mandatory measures by other competent authorities, affecting their performance of the duties; the controlling shareholder, the de facto controller, Directors or senior management of the Company being subject to administrative regulatory measures by the CSRC and its local offices; the Company or its controlling shareholder, the de facto controller, Directors or senior management being subject to any disciplinary action by self-regulatory bodies such as a stock exchange.

V. DESCRIPTION OF CREDIT STANDING OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

During the Reporting Period, neither the Company nor its controlling shareholders or de facto controller failed to perform any obligations determined by effective legal instruments of the courts, nor did any of them default on the payment of any outstanding debts with a large amount when due.

VI. RELATED PARTY TRANSACTIONS

(i) Securities and Financial Services Framework Agreement entered into between the Company and Galaxy Financial Holdings

On 6 December 2024, the Company entered into the Securities and Financial Services Framework Agreement with Galaxy Financial Holdings, pursuant to which the Group shall, during the period from 1 January 2025 to 31 December 2027, provide securities and financial services based on normal commercial terms to Galaxy Financial Holdings and its subsidiaries ("Galaxy Financial Holdings Group"), mainly including: 1) securities brokerage services; 2) sales agency services; 3) leasing of trading seats; and 4) any other related securities and financial services. The Company shall receive service charges and commissions from Galaxy Financial Holdings Group for the provision of such services and shall pay interest to Galaxy Financial Holdings Group in respect of its funds entrusted to the Company in connection with such services. The service charges and commissions receivable and interest payable by the Company shall be determined based on negotiation between the parties with reference to the prevailing market rates and shall be in compliance with the applicable laws and regulations. As Galaxy Financial Holdings is the controlling shareholder of the Company, it is a related party/connected person of the Company. As such, the above transaction constitutes a related party/connected transaction of the Company under the Stock Exchange Listing Rules.

Due to the increase in business needs between the parties, the Company and Galaxy Financial Holdings entered into the Supplemental Agreement on 13 October 2025 to revise the annual caps for the service charges and commissions receivable by the Group from Galaxy Financial Holdings Group for the provision of the related services under the Securities and Financial Services Framework Agreement for the three years ending 31 December 2027 to RMB231 million, RMB944 million and RMB961 million, respectively, and to revise the annual caps for the interest payable by the Group to Galaxy Financial Holdings Group in respect of the entrusted funds for the three years ending 31 December 2027 to RMB10 million each. As the applicable percentage ratios as set out in the Stock Exchange Listing Rules represented by the revised annual caps are more than 0.1% but less than 5%, such transactions are subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under the Stock Exchange Listing Rules.

During the Reporting Period, the income received and expenses paid by the Group in respect of the securities and financial services provided to Galaxy Financial Holdings Group are as follows:

Unit: '000 yuan Currency: RMB

Item	**Actual transaction amount from 1 January to 30 June 2026**	**Annual cap for 2026**
Revenue	**47,413.70**	**944,000.00**
Of which: Securities brokerage services	457.93	
Sales agency services	41,106.47	
Leasing of trading seats	4,589.47	
Other related securities and financial services (Note)	1,259.83	
Expenses	**176.78**	**10,000.00**
Of which: Interest expenses	176.78	

Note: Income from other related securities and financial services represents handling fee income receivable from Galaxy Financial Holdings Group for custody business, asset management business, etc.

(ii) Securities and Financial Products Transactions Framework Agreement entered into between the Company and Galaxy Financial Holdings

On 23 December 2025, the Company and Galaxy Financial Holdings entered into the Securities and Financial Products Transactions Framework Agreement, pursuant to which, from 1 January 2026 to 31 December 2028, the Group will engage in securities and financial products transactions with Galaxy Financial Holdings Group in the ordinary course of its business on normal commercial terms, mainly including: 1) fixed-income securities products; 2) derivatives relating to fixed-income products; 3) equity products; 4) financing transactions; and 5) other related securities and financial products transactions permitted by the regulatory authorities. The securities and financial products transactions, whether conducted in the PRC inter-bank bond market, the PRC exchange market, the open-ended fund market or other over-the-counter market, shall be conducted on normal commercial terms at the prevailing market prices or market rates of similar transactions with independent third parties. The pricing of these transactions is subject to strict regulation in the PRC and shall be in compliance with applicable PRC laws and regulations. As Galaxy Financial Holdings is the controlling shareholder of the Company, it is a related party/connected person of the Company. As such, the above transaction constitutes a related party/connected transaction of the Company under the Stock Exchange Listing Rules.

For each of the three years ending 31 December 2028, the maximum aggregate net inflows and maximum aggregate net outflows from securities and financial products transactions (excluding financing transactions) of the Group under the Securities and Financial Products Transactions Framework Agreement will be RMB5.0 billion. The maximum daily balance (including accrued interest) of financing provided by Galaxy Financial Holdings Group to the Group by way of pledge repurchase transactions under the Securities and Financial Products Transactions Framework Agreement is RMB5.3 billion for each year. As the annual caps calculated based on the applicable percentage ratios under the Stock Exchange Listing Rules are more than 0.1% but less than 5%, the Company is subject to the reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement under the Stock Exchange Listing Rules. The transactions under the Securities and Financial Products Transactions Framework Agreement were approved by independent shareholders of the Company on 12 February 2026 in accordance with the SSE Listing Rules.

During the Reporting Period, the Group's inflows and outflows under the Securities and Financial Products Transactions Framework Agreement with Galaxy Financial Holdings Group are set out in the table below:

Unit: '000 yuan Currency: RMB

Item	Actual transaction amount from 1 January to 30 June 2026	Annual cap for 2026
Total inflows from Galaxy Financial Holdings Group to the Group	**1,823,531.40**	**5,000,000.00**
1. Inflows from transactions of fixed-income securities products	1,800,000.00	
2. Inflows from transactions of equity products	23,531.40	
Total outflows from the Group to Galaxy Financial Holdings Group	**33,619.57**	**5,000,000.00**
1. Outflows from transactions of fixed-income securities products	–	
2. Outflows from transactions of equity products	33,619.57	
Maximum daily balance (including accrued interest) of financing provided by Galaxy Financial Holdings Group to the Group by way of pledge repurchase transactions	**–**	**5,300,000.00**

VII. CONTRACTS OF SIGNIFICANCE AND THEIR PERFORMANCE

Material guarantees performed and outstanding during the Reporting Period

Unit: Yuan Currency: RMB

External guarantee granted by the Company (excluding the guarantee for subsidiaries)														
Guarantor	Relationship between guarantor and listed company	Guaranteed party	Guaranteed amount	Date of guarantee (Date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Principal debt	Collateral (if any)	Is the guarantee fully fulfilled	Is the guarantee overdue	Amount overdue	Counter guarantee	Is the guarantee provided to related parties	Related party relationship

None	
Total guarantee incurred during the Reporting Period (excluding the guarantee for subsidiaries)	–
Total guarantee balance as at the End of the Reporting Period (A) (excluding the guarantee for subsidiaries)	–
Guarantee by the Company for its subsidiaries	
Total guarantee for its subsidiaries incurred during the Reporting Period	−1,000,000,000.00
Total guarantee balance for its subsidiaries as at the End of the Reporting Period (B)	2,000,000,000.00
Total guarantee by the Company (including the guarantee for its subsidiaries)	
Total guarantee (A+B)	2,000,000,000.00
Total guarantee as a percentage of the Company's net assets (%)	1.28
Including:	
Amount of guarantee for shareholders, actual controller and their related parties (C)	–
Amount of debt guaranteed directly or indirectly for any guaranteed party with gearing ratio over 70% (D)	–
Total guaranteed amount over 50% of the net asset (E)	–
Total of the above three guarantees (C+D+E)	–
Statement on the possible joint and several liability in connection with outstanding guarantees	
Description of guarantee	In August 2016 and August 2017, the Company provided a net capital guarantee of RMB1 billion and RMB2 billion for Galaxy Jinhui, a subsidiary of the Company, to meet the needs of its business development. In March 2026, the Company considered and approved the termination of the provision of net capital guarantee of RMB1 billion for Galaxy Jinhui. As at the End of the Reporting Period, the balance of net capital guarantee provided to Galaxy Jinhui by the Company amounted to RMB2 billion.

In addition, the Company has authorised guarantees as follows:

(1) On 22 June 2017, the Resolution on the Increase of Net Capital Guarantee to Galaxy Jinhui was considered and approved at the 2016 annual general meeting, pursuant to which it was agreed that the Company would separately provide net capital guarantee for Galaxy Jinhui of RMB3 billion to satisfy its business development needs. As at the End of the Reporting Period, the guarantee had not been fulfilled.

(2) On 30 August 2021, the Resolution on the Increase in the Shareholdings in CGS-CIMB to Increase the Amount of Guarantees and Quasi-Guarantees by Galaxy International was considered and approved at the second (regular) meeting of the fourth session of the Board of the Company. In accordance with the needs of business development, it was agreed that the maximum amount of guarantee and quasi-guarantee authorisation provided to CGS International would be increased from RMB3.5 billion to RMB7 billion in phases. As at the End of the Reporting Period, the outstanding amount of guarantees provided by Galaxy International Holdings to CGS International was nil.

VIII. PROGRESS IN THE USE OF PROCEEDS

During the Reporting Period, the Company did not issue any shares nor utilise the relevant proceeds. For details on the use of proceeds raised from issuance of bonds by the Company, please refer to the section headed "RELEVANT INFORMATION OF BONDS" in this report.

I. CHANGES IN SHARES

During the Reporting Period, there were no changes in the total number of shares and share capital structure of the Company. As at the End of the Reporting Period, the Company had a total of 10,934,402,256 shares in issue, including 7,243,417,623 A Shares and 3,690,984,633 H Shares.

II. INFORMATION OF SHAREHOLDERS

(i) Total Number of Shareholders:

As at the End of the Reporting Period, the Company had a total of 135,472 ordinary shareholders, of which 134,938 accounts were holders of A Shares and 534 accounts were registered holders of H Shares.

(ii) Shareholdings of the Top 10 Shareholders and Top 10 Holders of Tradable Shares (or Holders of Shares Not Subject to Selling Restrictions) as at the End of the Reporting Period

Unit: Share(s)

Shareholdings of the top 10 shareholders (excluding shares lent through margin and securities refinancing)							
Name of shareholders (Full name)	Increase or decrease during the Reporting Period	Number of shares held as at the End of the Reporting Period	Percentage (%)	Number of shares subject to selling restrictions held	Pledged, marked or frozen: Status of shares	Pledged, marked or frozen: Number of shares	Nature of shareholders
China Galaxy Financial Holdings Company Limited	–	5,186,538,364	47.43	–	Nil	–	State-owned legal person
HKSCC Nominees Limited (Note 1)	12,498	3,689,237,784	33.74	–	Unknown	–	Overseas legal person
Hong Kong Securities Clearing Company Limited (Note 2)	1,173,910	123,759,721	1.13	–	Nil	–	Overseas legal person
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	7,024,849	66,742,857	0.61	–	Nil	–	Others
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	1,212,387	42,807,915	0.39	–	Nil	–	Others
Bank of Lanzhou Co., Ltd.	–	41,941,882	0.38	–	Nil	–	Domestic non-state-owned legal person
Zhongshan Financial Investment Holdings Co., Ltd.	2,710,006	19,241,219	0.18	–	Nil	–	State-owned legal person
China Construction Bank Corporation – E Fund CSI 300 Non-bank Financial Exchange-Traded Open-end Index Fund	-12,047,045	13,551,040	0.12	–	Nil	–	Others
Guotai Haitong Securities Co., Ltd. – Tianhong CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	2,042,800	12,786,450	0.12	–	Nil	–	Others
Jiaxing High Grade Highway Investment Co., Ltd.	–	11,497,828	0.11	–	Nil	–	State-owned legal person

Unit: Share(s)

Shareholdings of the top 10 holders of shares not subject to selling restrictions (excluding shares lent through margin and securities refinancing)			
	Number of tradable shares not subject to selling restrictions held	Type and number of shares	
Name of shareholders		Type of shares	Number of shares
China Galaxy Financial Holdings Company Limited	5,186,538,364	Renminbi-denominated ordinary shares Overseas listed foreign shares	5,160,610,864 25,927,500
HKSCC Nominees Limited (Note 1)	3,689,237,784	Overseas listed foreign shares	3,689,237,784
Hong Kong Securities Clearing Company Limited (Note 2)	123,759,721	Renminbi-denominated ordinary shares	123,759,721
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	66,742,857	Renminbi-denominated ordinary shares	66,742,857
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	42,807,915	Renminbi-denominated ordinary shares	42,807,915
Bank of Lanzhou Co., Ltd.	41,941,882	Renminbi-denominated ordinary shares	41,941,882
Zhongshan Financial Investment Holdings Co., Ltd.	19,241,219	Renminbi-denominated ordinary shares	19,241,219
China Construction Bank Corporation – E Fund CSI 300 Non-bank Financial Exchange-Traded Open-ended Index Fund	13,551,040	Renminbi-denominated ordinary shares	13,551,040
Guotai Haitong Securities Co., Ltd. – Tianhong CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	12,786,450	Renminbi-denominated ordinary shares	12,786,450
Jiaxing High Grade Highway Investment Co., Ltd.	11,497,828	Renminbi-denominated ordinary shares	11,497,828
Description of special repurchase accounts among the top ten shareholders	Nil		
Description of the voting rights exercised by proxy of the above shareholders, the voting rights exercised by the above shareholders as authorised by and on behalf of other shareholders, the voting rights the above shareholders abstained from	Nil		
Description of the associated relationship of or action in concert among the aforesaid shareholders	The Company's de facto controller, Huijin, holds approximately 69.07% equity interest in Galaxy Financial Holdings. Apart from the aforesaid circumstances, as at the End of the Reporting Period, the Company was not aware of any other associated/connected relationship of or any parties acting in concert among the aforesaid shareholders.		
Preference shareholders with voting rights restored and number of shares held	Nil		

Note 1: HKSCC Nominees Limited is the nominee holder of shares held by non-registered shareholders of the H Shares of the Company, which held the H Shares on behalf of various clients, including 25,927,500 H Shares of the Company held by Galaxy Financial Holdings.

Note 2: Hong Kong Securities Clearing Company Limited is the nominee holder of the A Shares of the Company held by the investors through Shanghai Stock Connect.

(iii) Lending of Shares through the Margin and Securities Refinancing Business by Shareholders with More Than 5% of Shareholdings, Top 10 Shareholders and Top 10 Holders of Tradable Shares Not Subject to Selling Restrictions

Not applicable.

(iv) Changes in the Top 10 Shareholders and Top 10 Holders of Tradable Shares Not Subject to Selling Restrictions Due to Lending/Returning of Shares Through Margin and Securities Refinancing Compared with the Previous Period

Not applicable.

(v) Number of Shares Subject to Selling Restrictions Held by the Top 10 Shareholders and Selling Restrictions

Not applicable.

(vi) Strategic Investors or General Legal Persons Becoming the Top 10 Shareholders Due to Allotment of New Shares

Not applicable.

III. Disclosure of Interests

(i) Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations Held by the Directors and Chief Executive

As at the End of the Reporting Period, based on the information available to the Company and so far as the Directors are aware, none of the Directors or chief executives of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) which are required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or (iii) which are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

(ii) Interests and Short Positions of Substantial Shareholders and Other Persons in Shares and Underlying Shares

As at the End of the Reporting Period, to the knowledge of the Directors of the Company after making reasonable inquiries, the following persons (other than Directors or chief executives) had interests or short positions in shares or underlying shares required to be disclosed to the Company in accordance with Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be maintained by the Company under Section 336 of the SFO:

Name of substantial shareholders	Class of shares	Nature of interest	Number of shares held (shares) (Note 1)	Percentage of the total number of issued shares of the Company (%)	Percentage of the total number of issued A Shares/ H Shares of the Company (%)	Long position/short position/shares available for lending
Huijin (Note 2)	A Shares	Interests of controlled corporation	5,244,689,074	47.97	72.41	Long position
	H Shares	Interests of controlled corporation	25,927,500	0.24	0.70	Long position
Galaxy Financial Holdings (Note 2)	A Shares	Beneficial owner	5,160,610,864	47.20	71.25	Long position
	H Shares	Beneficial owner	25,927,500	0.24	0.70	Long position
E Fund Management Co., Ltd.	H Shares	Investment manager	253,521,929	2.32	6.87	Long position

Note 1: Pursuant to Section 336 of the SFO, when the shareholdings of the shareholders in the Company change, it is not necessary for the shareholders to notify the Company and the Hong Kong Stock Exchange unless certain criteria are fulfilled. Therefore, the latest shareholdings of the shareholders in the Company may be different from the shareholdings filed with the Hong Kong Stock Exchange.

Note 2: Huijin holds approximately 69.07% equity interest in Galaxy Financial Holdings and 66.70% equity interest in China Securities Finance Corporation Limited, and is therefore deemed to be interested in (i) 5,160,610,864 A Shares and 25,927,500 H Shares directly held by Galaxy Financial Holdings; and (ii) 84,078,210 A Shares directly held by China Securities Finance Corporation Limited.

Save as disclosed above, as at the End of the Reporting Period, the Company was not aware of any other person (other than Directors and chief executives) who held interests or short positions in shares or underlying shares as required to be recorded in the register pursuant to Section 336 of the SFO.

IV. Purchase, Sale or Redemption of Listed Securities of the Company

Save as disclosed in this report, the Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including sales of treasury shares) during the Reporting Period. As at the End of the Reporting Period, the Company did not hold any treasury shares.

I. OVERVIEW OF INTEREST-BEARING DEBTS

(i) Debt Structure of the Company

At the beginning and End of the Reporting Period, the balance of the Company's interest-bearing debts was RMB389.999 billion and RMB438.000 billion, respectively. The balance of interest-bearing debts increased by 12.31% year on year during the Reporting Period.

Unit: 100 million yuan Currency: RMB

Category of interest-bearing debt	Overdue	Due time within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Proportion of interest-bearing debts (%)
Corporate credit-related bonds	–	906.76	956.23	1,862.99	42.53
Among them: Short-term commercial papers	–	518.55	-	518.55	11.84
Corporate bonds	–	388.21	956.23	1,344.44	30.69
Other interest-bearing debts	–	2,480.87	36.13	2,517.01	57.47
Among them: Borrowed funds	–	24.70	-	24.70	0.56
Financial liabilities held for trading	–	751.60	35.49	787.09	17.97
Financial assets sold under repurchase agreements	–	1,595.76	-	1,595.76	36.43
Income certificates	–	108.81	0.64	109.45	2.50
Total	**–**	**3,387.63**	**992.36**	**4,380.00**	**100.00**

As at the End of the Reporting Period, among the Company's outstanding corporate credit-related bonds, the balance of corporate bonds was RMB134.444 billion, and the balance of domestic short-term commercial papers was RMB51.855 billion.

(ii) Debt Structure of the Group

1. At the beginning and End of the Reporting Period, the balance of the Group's interest-bearing debts was RMB417.284 billion and RMB479.511 billion, respectively. The balance of interest-bearing debts increased by 14.91% year on year during the Reporting Period.

Unit: 100 million yuan Currency: RMB

Category of interest-bearing debt	Overdue	Due time within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Proportion of interest-bearing debts (%)
Corporate credit-related bonds	–	910.82	956.23	1,867.05	38.94
Among them: Short-term commercial papers	–	522.61	-	522.61	10.90
Corporate bonds	–	388.21	956.23	1,344.44	28.04
Short-term borrowings	–	306.59	-	306.59	6.39
Other interest-bearing debts	–	2,585.33	36.13	2,621.46	54.67
Among them: Borrowed funds	–	24.70	-	24.70	0.52
Financial liabilities held for trading	–	753.64	35.49	789.13	16.46
Financial assets sold under repurchase agreements	–	1,698.18	-	1,698.18	35.41
Income certificates	–	108.81	0.64	109.45	2.28
Total	**–**	**3,802.75**	**992.36**	**4,795.11**	**100.00**

As at the End of the Reporting Period, among the Group's outstanding corporate credit-related bonds, the balance of corporate bonds was RMB134.444 billion, the balance of domestic short-term commercial papers was RMB51.855 billion, and the balance of overseas short-term commercial papers was RMB406 million.

During the Reporting Period and as at the End of the Reporting Period, the Group had no enterprise bonds and debt financing instruments of non-financial institutions.

2. As at the End of the Reporting Period, the balance of overseas bonds issued by the Group was RMB406 million.

II. BOND ISSUANCE AND DURATION

(i) Corporate Bonds

1. *Basic information on corporate bonds*

Unit: 100 million yuan Currency: RMB

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2022 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	22 Galaxy G3	137650.SH	2022/8/10	2022/8/11	N/A	2027/8/11	50	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2022 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	22 Galaxy G5	137769.SH	2022/9/2	2022/9/5	N/A	2027/9/5	40	2.95	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y1	115343.SH	2023/5/17	2023/5/18	N/A	N/A (Note 1)	50	3.63	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., GF Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2023 Perpetual Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y2	115461.SH	2023/6/8	2023/6/9	N/A	N/A (Note 2)	50	3.58	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., GF Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G2	115643.SH	2023/7/14	2023/7/17	N/A	2028/7/17	20	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G4	115818.SH	2023/8/17	2023/8/18	N/A	2028/8/18	30	2.98	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G5	115967.SH	2023/9/13	2023/9/14	N/A	2026/9/14	30	2.95	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2023 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G6	115968.SH	2023/9/13	2023/9/14	N/A	2028/9/14	10	3.20	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 3) (Type 3) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G7	115969.SH	2023/9/13	2023/9/14	N/A	2033/9/14	10	3.33	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	23 Galaxy F6	252729.SH	2023/10/17	2023/10/18	N/A	2026/10/18	45	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Dongxing Securities Co., Ltd., Orient Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2023 Perpetual Subordinated Bonds (Tranche 3) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y3	240273.SH	2023/11/16	2023/11/17	N/A	N/A (Note 3)	50	3.43	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2023 Corporate Bonds (Tranche 4) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G8	240370.SH	2023/12/13	2023/12/14	N/A	2026/12/14	20	2.98	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 4) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G9	240371.SH	2023/12/13	2023/12/14	N/A	2028/12/14	30	3.14	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F1	253608.SH	2024/1/18	2024/1/18	N/A	2027/1/18	50	2.84	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Dongxing Securities Co., Ltd., Orient Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C1	240681.SH	2024/3/8	2024/3/11	N/A	2027/3/11	20	2.60	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Central China Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2024 Subordinated Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C2	240682.SH	2024/3/8	2024/3/11	N/A	2029/3/11	40	2.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Central China Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 2) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C3	241033.SH	2024/5/24	2024/5/27	N/A	2027/5/27	25	2.35	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C4	241034.SH	2024/5/24	2024/5/27	N/A	2029/5/27	25	2.45	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F3	255344.SH	2024/7/19	2024/7/22	N/A	2027/7/22	15	2.13	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2024 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F4	255345.SH	2024/7/19	2024/7/22	N/A	2029/7/22	35	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C5	241492.SH	2024/8/21	2024/8/22	N/A	2027/8/22	12	2.10	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C6	241493.SH	2024/8/21	2024/8/22	N/A	2029/8/22	14	2.22	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy G1 (Note 8)	241757.SH	2024/10/16 (follow-on offering: 2025/6/19)	2024/10/17	N/A	2027/10/17	55	2.15	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2024 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy G2 (Note 8)	241758.SH	2024/10/16 (follow-on offering: 2025/8/29)	2024/10/17	N/A	2029/10/17	31	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F1	257139.SH	2025/1/8	2025/1/9	N/A	2027/1/9	15	1.72	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F2	257140.SH	2025/1/8	2025/1/9	N/A	2028/1/9	25	1.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2025 Subordinated Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy C1	242426.SH	2025/2/26	2025/2/27	N/A	2028/2/27	13	2.15	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2025 Subordinated Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy C2	242427.SH	2025/2/26	2025/2/27	N/A	2030/2/27	21	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Technology Innovation Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy K1 (Note 8)	242589.SH	2025/5/12 (follow-on offering: 2025/7/11)	2025/5/13	N/A	2028/5/13	20	1.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd. (follow-on offering: CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited)	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy C3	242864.SH	2025/5/14	2025/5/15	N/A	2030/5/15	30	2.07	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy G1 (Note 8)	243475.SH	2025/8/6 (follow-on offering: 2025/8/29)	2025/8/7	N/A	2028/8/7	60	1.79	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2025 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy G2	243476.SH	2025/8/6	2025/8/7	N/A	2030/8/7	30	1.90	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy Y1	243799.SH	2025/9/17	2025/9/18	N/A	N/A (Note 4)	50	2.40	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, SDIC Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 2) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F3 (Note 8)	280342.SH	2025/10/15 (follow-on offering: 2025/10/29)	2025/10/16	N/A	2026/11/16	40	1.84	The interest shall be calculated at a simple rate. The interest shall be paid annually for the first interest-bearing year. The interest from 16 October 2026 to 15 November 2026 shall be paid together with the principal amount	SSE	Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Nanjing Securities Co., Ltd (follow-on offering: Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.)	Guosen Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2025 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F4 (Note 8)	280343.SH	2025/10/15 (follow-on offering: 2025/10/29)	2025/10/16	N/A	2027/11/16	30	2.05	The interest shall be calculated at a simple rate. The interest shall be paid annually for the first two interest-bearing years. The interest from 16 October 2027 to 15 November 2027 shall be paid together with the principal amount	SSE	Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Nanjing Securities Co., Ltd. (follow-on offering: Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.)	Guosen Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F5	280743.SH	2025/11/18	2025/11/19	N/A	2027/11/19	37	1.92	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	Guosen Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F6	280744.SH	2025/11/18	2025/11/19	N/A	2028/11/19	13	1.97	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	Guosen Securities Co., Ltd., CITIC Securities Company Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	Guosen Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2026 Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy Y1	244502.SH	2026/1/14	2026/1/15	N/A	N/A (Note 5)	50	2.37	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., Shenwan Hongyuan Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, SDIC Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G1	244610.SH	2026/1/23	2026/1/26	N/A	2028/1/26	15	1.79	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G2	244611.SH	2026/1/23	2026/1/26	N/A	2029/1/26	45	1.85	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 2) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G3	244679.SH	2026/2/5	2026/2/6	N/A	2028/3/6	43	1.80	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually for the first two interest-bearing years. The interest from 6 February 2028 to 6 March 2028 shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2026 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G4	244680.SH	2026/2/5	2026/2/6	N/A	2029/3/6	17	1.85	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually for the first two interest-bearing years. The interest from 6 February 2028 to 6 March 2028 shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Perpetual Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy Y2	244824.SH	2026/3/11	2026/3/12	N/A	N/A (Note 6)	50	2.25	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., Shenwan Hongyuan Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, SDIC Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Technology Innovation Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy K1	244883.SH	2026/3/20	2026/3/23	N/A	2029/3/23	10	1.79	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	Orient Securities Company Limited, China International Capital Corporation Limited, CSC Financial Co., Ltd., Everbright Securities Company Limited, SDIC Securities Co., Ltd.	Orient Securities Company Limited	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2026 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G5	245184.SH	2026/5/8	2026/5/11	N/A	2028/5/11	30	1.64	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G6	245185.SH	2026/5/8	2026/5/11	N/A	2029/5/11	30	1.73	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 4) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G8	245250.SH	2026/5/20	2026/5/21	N/A	2028/5/21	13	1.58	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2026 Corporate Bonds (Tranche 4) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy G9	245251.SH	2026/5/20	2026/5/21	N/A	2029/5/21	47	1.68	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Perpetual Subordinated Bonds (Tranche 3) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy Y3	245396.SH	2026/6/10	2026/6/11	N/A	N/A (Note 7)	50	2.00	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	CSC Financial Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, SDIC Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Short-term Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy S1	245431.SH	2026/6/12	2026/6/15	N/A	2026/12/23	40	1.49	The principal and interest shall be repaid in one lump sum on the maturity date	SSE	China Merchants Securities Co., Ltd., CSC Financial Co., Ltd., SDIC Securities Co., Ltd.	China Merchants Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Short-term Corporate Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy S2	245508.SH	2026/6/23	2026/6/24	N/A	2027/3/24	30	1.53	The principal and interest shall be repaid in one lump sum on the maturity date	SSE	China Merchants Securities Co., Ltd., CSC Financial Co., Ltd., SDIC Securities Co., Ltd.	China Merchants Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2026	Maturity date	Bond balance	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing or removal from trading
2026 Corporate Bonds (Tranche 5) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy 11	245565.SH	2026/7/2	2026/7/3	N/A	2028/7/3	18	1.60	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2026 Corporate Bonds (Tranche 5) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	26 Galaxy 12	245566.SH	2026/7/2	2026/7/3	N/A	2029/7/3	40	1.67	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full on the maturity date. The interest shall be paid together with the principal amount	SSE	CITIC Securities Company Limited, CSC Financial Co., Ltd., Orient Securities Company Limited, Everbright Securities Company Limited, Nanjing Securities Co., Ltd.	CSC Financial Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

Note 1: On 18 May 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 1) of RMB5.0 billion to professional investors, with an interest rate of 3.63%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 2: On 9 June 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 2) of RMB5.0 billion to professional investors, with an interest rate of 3.58%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 3: On 17 November 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 3) of RMB5.0 billion to professional investors, with an interest rate of 3.43%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 4: On 18 September 2025, the Company publicly issued 2025 perpetual subordinated bonds (tranche 1) of RMB5.0 billion to professional investors, with an interest rate of 2.40%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company exercises its renewal option, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 5: On 15 January 2026, the Company publicly issued 2026 perpetual subordinated bonds (tranche 1) of RMB5.0 billion to professional investors, with an interest rate of 2.37%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company exercises its renewal option, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 6: On 12 March 2026, the Company publicly issued 2026 perpetual subordinated bonds (tranche 2) of RMB5.0 billion to professional investors, with an interest rate of 2.25%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company exercises its renewal option, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 7: On 11 June 2026, the Company publicly issued 2026 perpetual subordinated bonds (tranche 3) of RMB5.0 billion to professional investors, with an interest rate of 2.00%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company exercises its renewal option, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

Note 8: The size of the initial issuance of 24 Galaxy G1 was RMB3.5 billion, and the size of the follow-on offering was RMB2.0 billion. The remaining balance of the bond was RMB5.5 billion in total. The size of the initial issuance of 24 Galaxy G2 was RMB1.5 billion, and the size of the follow-on offering was RMB1.6 billion. The remaining balance of the bond was RMB3.1 billion in total. The size of the initial issuance of 25 Galaxy K1 was RMB1.0 billion, and the size of the follow-on offering was RMB1.0 billion. The remaining balance of the bond was RMB2.0 billion in total. The size of the initial issuance of 25 Galaxy G1 was RMB3.0 billion, and the size of the follow-on offering was RMB3.0 billion. The remaining balance of the bond was RMB6.0 billion in total. The size of the initial issuance of 25 Galaxy F3 was RMB1.0 billion, and the size of the follow-on offering was RMB3.0 billion. The remaining balance of the bond was RMB4.0 billion in total. The size of the initial issuance of 25 Galaxy F4 was RMB1.0 billion, and the size of the follow-on offering was RMB2.0 billion. The remaining balance of the bond was RMB3.0 billion in total.

The Company's measures to address the risk of termination of listing or removal from trading of bonds: N/A

2. Triggering and implementation of the Company or investor option clauses and investor protection clauses

The Company's issued perpetual subordinated bonds, including the "21 Galaxy Y1", "21 Galaxy Y2", "23 Galaxy Y1", "23 Galaxy Y2", "23 Galaxy Y3", "25 Galaxy Y1", "26 Galaxy Y1", "26 Galaxy Y2" and "26 Galaxy Y3", include issuer's renewal options, issuer's redemption rights, and the right to defer interest payments.

During the Reporting Period, the Company did not exercise its right to defer interest payments and paid the current interest on the "21 Galaxy Y1", "21 Galaxy Y2", "23 Galaxy Y1" and "23 Galaxy Y2" bonds in full as scheduled, while the "23 Galaxy Y3", "25 Galaxy Y1", "26 Galaxy Y1", "26 Galaxy Y2" and "26 Galaxy Y3" bonds had not yet reached their interest payment dates.

During the Reporting Period, the "23 Galaxy Y1", "23 Galaxy Y2", "23 Galaxy Y3", "25 Galaxy Y1", "26 Galaxy Y1", "26 Galaxy Y2" and "26 Galaxy Y3" bonds had not reached their exercise dates for the renewal options. The "21 Galaxy Y1" and "21 Galaxy Y2" bonds reached their exercise dates for the renewal options; the issuer did not exercise its renewal options for the "21 Galaxy Y1" and "21 Galaxy Y2" bonds, and the bonds were redeemed in full.

3. During the Reporting Period, there were no changes by the credit rating agencies to the ratings of the corporate credit-related bonds

4. Implementation and variations of guarantees, debt repayment plans and other debt repayment safeguard measures during the Reporting Period, and their impacts

Current status	Implementation	Whether there is any change/ variation
As of the disclosure date of this report, the Company's outstanding bonds are unsecured. Pursuant to the requirements of the offering documents, the Company's debt repayment safeguard measures include formulating the Rules of Procedure for Meetings of Bondholders, establishing a dedicated working group for debt service, fully leveraging the role of the bond trustee and strictly performing the information disclosure obligation, etc.	During the Reporting Period, the Company's debt repayment plans and other debt repayment safeguard measures were strictly implemented as required without any changes.	No

5. *Information on the proceeds raised from corporate bonds*

(1) Basic information

Unit: 100 million yuan   Currency: RMB

Bond code	Bond short name	Whether it is a special bond	Specific type of special bond	Total amount of proceeds	Balance of proceeds as at the End of the Reporting Period	Balance of special account of proceeds as at the End of the Reporting Period
244502.SH	26 Galaxy Y1	Yes	Renewable corporate bonds	50	–	0.13 (Note 1)
244610.SH	26 Galaxy G1	No	–	15	–	0.13 (Note 1)
244611.SH	26 Galaxy G2	No	–	45		
244679.SH	26 Galaxy G3	No	–	43	–	0.13 (Note 1)
244680.SH	26 Galaxy G4	No	–	17		
244824.SH	26 Galaxy Y2	Yes	Renewable corporate bonds	50	–	0.00 (Note 2)
244883.SH	26 Galaxy K1	Yes	Technology innovation corporate bonds	10	0.38	0.00 (Note 3)
245184.SH	26 Galaxy G5	No	–	30	–	0.00 (Note 4)
245185.SH	26 Galaxy G6	No	–	30		
245250.SH	26 Galaxy G8	No	–	13	–	0.00 (Note 5)
245251.SH	26 Galaxy G9	No	–	47		
245396.SH	26 Galaxy Y3	Yes	Renewable corporate bonds	50	–	0.01 (Note 6)
245431.SH	26 Galaxy S1	Yes	Short-term corporate bonds	40	–	0.00 (Note 7)
245508.SH	26 Galaxy S2	Yes	Short-term corporate bonds	30	–	–

Note 1: As at the End of the Reporting Period, the former sub-accounts of the special account of proceeds of “26 Galaxy Y1”, “26 Galaxy G1”, “26 Galaxy G2”, “26 Galaxy G3” and “26 Galaxy G4” were closed pursuant to bank account management requirements, and the balance of the parent account was RMB12,949,204.10.

Note 2: As at the End of the Reporting Period, the balance of the special account of proceeds of “26 Galaxy Y2” was RMB6,945.33.

Note 3: As at the End of the Reporting Period, the balance of the unutilised proceeds of “26 Galaxy K1” was RMB37.7782 million, which was under cash management, and the balance of the special account of proceeds of “26 Galaxy K1” was RMB150,289.00.

Note 4: As at the End of the Reporting Period, the balance of the special account of proceeds of “26 Galaxy G5” and “26 Galaxy G6” was RMB200,025.56.

Note 5: As at the End of the Reporting Period, the balance of the special account of proceeds of “26 Galaxy G8” and “26 Galaxy G9” was RMB235,257.34.

Note 6: As at the End of the Reporting Period, the balance of the special account of proceeds of “26 Galaxy Y3” was RMB526,940.28.

Note 7: As at the End of the Reporting Period, the balance of the special account of proceeds of “26 Galaxy S1” was RMB133,333.33.

(2) *Changes in the use of proceeds: N/A*

(3) *Use of proceeds*

Actual use (excluding temporary liquidity replenishment)

Unit: 100 million yuan   Currency: RMB

Bond code	Bond short name	Actual amount of proceeds used during the Reporting Period	Repayment amount of interest-bearing debt (excluding corporate bonds)	Repayment amount of corporate bonds	Amount of liquidity replenishment	Amount involved in fixed asset investment projects	Amount involved in equity investment, debt investment or asset acquisition	Amount of other uses
244502.SH	26 Galaxy Y1	50	–	–	50	–	–	–
244610.SH	26 Galaxy G1	60	–	–	60	–	–	–
244611.SH	26 Galaxy G2		–	–		–	–	–
244679.SH	26 Galaxy G3	60	–	–	60	–	–	–
244680.SH	26 Galaxy G4		–	–		–	–	–
244824.SH	26 Galaxy Y2	50	–	50	–	–	–	–
244883.SH	26 Galaxy K1	9.62	–	–	–	–	9.62	–
245184.SH	26 Galaxy G5	60	–	60	–	–	–	–
245185.SH	26 Galaxy G6		–		–	–	–	–
245250.SH	26 Galaxy G8	60	–	40	20	–	–	–
245251.SH	26 Galaxy G9		–			–	–	–
245396.SH	26 Galaxy Y3	50	–	50	–	–	–	–
245431.SH	26 Galaxy S1	40	40	–	–	–	–	–
245508.SH	26 Galaxy S2	30	–	–	30	–	–	–

Proceeds used for repayment of corporate bonds and other interest-bearing debts

<table>
<tr><th>Bond code</th><th>Bond short name</th><th>Details of repayment of corporate bonds</th><th>Details of repayment of other interest-bearing debts (excluding corporate bonds)</th></tr>
<tr><td>244824.SH</td><td>26 Galaxy Y2</td><td>Replaced the repayment funds for 24 Galaxy F2 of RMB200 million, replaced the repayment funds for 23 Galaxy F2 of RMB3.0 billion and replaced the repayment funds for 23 Galaxy F4 of RMB1.8 billion.</td><td>–</td></tr>
<tr><td>245184.SH</td><td>26 Galaxy G5</td><td rowspan="2">Replaced the repayment funds for 23 Galaxy F4 of RMB1.4 billion and replaced the repayment funds for 21 Galaxy Y1 of RMB4.6 billion.</td><td>–</td></tr>
<tr><td>245185.SH</td><td>26 Galaxy G6</td><td>–</td></tr>
<tr><td>245250.SH</td><td>26 Galaxy G8</td><td rowspan="2">Replaced the repayment funds for 21 Galaxy Y1 of RMB400 million, replaced the repayment funds for 21 Galaxy Y2 of RMB3.0 billion and replaced the repayment funds for 23 Galaxy C4 of RMB600 million.</td><td>–</td></tr>
<tr><td>245251.SH</td><td>26 Galaxy G9</td><td>–</td></tr>
<tr><td>245396.SH</td><td>26 Galaxy Y3</td><td>Replaced the repayment funds for 21 Galaxy Y2 of RMB1.6 billion and replaced the repayment funds for 23 Galaxy C4 of RMB3.4 billion.</td><td>–</td></tr>
<tr><td>245431.SH</td><td>26 Galaxy S1</td><td>–</td><td>Repaid the principal amount of 25 Galaxy Securities CP019 of RMB4.0 billion.</td></tr>
</table>

Proceeds used for liquidity replenishment (excluding temporary liquidity replenishment)

Bond code	Bond short name	Details of liquidity replenishment
244502.SH	26 Galaxy Y1	For proprietary investment and other businesses of the Company
244610.SH	26 Galaxy G1	For proprietary investment and other businesses of the Company
244611.SH	26 Galaxy G2	
244679.SH	26 Galaxy G3	For proprietary investment and other businesses of the Company
244680.SH	26 Galaxy G4	
245250.SH	26 Galaxy G8	For proprietary investment and other businesses of the Company
245251.SH	26 Galaxy G9	
245508.SH	26 Galaxy S2	For proprietary investment and other businesses of the Company

Proceeds used for specific projects: N/A

Proceeds used for other purposes

Bond code	Bond short name	Details of other purposes
244883.SH	26 Galaxy K1	As at the End of the Reporting Period, proceeds from the issuance of bonds of RMB962 million were used. As at the date of this report, proceeds from the issuance of bonds were fully utilised. All proceeds were used for investment in technology and innovation fields and the refinancing of investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in the STAR market and the ChiNext, and investment in sci-tech bonds etc.

Temporary liquidity replenishment: N/A

6. *Compliance of the use of proceeds*

Bond code	Bond short name	Intended use of proceeds stated in the offering documents	Actual use of proceeds as at the End of the Reporting Period (including actual use and temporary liquidity replenishment)	Whether the actual use is consistent with the agreed use (including the use stated in the offering documents and the use after compliant changes)	Compliance of use of proceeds and management of special account of proceeds during the Reporting Period	Compliance of use of proceeds with local government debt management regulations
244502.SH	26 Galaxy Y1	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used to replenish the working capital of the Company in full.	Yes	Yes	N/A
244610.SH	26 Galaxy G1	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used to replenish the working capital of the Company in full.	Yes	Yes	N/A
244611.SH	26 Galaxy G2			Yes	Yes	N/A
244679.SH	26 Galaxy G3	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used to replenish the working capital of the Company in full.	Yes	Yes	N/A
244680.SH	26 Galaxy G4			Yes	Yes	N/A
244824.SH	26 Galaxy Y2	The proceeds of the bonds are intended for repayment of the principal of maturing corporate bonds in full.	The proceeds of the bonds were used to repay the principal of maturing corporate bonds in full.	Yes	Yes	N/A
244883.SH	26 Galaxy K1	No less than 70% of the proceeds of the bonds, after deducting the issuance expenses, are intended to be used to specifically support businesses in the field of technology and innovation in the form of equity, bonds, fund investment, etc., and the remaining portion is intended to be used to replenish liquidity as well as for other purposes in compliance with laws and regulations.	As at the End of the Reporting Period, proceeds from the issuance of bonds of RMB962 million were used. All of them were used for investment in technology and innovation fields and the refinancing of investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in the STAR market and the ChiNext, investment in sci-tech bonds, etc.	Yes	Yes	N/A
245184.SH	26 Galaxy G5	The proceeds of the bonds are intended for repayment of the principal of maturing corporate bonds in full.	The proceeds of the bonds were used to repay the principal of maturing corporate bonds in full.	Yes	Yes	N/A
245185.SH	26 Galaxy G6			Yes	Yes	N/A

Bond code	Bond short name	Intended use of proceeds stated in the offering documents	Actual use of proceeds as at the End of the Reporting Period (including actual use and temporary liquidity replenishment)	Whether the actual use is consistent with the agreed use (including the use stated in the offering documents and the use after compliant changes)	Compliance of use of proceeds and management of special account of proceeds during the Reporting Period	Compliance of use of proceeds with local government debt management regulations
245250.SH	26 Galaxy G8	The proceeds of the bonds are intended for repayment of the principal of maturing corporate bonds in full and replenishment of working capital of the Company.	The proceeds of the bonds of RMB4.0 billion were used to repay the principal of maturing corporate bonds, and RMB2.0 billion were used to replenish the working capital of the Company.	Yes	Yes	N/A
245251.SH	26 Galaxy G9			Yes	Yes	N/A
245396.SH	26 Galaxy Y3	The proceeds of the bonds are intended for repayment of the principal of maturing corporate bonds in full.	The proceeds of the bonds were used to repay the principal of maturing corporate bonds in full.	Yes	Yes	N/A
245431.SH	26 Galaxy S1	The proceeds of the bonds are intended for repayment of maturing debts in full.	The proceeds of the bonds were used to repay maturing debts in full.	Yes	Yes	N/A
245508.SH	26 Galaxy S2	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used to replenish the working capital of the Company in full.	Yes	Yes	N/A

During the Reporting Period, there were no non-compliance in the Company's use of proceeds and management of proceeds accounts.

(ii) Other Matters to be Disclosed Regarding Special Bonds

1. During the Reporting Period, the Company did not issue any of the following types of special bonds: exchangeable corporate bonds, green corporate bonds, poverty alleviation corporate bonds, rural revitalisation corporate bonds, Belt and Road corporate bonds, low-carbon transition (linked) corporate bonds, bailout corporate bonds, or SME support bonds.

2. The perpetual subordinated bonds outstanding of the Company as at the End of the Reporting Period are as follows:

Unit: 100 million yuan Currency: RMB

Bond code	Bond short name	Bond balance	Renewal	Interest step-up	Interest deferral	Mandatory interest payment	Whether they are still classified as equity and the relevant accounting treatment	Others
115343.SH	23 Galaxy Y1	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil	The Resolution on Considering the 2025 Annual Profit Distribution Plan of the Company was considered and approved at the 2025 annual general meeting of the Company, thereby triggering a mandatory interest payment event.	Yes	Nil
115461.SH	23 Galaxy Y2	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil
240273.SH	23 Galaxy Y3	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil
243799.SH	25 Galaxy Y1	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil
244502.SH	26 Galaxy Y1	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil
244824.SH	26 Galaxy Y2	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil
245396.SH	26 Galaxy Y3	50	Not yet reached the exercise date	Not yet reached the exercise date	Nil		Yes	Nil

3. As at the End of the Reporting Period and the date of this report, the outstanding technology innovation corporate bonds of the Company are as follows:

Unit: 100 million yuan Currency: RMB

Type of issuer applicable to the bonds	Financial institution
Bond code	242589.SH
Bond short name	25 Galaxy K1
Bond balance	20.046
Progress of the technology innovation project or the investment of proceeds from financial institutions in technology and innovation fields	Proceeds from the issuance of bonds were used for tier 1 equity investment in technology and innovation companies (including refinancing), with investment fields including AI chips, aerospace and semiconductor equipment etc. As at the date of this report, all invested projects are in good progress.
Effectiveness in promoting technology innovation and development	Proceeds from the bonds were used for investment in technology and innovation fields and the refinancing of investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in the STAR Market and the ChiNext, and investment in sci-tech bonds, etc. Relevant investments had effectively eased the financing bottlenecks in technology and innovation fields, supported technology R&D and industrial upgrades, and empowered the innovative development of the real economy.

RELEVANT INFORMATION OF BONDS

Unit: 100 million yuan Currency: RMB

Type of issuer applicable to the bonds	Financial institution
Bond code	244883.SH
Bond short name	26 Galaxy K1
Bond balance	10
Progress of the technology innovation project or the investment of proceeds from financial institutions in technology and innovation fields	As at the date of this report, proceeds from the issuance of bonds were used for tier 1 equity investment in technology and innovation companies (including refinancing), with investment fields including AI chips, infrastructure, embodied intelligence, quantum technology and semiconductor equipment, etc. All invested projects were in good progress.
Effectiveness in promoting technology innovation and development	As at the End of the Reporting Period, proceeds from the issuance of bonds of RMB962 million were used. As at the date of this report, proceeds from the issuance of bonds were fully utilised. All proceeds from the issuance of bonds were used for investment in technology and innovation fields and the refinancing of investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including investment in sci-tech innovation bonds and market-making business of sci-tech innovation bonds, etc. Relevant investments had effectively eased the financing bottlenecks in technology and innovation fields, supported technology R&D and industrial upgrades, and empowered the innovative development of the real economy.

(iii) Debt Financing Instruments of Non-financial Institutions in the Interbank Bond Market

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

(iv) Changes in the Information Disclosure Management System During the Reporting Period

Changes in the information disclosure management systems	In order to implement the latest requirements of the Company Law, the Securities Law, the Administrative Measures for Information Disclosure of Listed Companies, the SSE Listing Rules and other laws and regulations, and to further improve the compliance and effectiveness of the Company's information disclosure, the Company made amendments to the Information Disclosure Management System of China Galaxy Securities Co., Ltd. during the Reporting Period. On the basis of retaining the existing framework of the system, the amendments adjusted provisions relating to the information disclosure of the Company's Supervisory Committee and Supervisors. It focused on updating and improving the chapters concerning the basic principles of information disclosure, the management of information disclosure, and the scope and content of information disclosure. In addition, a new chapter on the suspension and exemption of information disclosure was added. The revised system was considered and approved at the fifteenth (extraordinary) meeting of the fifth session of the Board of Directors held on 2 June 2026. Its details are set out in the "Announcement on the Resolutions of the Fifteenth (Extraordinary) Meeting of the Fifth Session of the Board of Directors of China Galaxy Securities Co., Ltd." (Announcement No. 2026-048) and the Information Disclosure Management System of China Galaxy Securities Co., Ltd. published on the SSE.

Main content of the information disclosure management systems after changes	The revised Information Disclosure Management System of China Galaxy Securities Co., Ltd. comprises nine chapters, namely: General Provisions; Basic Principles of Information Disclosure; Management of Information Disclosure; Scope and Content of Information Disclosure; Suspension and Exemption of Information Disclosure; Approval Procedures for Information Disclosure; Archives Management of Documents and Information Relating to Information Disclosure; Supervision, Management and Legal Liabilities; and Supplementary Provisions.
Impact on the rights and interests of investors	The revision of Information Disclosure Management System of China Galaxy Securities Co., Ltd. is in compliance with the latest requirements of the Company Law and other laws and regulations, and will not have any adverse impact on the Company's corporate governance, daily management, production and operations, or solvency.

(v) Other Explanations

During the Reporting Period, the Company had no convertible corporate bonds.

As at the beginning and End of the Reporting Period, the Company did not have current accounts and fund lending receivable from other parties that were not directly generated from production and operation on a consolidated basis (hereinafter referred to as "non-operating current accounts and fund lending"). During the Reporting Period, the Company did not have new or recovered non-operating current accounts or fund lending.

During the Reporting Period, the Company did not have non-operating current accounts or fund lending that violated the relevant provisions or commitments of the offering documents.

During the Reporting Period, the Company did not experience any losses within the consolidated financial statements that exceeded 10% of the net assets as at the end of previous year, nor any overdue interest-bearing debts. The Company also did not violate any laws, regulations, self-regulatory rules, the Articles of Association, information disclosure management systems and other provisions, or the provisions or commitments outlined in the bond offering documents.

III. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: Yuan Currency: RMB

Key Indicators	End of the Reporting Period	End of last year	Change compared with the end of last year (%)	Reason for change
Current ratio	1.44	1.41	1.74	–
Quick ratio	1.44	1.41	1.74	–
Gearing ratio (%)	78.54	76.65	Increased by 1.89 percentage points	–

	Reporting Period (January to June)	Same period last year	Change compared with the same period last year (%)	Reason for change
Net profit attributable to shareholders of the Company excluding non-recurring gains and losses	7,780,815,762.38	6,484,561,187.21	19.99	–
EBITDA to total debt ratio	0.03	0.03	–	–
Interest coverage ratio	3.26	2.95	10.79	–
Cash interest coverage ratio	19.62	4.59	327.22	Mainly due to the increase in net cash flows from operating activities
EBITDA interest coverage ratio	3.41	3.10	9.91	–
Loan repayment rate (%)	100.00	100.00	–	–
Interest payment rate (%)	100.00	100.00	–	–

CHINA GALAXY SECURITIES CO., LTD.
(Established in the People's Republic
of China with limited liability)
Report and Interim Condensed Consolidated Financial
Information (Unaudited)
For the six months ended 30 June 2026
(Prepared under IFRS Accounting Standards)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Amounts in thousands of Renminbi, unless otherwise stated)

TO THE BOARD OF DIRECTORS OF CHINA GALAXY SECURITIES CO., LTD.
(Established in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 92 to 160, which comprises the interim condensed consolidated statement of financial position of China Galaxy Securities Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related interim condensed consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

Conclusion

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

Ernst & Young
Certified Public Accountants
Hong Kong

28 August 2026

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands of Renminbi, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June **2026** **(Unaudited)**	 2025 (Unaudited)
Revenue			
Commission and fee income	5	**6,935,104**	4,688,834
Interest income	6	**7,563,320**	6,558,143
Investment income and gains or losses	7	**7,645,744**	7,398,851
		22,144,168	18,645,828
Other income, gains or losses	8	**179,144**	152,539
Total revenue, gains and other income		**22,323,312**	18,798,367
Depreciation and amortization	9	**(583,752)**	(603,022)
Staff costs	10	**(5,038,516)**	(4,412,904)
Commission and fee expenses	11	**(662,555)**	(436,837)
Interest expenses	12	**(4,834,404)**	(4,618,339)
Other operating expenses	13	**(1,515,571)**	(1,308,044)
Credit impairment (losses)/reverses	14	**(334,718)**	241,256
Other assets impairment losses	14	**(160,283)**	(29,351)
Total expenses		**(13,129,799)**	(11,167,241)
Share of results of joint ventures		**30,885**	4,340
Profit before income tax		**9,224,398**	7,635,466
Income tax expense	15	**(1,427,170)**	(1,147,574)
Profit for the period		**7,797,228**	6,487,892
Profit for the period attributable to:			
Owners of the Company		**7,797,061**	6,487,816
Non-controlling interests		**167**	76
Earnings per share (Expressed in RMB per share)			
– Basic	16	**0.66**	0.54
– Diluted	16	**0.66**	0.54

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit for the period	**7,797,228**	6,487,892
Other comprehensive income/(expense):		
Items that will not be reclassified to profit or loss:		
Fair value (losses)/gains on investments in equity instruments measured at fair value through other comprehensive income	**(1,566,471)**	1,179,341
Income tax effect on changes in fair value	**391,626**	(294,785)
Subtotal	**(1,174,845)**	884,556
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations and others	**(420,696)**	177,897
Debt instruments measured at fair value through other comprehensive income:		
– Fair value changes during the period	**723,836**	(133,260)
– Reclassification to profit or loss on disposal	**(575,692)**	(1,131,700)
– Reclassification to profit or loss on impairment	**(3,569)**	(5,553)
– Income tax that may be reclassified subsequently	**(43,447)**	322,011
Subtotal	**(319,568)**	(770,605)
Other comprehensive (expense)/income for the period (net of tax)	**(1,494,413)**	113,951
Total comprehensive income for the period (net of tax)	**6,302,815**	6,601,843
Total comprehensive income for the period attributable to:		
Owners of the Company	**6,302,648**	6,601,767
Non-controlling interests	**167**	76
	6,302,815	6,601,843

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands of Renminbi, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	18	**818,464**	837,195
Investment properties		**6,756**	6,854
Right-of-use assets	19	**1,576,259**	1,378,925
Goodwill	20	**1,078,773**	1,109,026
Other intangible assets	21	**740,894**	830,358
Interests in joint ventures	22	**638,507**	469,909
Financial assets measured at fair value through profit or loss	23	**21,807,646**	21,063,375
Debt instruments measured at fair value through other comprehensive income	25	**–**	10,367,520
Equity instruments measured at fair value through other comprehensive income	26	**55,602,627**	61,536,505
Debt instruments measured at amortised cost	27	**526,828**	424,767
Financial assets held under resale agreements	24	**7,379,861**	5,951,332
Deposits with exchanges and financial institutions	29	**3,035,235**	1,521,470
Other assets	28	**586,768**	577,944
Deferred tax assets	30	**304,457**	284,317
Total non-current assets		**94,103,075**	106,359,497
Current assets			
Advances to customers	31	**171,242,767**	144,988,151
Accounts receivable	32	**14,286,716**	9,021,158
Tax recoverable		**26,901**	66,392
Other assets	28	**9,067,551**	5,963,494
Financial assets measured at fair value through profit or loss	23	**258,882,917**	208,631,189
Debt instruments measured at fair value through other comprehensive income	25	**106,105,834**	88,666,809
Debt instruments measured at amortised cost	27	**152,582**	172,056
Financial assets held under resale agreements	24	**12,856,686**	16,662,018
Derivative financial assets	33	**8,247,049**	4,946,727
Deposits with exchanges and financial institutions	29	**37,359,872**	32,288,845
Clearing settlement funds	34	**117,611,416**	53,197,053
Bank balances	35	**230,530,918**	184,781,538
Total current assets		**966,371,209**	749,385,430
Total assets		**1,060,474,284**	855,744,927

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AS AT 30 JUNE 2026

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	36	**10,934,402**	10,934,402
Other equity instruments	37	**34,942,717**	29,866,679
Reserves		**67,490,039**	69,274,673
Retained profits		**42,335,789**	37,704,389
Equity attributable to owners of the Company		**155,702,947**	147,780,143
Non-controlling interests		**16,441**	16,274
Total equity		**155,719,388**	147,796,417
Liabilities			
Non-current liabilities			
Bonds payable	38	**95,622,851**	81,347,450
Debt instruments	39	**64,124**	88,713
Accrued staff costs	44	**1,464,620**	2,046,403
Financial liabilities measured at fair value through profit or loss	40	**3,549,240**	2,373,440
Other payables and accruals	41	**84,246**	133,720
Lease liabilities	19	**1,131,265**	979,585
Deferred tax liabilities	30	**881,092**	1,119,652
Total non-current liabilities		**102,797,438**	88,088,963
Current liabilities			
Bonds payable	38	**31,817,201**	31,927,659
Due to banks and other financial institutions	42	**33,129,652**	22,780,493
Debt instruments	39	**70,146,176**	59,781,593
Accounts payable to brokerage clients	43	**334,845,972**	222,670,085
Accounts payable to underwriting clients		**10,000**	25,790
Accrued staff costs	44	**7,221,093**	5,980,400
Other payables and accruals	41	**65,490,109**	49,972,235
Lease liabilities	19	**460,485**	422,188
Current tax liabilities		**246,053**	733,186
Financial liabilities measured at fair value through profit or loss	40	**75,363,698**	46,919,310
Derivative financial liabilities	33	**13,409,176**	6,581,405
Financial assets sold under repurchase agreements	45	**169,817,843**	172,065,203
Total current liabilities		**801,957,458**	619,859,547
Total liabilities		**904,754,896**	707,948,510
Total equity and liabilities		**1,060,474,284**	855,744,927

Approved and authorized for issue by the Board of Directors on 28 August 2026 and signed on its behalf by:

WANG SHENG	XUE JUN
DIRECTOR	DIRECTOR

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

(Amounts in thousands of Renminbi, unless otherwise stated)

	Equity attributable to owners of the Company										
			Reserves								
	Share capital	Other equity instruments	Capital reserves	Investment revaluation reserves	Translation reserves and others	General reserves	Other reserves	Retained profits	Subtotal	Non-controlling interests	Total equity
At 1 January 2025 (audited)	10,934,402	29,828,568	32,224,103	5,792,863	151,097	28,744,268	(42,348)	32,847,782	140,480,735	18,709	140,499,444
Profit for the period	–	–	–	–	–	–	–	6,487,816	6,487,816	76	6,487,892
Other comprehensive income for the period	–	–	–	(63,946)	177,897	–	–	–	113,951	–	113,951
Total comprehensive income for the period	–	–	–	(63,946)	177,897	–	–	6,487,816	6,601,767	76	6,601,843
Appropriation to general reserves	–	–	–	–	–	11,033	–	(11,033)	–	–	–
Dividend declared (Note 17)	–	–	–	–	–	–	–	(2,143,143)	(2,143,143)	–	(2,143,143)
Distribution of interests to shareholders of perpetual bonds (Note 17)	–	–	–	–	–	–	–	(804,000)	(804,000)	–	(804,000)
Other comprehensive income that has been reclassified to retained profits	–	–	–	(144,662)	–	–	–	144,662	–	–	–
At 30 June 2025 (unaudited)	10,934,402	29,828,568	32,224,103	5,584,255	328,994	28,755,301	(42,348)	36,522,084	144,135,359	18,785	144,154,144

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2026

(Amounts in thousands of Renminbi, unless otherwise stated)

	Equity attributable to owners of the Company										
			Reserves								
	Share capital	Other equity instruments	Capital reserves	Investment revaluation reserves	Translation reserves and others	General reserves	Other reserves	Retained profits	Subtotal	Non-controlling interests	Total equity
At 1 January 2026 (audited)	10,934,402	29,866,679	32,169,954	4,646,535	313,306	32,182,302	(37,424)	37,704,389	147,780,143	16,274	147,796,417
Profit for the period	-	-	-	-	-	-	-	7,797,061	7,797,061	167	7,797,228
Other comprehensive income for the period	-	-	-	(1,073,717)	(420,696)	-	-	-	(1,494,413)	-	(1,494,413)
Total comprehensive income for the period	-	-	-	(1,073,717)	(420,696)	-	-	7,797,061	6,302,648	167	6,302,815
Appropriation to general reserves	-	-	-	-	-	10,772	-	(10,772)	-	-	-
Capital increase/(decrease) by other equity instrument holders	-	5,076,038	(132,641)	-	-	-	-	-	4,943,397	-	4,943,397
Dividend declared (Note 17)	-	-	-	-	-	-	-	(2,460,241)	(2,460,241)	-	(2,460,241)
Distribution of interests to shareholders of perpetual bonds (Note 17)	-	-	-	-	-	-	-	(863,000)	(863,000)	-	(863,000)
Other comprehensive income that has been reclassified to retained profits	-	-	-	(168,352)	-	-	-	168,352	-	-	-
At 30 June 2026 (unaudited)	10,934,402	34,942,717	32,037,313	3,404,466	(107,390)	32,193,074	(37,424)	42,335,789	155,702,947	16,441	155,719,388

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
OPERATING ACTIVITIES			
Profit before income tax		**9,224,398**	7,635,466
Adjustments for:			
Interest expenses		**4,811,105**	4,591,211
Share of results of joint ventures	22	**(30,885)**	(4,340)
Depreciation and amortisation	9	**583,752**	603,022
Other assets impairment losses	14	**160,283**	29,351
Credit impairment losses/(reverses)	14	**334,718**	(241,256)
Gains on disposal of property and equipment and other intangible assets	8	**(947)**	(15,407)
Foreign exchange gains	8	**(48,686)**	(1,377)
Net realised gains from disposal of debt instruments measured at fair value through other comprehensive income	7	**(575,692)**	(1,131,700)
Interest income from debt instruments measured at fair value through other comprehensive income	6	**(1,339,290)**	(1,351,035)
Interest income from other financial assets	6	**(17,294)**	(2,788)
Disposal of joint ventures		**–**	(2)
Dividend income from equity instruments measured at fair value through other comprehensive income	7	**(973,589)**	(1,299,123)
Interest income from debt instruments measured at amortised cost	6	**(8,174)**	(13,292)
Unrealised fair value (gains)/losses on financial assets measured at fair value through profit or loss		**(4,481,270)**	355,094
Unrealised fair value losses/(gains) on financial liabilities measured at fair value through profit or loss		**918,920**	(555,206)
Unrealised fair value (gains)/losses on derivative financial instruments		**(1,518,419)**	52,201
		7,038,930	8,650,819

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Operating cash flows before movements in working capital	**7,038,930**	8,650,819
(Increase)/decrease in advances to customers	**(26,768,311)**	723,595
Increase in accounts receivable and other assets	**(8,479,463)**	(3,091,240)
Decrease in financial assets held under resale agreements	**2,460,364**	195,548
Increase in financial assets at fair value through profit or loss and derivative financial assets	**(45,884,039)**	(33,013,075)
Increase in deposits with exchanges and financial institutions	**(7,215,483)**	(590,237)
Increase in clearing settlement funds – clients	**(65,452,913)**	(8,799,407)
Increase in cash held on behalf of customers	**(43,438,262)**	(11,149,520)
Increase in accounts payable to brokerage clients, accrued staff costs and other payables and accruals	**125,604,132**	29,032,918
Increase in financial liabilities measured at fair value through profit or loss and derivative financial liabilities	**33,745,010**	9,742,125
(Decrease)/Increase in financial assets sold under repurchase agreements	**(2,236,964)**	8,756,824
Decrease in amounts due to banks and other financial institutions	**(1,305,000)**	(1,646,000)
Decrease /(Increase) in restricted bank deposits	**175,830**	(41,162)
Cash used in operations	**(31,756,169)**	(1,228,812)
Income taxes paid	**(1,728,999)**	(536,154)
Interest paid	**(2,078,929)**	(2,617,356)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(35,564,097)**	(4,382,322)

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
INVESTING ACTIVITIES		
Dividends and interest received from investments	**1,510,726**	2,974,671
Proceeds from disposal of Joint ventures	**252**	4,590
Purchases of property and equipment and other intangible assets	**(253,112)**	(166,205)
Proceeds from disposals of property and equipment and other intangible assets	**1,623**	20,659
Capital injection to joint ventures	**(137,965)**	(50,374)
Purchases of debt instruments at fair value through other comprehensive income	**(9,537,129)**	(28,530,702)
Proceeds from disposals of debt instruments at fair value through other comprehensive income	**4,237,555**	38,221,550
Purchases of equity instruments at fair value through other comprehensive income	**(491,276)**	(12,280,696)
Proceeds from disposals of equity instruments at fair value through other comprehensive income	**4,635,396**	11,137,493
Purchases of debt instruments measured at amortised cost	**(81,339)**	(108,856)
Proceeds from disposals and recovery of debt instruments measured at amortised cost	**–**	311,409
Placement of bank deposits with original maturity of more than three months	**(3,406,235)**	(1,048,650)
Maturity of bank deposits with original maturity of more than three months	**1,081,538**	1,088,807
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES	**(2,439,966)**	11,573,696

The accompanying notes form an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
FINANCING ACTIVITIES			
Transaction costs paid on issuance of bonds		**(94,340)**	(50,743)
Proceeds from bonds issued		**25,000,000**	13,400,000
Repayment of bonds issued		**(11,200,000)**	(16,055,000)
Proceeds from debt instrument payables issued		**48,199,840**	41,239,565
Repayment of debt instrument issued		**(38,083,055)**	(42,485,821)
Proceeds from amounts due to banks and other financial institutions		**11,682,639**	–
Repayment of borrowing and financing payables		**–**	(806,152)
Cash repayment of third-party interests in consolidated structured entities		**(54,109)**	(28,580)
Interest paid in respect of bonds, borrowing and financial instrument payables		**(1,951,029)**	(1,863,716)
Dividends paid		**(804,000)**	(1,078,211)
Payment of lease liabilities		**(317,482)**	(344,978)
Proceeds from issuance of perpetual bonds		**15,000,000**	–
Repayment of redemption of perpetual bonds		**(10,000,000)**	–
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		**37,378,464**	(8,073,636)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(625,599)**	(882,262)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		**30,881,864**	24,270,604
Effect of foreign exchange rate changes		**(144,715)**	(15,707)
CASH AND CASH EQUIVALENTS AT 30 JUNE	46	**30,111,550**	23,372,635
NET CASH FLOWS USED IN OPERATING ACTIVITIES INCLUDE:			
Interest received		**8,212,754**	7,233,728

The accompanying notes form an integral part of this interim financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026
(Amounts in thousands of Renminbi, unless otherwise stated)

1. CORPORATE INFORMATION

Pursuant to the approval from the China Securities Regulatory Commission (the "CSRC"), China Galaxy Securities Co., Ltd. (the "Company") was established in Beijing, the People's Republic of China (the "PRC") on 26 January 2007. In May 2013, the Company issued H shares which were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). On 23 January 2017, the Company completed its offering of 600 million A shares on the Shanghai Stock Exchange.

The domicile of the Company is Beijing. The registered office (principal place of business) of the Company is located at 101, floors 7-18, building 1, yard 8, Xiying street, Fengtai District, Beijing, the PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in securities brokerage; distribution of publicly offered securities investment funds; concurrent insurance agency business; introducing broker services for futures companies; custody of securities investment funds; commodity and financial futures brokerage; fund investment consulting; securities asset management; project investment and management; proprietary investment or establishment of direct investment funds for equity or debt investments in enterprises; investment in other funds related to equity and debt investments, industrial investment, investment consulting, and other businesses approved by the CSRC.

The Company's immediate holding company is China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限責任公司) ("Galaxy Financial Holdings").

The unaudited interim condensed consolidated financial information was approved by the Board of Directors on 28 August 2026.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued *Amendments to IFRS 9 and IFRS 7*, *Amendments to the Classification and Measurement of Financial Instruments* (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The amendments had no impact on the Group's interim condensed financial statements. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts

- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts

- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on Group's interim condensed financial statements.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows. The amendments had no impact on the Group's interim condensed financial statements.

Other than the application of the amendments to IFRS Accounting Standards mentioned above, the accounting policies and methods of computation used in the interim financial information are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

The interim financial information has been prepared under the historical cost convention, except for certain financial instruments and certain non-financial assets measured at fair value.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of 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 applied to the consolidated financial statements for the year ended 31 December 2025.

4. SEGMENT REPORTING

Information reported to the board of directors of the Company, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the nature of products sold and services provided by the Group, which is also consistent with the Group's basis of organization, whereby the businesses are organized and managed separately as individual strategic business units that offer different products and serve different markets. Segment information is measured in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to the board of directors, which are consistent with the accounting and measurement criteria in the preparation of the interim condensed consolidated financial information.

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

(a) Wealth Management: This segment mainly provides clients with agency trading of stocks, funds, bonds, derivative financial instruments, etc., with financial services including investment advisory, portfolio advice, financial product sales and asset allocation, and offers them margin trading, stock-pledged repurchases, agreed repurchase transactions and so forth.

(b) Investment Banking: It provides one-stop investment banking services for a variety of corporate and government clients, including equity financing, bond financing, structured financing, financial advisory, asset securitisation and diversified financing solutions.

(c) Institutional Business: It is principally engaged in the provision of prime brokers, seat leasing, custody and fund services, investment research, sales and trading for institutional clients.

(d) International Business: It primarily provides brokerage and sales, investment banking, research and asset management services to global institutional clients, corporate clients and retail clients through CGS International Holdings Limited, CGS International Securities Pte. Ltd., CGS International Securities Group Malaysia Sdn. Bhd. and other business platforms.

(e) Investment Trading: It is engaged in investment trading of equity securities, fixed-income securities, commodities and derivative financial instruments with its own funds, and provides integrated financial solutions for clients' investment, financing and risk management.

(f) Parent-subsidiary Integration Business: Focusing on "client demand", "professional development" and "collaborative income generation", the Group actively integrates the business platforms of subsidiaries, such as futures, private equity investment management, alternative investment and asset management, with the above-mentioned five business lines, in a bid to strengthen business collaboration and resources connection, and continuously offer integrated financial services for clients.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties and there was no change in the basis during both periods. Segment profit or loss represents the profit earned or loss incurred by each segment without allocation of income tax expenses. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

Segment assets or liabilities are allocated to each segment, excluding deferred tax assets and liabilities. Inter-segment balance mainly resulted from futures brokerage transaction carried out by the wealth management segment for the proprietary trading and other securities trading services segment and are eliminated upon consolidation. The segment result excludes income tax expense while the segment assets and liabilities include prepaid taxes and current tax liabilities, respectively.

The Group operates in the Chinese mainland, Hong Kong and other overseas areas, representing the locations of both income from external customers and assets of the Group. Segment revenue and all assets of the Group in respect of the international business segment are attributable to operations in Hong Kong and other overseas areas, while other segment revenue and assets of the Group are attributable to operations in the Chinese mainland. No revenue from a single customer amounted to more than 10% to the Group's revenue for the six months ended 30 June 2026 and 2025.

(Amounts in thousands of Renminbi, unless otherwise stated)

4. SEGMENT REPORTING (continued)

The operating and reportable segment information provided to the CODM for the six months ended 30 June 2026 and 2025 is as follows:

	Wealth Management	Investment Banking	Institutional Business	International Business	Investment Trading	Parent-Subsidiary Integration Business	Reportable segment total	Others	Eliminations	Consolidated total
For the six months ended 30 June 2026										
Segment revenue and results										
Revenue and net investment gains										
– External	9,623,574	305,910	1,949,530	2,997,932	5,024,544	2,090,581	21,992,071	234,716	(82,619)	22,144,168
– Inter-segment	117,927	–	–	–	(15,377)	–	102,550	–	(102,550)	–
Other income	42,456	–	–	49,395	(8,860)	38,268	121,259	57,885	–	179,144
Segment revenue and other income	9,783,957	305,910	1,949,530	3,047,327	5,000,307	2,128,849	22,215,880	292,601	(185,169)	22,323,312
Segment expenses	5,051,202	372,975	207,575	2,488,504	2,445,137	1,249,191	11,814,584	1,500,384	(185,169)	13,129,799
Segment result	4,732,755	(67,065)	1,741,955	558,823	2,555,170	879,658	10,401,296	(1,207,783)	–	9,193,513
Share of results of joint ventures	–	–	–	–	–	30,885	30,885	–	–	30,885
Profit/(Loss) before income tax	4,732,755	(67,065)	1,741,955	558,823	2,555,170	910,543	10,432,181	(1,207,783)	–	9,224,398
As at 30 June 2026 (Unaudited)										
Segment assets and liabilities										
Segment assets	416,624,500	40,180	42,313,375	92,544,083	338,322,959	157,389,800	1,047,234,897	335,363,880	(322,428,950)	1,060,169,827
Deferred tax assets										304,457
Group's total assets										1,060,474,284
Segment liabilities	408,878,564	196,138	40,147,274	83,167,560	329,726,746	140,606,591	1,002,722,873	223,634,020	(322,483,089)	903,873,804
Deferred tax liabilities										881,092
Group's total liabilities										904,754,896
Other segment information										
Depreciation and amortization	321,808	1,727	22,623	74,143	9,796	42,258	472,355	111,397	–	583,752
Impairment losses	202,891	170	(930)	137,448	(8,055)	162,726	494,250	751	–	495,001
Additions to non-current assets	14,414	–	–	15,572	–	15,422	45,408	173,817	–	219,225
Interest income from operations	4,451,669	74	48,795	945,454	101,719	615,230	6,162,941	49,232	3,683	6,215,856
Interest income from investments	–	–	–	289,823	946,273	–	1,236,096	128,045	(16,677)	1,347,464
Interest expenses	103,822	–	–	888,997	1,396,701	335,126	2,724,646	2,129,278	(19,520)	4,834,404

(Amounts in thousands of Renminbi, unless otherwise stated)

4. SEGMENT REPORTING (continued)

The operating and reportable segment information provided to the CODM for the six months ended 30 June 2026 and 2025 is as follows: (continued)

	Wealth Management	Investment Banking	Institutional Business	International Business	Investment Trading	Parent-Subsidiary Integration Business	Reportable segment total	Others	Eliminations	Consolidated total
For the six months ended 30 June 2025										
Segment revenue and results										
Revenue and net investment gains										
– External	7,095,786	286,214	1,085,950	2,001,444	6,471,662	1,490,809	18,431,865	341,822	(127,859)	18,645,828
– Inter-segment	288,185	–	–	–	(10,528)	–	277,657	–	(277,657)	–
Other income	24,162	–	6	51,232	4,297	33,597	113,294	39,245	–	152,539
Segment revenue and other income	7,408,133	286,214	1,085,956	2,052,676	6,465,431	1,524,406	18,822,816	381,067	(405,516)	18,798,367
Segment expenses	4,106,185	280,671	158,184	1,859,726	2,889,895	1,004,526	10,299,187	1,273,570	(405,516)	11,167,241
Segment result	3,301,948	5,543	927,772	192,950	3,575,536	519,880	8,523,629	(892,503)	–	7,631,126
Share of results of joint ventures	–	–	–	–	–	4,340	4,340	–	–	4,340
Profit/(Loss) before income tax	3,301,948	5,543	927,772	192,950	3,575,536	524,220	8,527,969	(892,503)	–	7,635,466
As at 31 December 2025 (Audited)										
Segment assets and liabilities										
Segment assets	318,461,588	44,972	38,603,246	61,472,405	307,983,318	118,905,262	845,470,791	304,489,784	(294,499,965)	855,460,610
Deferred tax assets										284,317
Group's total assets										855,744,927
Segment liabilities	307,563,683	226,383	39,188,626	52,095,299	310,015,676	103,356,104	812,445,771	188,951,548	(294,568,461)	706,828,858
Deferred tax liabilities										1,119,652
Group's total liabilities										707,948,510
Other segment information										
Depreciation and amortization	330,020	2,140	17,782	73,564	6,531	42,287	472,324	130,698	–	603,022
Impairment reverses	(209,759)	(98)	(756)	(2,132)	(13,433)	16,267	(209,911)	(1,994)	–	(211,905)
Additions to non-current assets	33,400	–	–	33,799	–	8,528	75,727	65,840	–	141,567
Interest income from operations	3,614,453	51	32,770	952,579	(32,421)	455,962	5,023,394	179,739	(9,317)	5,193,816
Interest income from investments	–	–	–	92,320	1,272,007	–	1,364,327	–	–	1,364,327
Interest expenses	137,318	–	–	660,948	1,777,882	243,944	2,820,092	1,801,624	(3,377)	4,618,339

(Amounts in thousands of Renminbi, unless otherwise stated)

5. COMMISSION AND FEE INCOME

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Commission on securities dealing and broking and handling fee income	**5,649,201**	3,733,128
Underwriting and sponsors' fees	**344,541**	309,921
Commission on futures and option contracts dealing and broking and handling fee income	**433,620**	265,960
Consultancy and financial advisory fee income	**97,864**	68,138
Asset management fee income	**173,068**	268,177
Others	**236,810**	43,510
	6,935,104	4,688,834

6. INTEREST INCOME

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Deposits with exchanges and financial institutions	**2,499,591**	1,975,670
Advances to customers and securities lending	**3,305,287**	2,746,862
Financial assets held under resale agreements	**393,684**	468,496
Debt instruments measured at fair value through other comprehensive income	**1,339,290**	1,351,035
Debt instruments measured at amortised cost	**8,174**	13,292
Interest income from other financial assets	**17,294**	2,788
	7,563,320	6,558,143

7. INVESTMENT INCOME AND GAINS OR LOSSES

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Realized and unrealized gains/(losses) from		
– debt instruments measured at FVTOCI	**575,692**	1,131,700
– financial assets measured at FVTPL	**12,460,503**	5,108,658
– financial liabilities designated at FVTPL	**(285,334)**	(444,960)
– derivatives	**(5,177,768)**	191,913
– financial liabilities held for trading	**(1,111,509)**	231,885
– warehouse receipt	**210,571**	(119,468)
Dividend income from		
– equity instruments measured at FVTOCI	**973,589**	1,299,123
	7,645,744	7,398,851

(Amounts in thousands of Renminbi, unless otherwise stated)

8. OTHER INCOME, GAINS OR LOSSES

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Government grants	**29,892**	12,517
Gains or loss on disposals of property and equipment and other intangible assets	**947**	15,407
Foreign exchange gains	**48,686**	1,377
Gross rental income	**3,471**	3,867
Others	**96,148**	119,371
	179,144	152,539

These government grants were received by the Group from the local governments to support operations in designated locations.

9. DEPRECIATION AND AMORTIZATION

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Depreciation for right-of-use assets	**268,619**	291,800
Depreciation for property and equipment	**179,712**	173,167
Depreciation for investment properties	**98**	98
Amortization of other intangible assets	**135,323**	137,957
	583,752	603,022

10. STAFF COSTS

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Salaries, bonus and allowances	**4,080,402**	3,553,486
Social welfare	**593,311**	554,008
Contributions to annuity schemes	**161,460**	144,539
Supplementary retirement benefits	**5,071**	5,035
Others	**198,272**	155,836
	5,038,516	4,412,904

(Amounts in thousands of Renminbi, unless otherwise stated)

11. COMMISSION AND FEE EXPENSES

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Securities and futures dealing and broking expenses	**490,664**	352,138
Underwriting and sponsors' fee expenses	**44,465**	21,299
Other service expenses	**127,426**	63,400
	662,555	436,837

12. INTEREST EXPENSES

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Presented below are interest expenses on the following liabilities:		
– Bonds payable	**1,572,950**	1,367,439
– Financial assets sold under repurchase agreements	**1,407,950**	1,631,418
– Debt instruments	**507,723**	395,678
– Accounts payable to brokerage clients	**770,085**	693,463
– Due to banks and other financial institutions	**398,298**	381,278
– Third-party interests in consolidated structured entities and others	**177,398**	149,063
	4,834,404	4,618,339

13. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
General and administrative expenses	**686,126**	566,838
Value-added tax and surcharges	**94,463**	74,237
Minimum operating lease rentals in respect of rented premises	**49,149**	47,325
Data transmission expenses	**143,535**	131,905
Securities investor protection funds	**69,340**	59,192
Business travel expenses	**66,047**	55,923
Utilities expenses	**15,644**	15,771
Auditors' remuneration	**7,400**	6,122
Interest expense on lease liabilities	**23,300**	27,127
Sundry expenses	**360,567**	323,604
	1,515,571	1,308,044

(Amounts in thousands of Renminbi, unless otherwise stated)

14. IMPAIRMENT LOSSES AND REVERSES

	Six months ended 30 June	
	2026 **(Unaudited)**	2025 (Unaudited)
Credit impairment (reverses)/losses:		
– Financial assets held under resale agreements (Note 24)	**(80,742)**	(47,638)
– Advances to customers (Note 31)	**358,341**	(175,095)
– Accounts receivable (Note 32)	**60,646**	(7,140)
– Other assets (Note 28)	**66**	(7,764)
– Debt instruments measured at FVTOCI (Note 25)	**(3,569)**	(5,553)
– Debt instruments measured at amortised cost (Note 27)	**(254)**	(588)
– Bank balances	**230**	2,522
Impairment losses:		
– Other assets	**160,283**	29,351
	495,001	(211,905)

15. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026 **(Unaudited)**	2025 (Unaudited)
Current income tax:		
PRC Enterprise Income Tax	**1,181,889**	759,896
Overseas Profits Tax	**107,266**	41,177
(Overprovision)/Underprovision in prior periods:		
PRC Enterprise Income Tax	**(13,861)**	18,852
Overseas Profits Tax	**6,063**	(1,185)
Subtotal	**1,281,357**	818,740
Deferred income tax (Note 30)	**145,813**	328,834
	1,427,170	1,147,574

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate applicable to PRC enterprises is 25%.

Taxation on profits of Hong Kong, Singapore and other countries and regions has been calculated on the estimated assessable profits in accordance with local tax regulations at the rates of taxation prevailing in the countries or regions in which the Group operates.

In December 2021, the Organisation for Economic Co-operation and Development published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“Pillar Two Model Rules”). According to the rules of Pillar Two, low-tax jurisdictions with effective tax rate below 15% may have a Top-up Tax impact. Some jurisdictions where the Group’s overseas entities are located, had implemented Pillar Two legislation during the reporting period. The Group has assessed the impact of Top-up Tax under Pillar Two. The legislation in the aforementioned jurisdictions has no significant impact on the Group’s financial position and operating results as at 30 June 2026.

(Amounts in thousands of Renminbi, unless otherwise stated)

16. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share attributable to owners of the Company is based on the profit for the period attributable to owners of the Company and the number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company	**7,797,061**	6,487,816
Less: Profit attributable to other equity holders of the Company[1]	**536,489**	602,755
Profit attributable to ordinary equity holders of the Company	**7,260,572**	5,885,061
Weighted average number of shares in issue (thousand)	**10,934,402**	10,934,402
Basic earnings per share (in RMB)	**0.66**	0.54

(1) For the purpose of calculating basic earnings per ordinary share in respect for the six months period ended 30 June 2026, RMB536 million (six months period ended 30 June 2025: RMB603 million) attributable to perpetual subordinated bonds was deducted from profits attributable to equity holders of the Company.

Diluted earnings per share was computed by dividing the net profit attributable to the owners of the Company based on assuming conversion of all dilutive potential shares for the period by the adjusted weighted average number of ordinary shares in issue. The Company had no dilutive potential ordinary shares, and the diluted earnings per share are equal to the basic earnings per share.

17. DIVIDENDS

Dividends for ordinary shareholders of the Company declared during the six months:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Dividends declared	**2,460,241**	2,143,143
Distribution to other equity instrument holders	**863,000**	804,000

On 29 June 2026, the Annual General Meeting reviewed and approved the Profit Distribution Plan for 2025. Accordingly, the Company decided to distribute a total cash dividend of RMB2,460 million for 2025 (for 2024: cash dividend of RMB2,143 million).

The dividend distributions by the Company triggered the mandatory interest payment event for perpetual subordinated bonds. During the six months period ended 30 June 2026, the Company has recognized the dividend payable to other equity instrument holders of RMB863 million (six months period ended 30 June 2025: RMB804 million).

(Amounts in thousands of Renminbi, unless otherwise stated)

18. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Electronic and communication equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
COST						
As at 1 January 2025 (Audited)	269,477	1,583,702	31,807	127,768	440,221	2,452,975
Additions	213	348,429	1,594	17,593	112,366	480,195
Exchange gains or losses	4,823	73,864	5,253	14,056	3,202	101,198
Disposals/write-off	–	(53,302)	(17,641)	(21,036)	(69,358)	(161,337)
As at 31 December 2025 (Audited)	274,513	1,952,693	21,013	138,381	486,431	2,873,031
ACCUMULATED DEPRECIATION						
As at 1 January 2025 (Audited)	212,045	1,107,473	26,473	104,185	298,970	1,749,146
Charge for the year	11,510	246,551	1,903	8,792	67,181	335,937
Exchange gains or losses	4,822	73,851	5,189	13,445	1,512	98,819
Disposals/write-off	–	(51,752)	(16,874)	(14,748)	(64,692)	(148,066)
As at 31 December 2025 (Audited)	228,377	1,376,123	16,691	111,674	302,971	2,035,836
CARRYING VALUE						
As at 31 December 2025 (Audited)	46,136	576,570	4,322	26,707	183,460	837,195
COST						
As at 1 January 2026 (Audited)	**274,513**	**1,952,693**	**21,013**	**138,381**	**486,431**	**2,873,031**
Additions	**–**	**148,560**	**–**	**3,071**	**15,195**	**166,826**
Exchange gains or losses	**(471)**	**(9,400)**	**(261)**	**(3,388)**	**(6,721)**	**(20,241)**
Disposals/write-off	**–**	**(8,397)**	**(1,404)**	**(4,606)**	**(27,410)**	**(41,817)**
As at 30 June 2026 (Unaudited)	**274,042**	**2,083,456**	**19,348**	**133,458**	**467,495**	**2,977,799**
ACCUMULATED DEPRECIATION						
As at 1 January 2026 (Audited)	**228,377**	**1,376,123**	**16,691**	**111,674**	**302,971**	**2,035,836**
Charge for the period	**5,648**	**137,330**	**644**	**4,460**	**31,630**	**179,712**
Exchange gains or losses	**(471)**	**(8,381)**	**(209)**	**(1,658)**	**(4,652)**	**(15,371)**
Disposals/write-off	**–**	**(8,176)**	**(1,346)**	**(4,266)**	**(27,054)**	**(40,842)**
As at 30 June 2026 (Unaudited)	**233,554**	**1,496,896**	**15,780**	**110,210**	**302,895**	**2,159,335**
CARRYING VALUE						
As at 30 June 2026 (Unaudited)	**40,488**	**586,560**	**3,568**	**23,248**	**164,600**	**818,464**

(Amounts in thousands of Renminbi, unless otherwise stated)

19. LEASES

(a) Right-of-use assets

	Buildings
Cost	
As at 1 January 2025 (Audited)	3,200,702
Additions	615,934
Deductions	(666,759)
Exchange gains or losses	13,650
As at 31 December 2025 (Audited)	3,163,527
Accumulated depreciation	
As at 1 January 2025 (Audited)	1,673,669
Charge for the year	596,841
Deductions	(488,839)
Exchange gains or losses	2,931
As at 31 December 2025 (Audited)	1,784,602
Net book value	
As at 1 January 2025 (Audited)	1,527,033
As at 31 December 2025 (Audited)	1,378,925
Cost	
As at 1 January 2026 (Audited)	**3,163,527**
Additions	**538,831**
Deductions	**(668,050)**
Exchange gains or losses	**(33,146)**
As at 30 June 2026 (Unaudited)	**3,001,162**
Accumulated depreciation	
As at 1 January 2026 (Audited)	**1,784,602**
Charge for the period	**268,619**
Deductions	**(613,378)**
Exchange gains or losses	**(14,940)**
As at 30 June 2026 (Unaudited)	**1,424,903**
Net book value	
As at 1 January 2026 (Audited)	**1,378,925**
As at 30 June 2026 (Unaudited)	**1,576,259**

(Amounts in thousands of Renminbi, unless otherwise stated)

19. LEASES (continued)

(b) Lease liabilities

The Group's lease liabilities are analysed by the maturity date – undiscounted analysis:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Less than 1 year	489,111	461,907
Over 1 years	1,245,425	1,056,508
Undiscounted lease liabilities	1,734,536	1,518,415
Properties and buildings		
Current	460,485	422,188
Non-current	1,131,265	979,585
Lease liabilities	1,591,750	1,401,773

20. GOODWILL

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Gross carrying amount		
At the beginning of the period/year	1,109,026	1,066,862
Exchange (losses)/gains	(30,253)	42,164
At the end of the period/year	1,078,773	1,109,026
Accumulated impairment losses		
At the beginning of the period/year	–	–
Impairment losses recognized during the reporting period	–	–
At the end of the period/year	–	–
Net book value		
At the beginning of the period/year	1,109,026	1,066,862
At the end of the period/year	1,078,773	1,109,026

20. GOODWILL (continued)

Securities brokerage business cash-generating unit

In January 2007, the Company acquired the securities brokerage business, investment banking business and related assets and liabilities of former China Galaxy Securities Co., Ltd. (Hereinafter referred to as "former Galaxy Securities"), as well as the equity of Galaxy Futures Company Limited held by former Galaxy Securities, The difference between the acquisition cost and the fair value of the identifiable net assets acquired in the acquisition business is recognized as goodwill of the Securities brokerage business cash-generating unit. As at 30 June 2026 and 31 December 2025, the gross carrying amount and net book value of goodwill were both RMB223 million.

CGS International Singapore business cash-generating unit

The Group acquired the CGS International Securities Pte. Ltd. ("CGS International Singapore") in April 2019. The Group recognized the excess of acquisition cost over the fair value of the net identifiable assets acquired as goodwill. As at 30 June 2026, the gross carrying amount and net book value of goodwill were RMB210 million (31 December 2025: RMB218 million).

CGS International Malaysia business cash-generating unit

The Group acquired the CGS International Securities Group Malaysia Sdn. Bhd. ("CGS International Malaysia") in December 2021. The Group recognized the goodwill of 100% equity held by the original controller of the asset group after confirming the identifiable assets and liabilities of the acquired business. As at 30 June 2026, the gross carrying amount and net book value of goodwill were RMB646 million (31 December 2025: RMB668 million).

As at 30 June 2026, no indications of impairment came to attention of the management.

(Amounts in thousands of Renminbi, unless otherwise stated)

21. OTHER INTANGIBLE ASSETS

	Trading rights	Computer software and others	Total
COST			
As at 1 January 2025 (Audited)	305,121	1,547,914	1,853,035
Additions	–	250,499	250,499
Exchange gains or losses	358	70,416	70,774
Disposals/write-off	–	(10,902)	(10,902)
As at 31 December 2025 (Audited)	305,479	1,857,927	2,163,406
ACCUMULATED AMORTISATION			
As at 1 January 2025 (Audited)	–	1,004,571	1,004,571
Charge for the year	–	276,773	276,773
Exchange gains or losses	–	62,345	62,345
Disposals/write-off	–	(10,669)	(10,669)
As at 31 December 2025 (Audited)	–	1,333,020	1,333,020
IMPAIRMENT			
As at 1 January 2025 (Audited)	–	33	33
Exchange gains or losses	–	(5)	(5)
As at 31 December 2025 (Audited)	–	28	28
CARRYING VALUE			
As at 31 December 2025 (Audited)	305,479	524,879	830,358
COST			
As at 1 January 2026 (Audited)	**305,479**	**1,857,927**	**2,163,406**
Additions	**–**	**52,705**	**52,705**
Exchange gains or losses	**(197)**	**(18,588)**	**(18,785)**
Disposals/write-off	**–**	**(7,499)**	**(7,499)**
As at 30 June 2026 (Unaudited)	**305,282**	**1,884,545**	**2,189,827**
ACCUMULATED AMORTISATION			
As at 1 January 2026 (Audited)	**–**	**1,333,020**	**1,333,020**
Charge for the period	**–**	**135,323**	**135,323**
Exchange gains or losses	**–**	**(11,942)**	**(11,942)**
Disposals/write-off	**–**	**(7,499)**	**(7,499)**
As at 30 June 2026 (Unaudited)	**–**	**1,448,902**	**1,448,902**
IMPAIRMENT			
As at 1 January 2026 (Audited)	**–**	**28**	**28**
Exchange gains or losses	**–**	**3**	**3**
As at 30 June 2026 (Unaudited)	**–**	**31**	**31**
CARRYING VALUE			
As at 30 June 2026 (Unaudited)	**305,282**	**435,612**	**740,894**

(Amounts in thousands of Renminbi, unless otherwise stated)

21. OTHER INTANGIBLE ASSETS (continued)

Trading rights mainly comprise the trading rights on the Shanghai Stock Exchange, the Shenzhen Stock Exchange and the Hong Kong Stock Exchange. These rights allow the Group to trade securities and futures contracts on or through these exchanges.

Impairment testing on intangible assets with indefinite useful lives

The trading rights held by the Group are considered by the directors of the Company as having indefinite useful lives because they are expected to contribute net cash inflows indefinitely. These intangible assets will not be amortised until their useful lives are determined to be finite. Instead, they will be tested for impairment annually and whenever there is an indication that they may be impaired. They are assessed for impairment individually or attached to the relevant CGUs.

The respective recoverable amounts of these trading rights or CGUs where the trading rights are allocated to, using a value in use calculation, exceed their carrying amounts. Accordingly, there was no impairment of the trading rights as at 30 June 2026 and 31 December 2025.

22. INTERESTS IN JOINT VENTURES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Investments in joint ventures		
At the beginning of the period/year	**469,909**	300,311
Cost of investments in joint ventures	**137,965**	159,034
Share of post-acquisition profits and other comprehensive income, net of dividends received	**30,885**	19,910
Disposal of investments	**(252)**	(9,346)
At the end of the period/year	**638,507**	469,909

There is no joint arrangement that is material to the Group.

(Amounts in thousands of Renminbi, unless otherwise stated)

23. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Debt securities	**13,352,026**	8,474,515
Equity securities	**–**	147,106
Mutual funds	**–**	6,444
Trust schemes	**1,907,906**	1,324,869
Other investments (a)	**6,547,714**	11,110,441
	21,807,646	21,063,375
Current		
Debt securities	**143,690,542**	123,016,493
Equity securities	**44,192,270**	25,068,417
Mutual funds	**38,509,777**	38,592,307
Structured deposits and wealth management products	**5,104,898**	3,900,222
Trust schemes	**1,135,104**	511,452
Other investments (a)	**26,250,326**	17,542,298
	258,882,917	208,631,189

(a) The balance mainly represents investments in equity in unlisted enterprises, perpetual bonds, asset management schemes, and precious metal investment.

(Amounts in thousands of Renminbi, unless otherwise stated)

24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Analyzed by collateral type:		
Equity securities	7,391,769	5,963,362
Less: Impairment	(11,908)	(12,030)
	7,379,861	5,951,332
Analyzed by market of collateral:		
Stock exchanges	7,379,861	5,951,332
Current		
Analyzed by collateral type:		
Equity securities	11,071,604	14,383,597
Debt securities	1,772,518	2,349,296
Add: Accrued interest	34,410	31,609
Less: Impairment	(21,846)	(102,484)
	12,856,686	16,662,018
Analyzed by market of collateral:		
Stock exchanges	12,556,670	16,156,096
Interbank bond market	300,016	500,054
Over the counter	–	5,868

The movements in the allowance for impairment of financial assets held under resale agreements are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	114,514	204,874
Impairment losses recognized, net of reversal (Note 14)	(80,742)	(90,337)
Others	(18)	(23)
At the end of the period/year	33,754	114,514

As at 30 June 2026, the fair value of collateral received by the Group was approximately RMB62,937 million (31 December 2025: RMB70,096 million).

(Amounts in thousands of Renminbi, unless otherwise stated)

25. DEBT INSTRUMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Debt securities	**–**	10,367,520
Current		
Debt securities	**105,064,835**	87,584,813
Add: Accrued interest	**1,040,999**	1,081,996
	106,105,834	88,666,809

The movements in the allowance for impairment of debt instruments measured at fair value through other comprehensive income are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	**98,150**	190,625
Impairment losses recognized, net of reversal (Note 14)	**(3,569)**	(4,311)
Amounts written off	**–**	(87,974)
Exchange difference and others	**(276)**	(190)
At the end of the period/year	**94,305**	98,150

26. EQUITY INSTRUMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Equity securities	**14,189,299**	16,552,284
Perpetual bonds	**39,045,662**	43,014,478
Other investments	**2,367,666**	1,969,743
	55,602,627	61,536,505

(1) These equity instruments are neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

(2) As at 30 June 2026, due to the Group's disposal of equity instruments measured at fair value through other comprehensive income, RMB168 million of other comprehensive income transferred into retained earnings (31 December 2025: RMB209 million).

(Amounts in thousands of Renminbi, unless otherwise stated)

27. DEBT INSTRUMENTS MEASURED AT AMORTISED COST

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Debt securities	576,179	474,472
Less: Impairment	(49,351)	(49,705)
	526,828	424,767
Current		
Debt securities	145,939	166,316
Add: Accrued interest	6,919	5,926
Less: Impairment	(276)	(186)
	152,582	172,056

The movements in the allowance for impairment of debt instruments measured at amortised cost are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	49,891	67,279
Impairment losses recognized, net of reversal (Note 14)	(254)	(1,157)
Amounts written off	–	(16,224)
Exchange difference and others	(10)	(7)
At the end of the period/year	49,627	49,891

(Amounts in thousands of Renminbi, unless otherwise stated)

28. OTHER ASSETS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Prepayments	**1,163,668**	1,154,126
Repossessed assets	**16,674**	16,674
Others	**9,591**	10,309
Subtotal	**1,189,933**	1,181,109
Less: Impairment	**(603,165)**	(603,165)
	586,768	577,944
Current		
Prepaid taxes	**471,795**	8,265
Prepayments	**307,849**	230,428
Margin financing client's receivable	**195,935**	197,737
Customer trading deposits	**2,439,926**	1,373,801
Others	**6,429,905**	4,932,179
Subtotal	**9,845,410**	6,742,410
Less: Impairment	**(777,859)**	(778,916)
	9,067,551	5,963,494

As at 30 June 2026, "Others" included the cost of warehouse receipt contracts of RMB4,867 million, and the provision for impairment of warehouse receipt amounted to RMB121 million (as at 31 December 2025, the cost of warehouse receipt contracts was RMB2,123 million, and the provision for impairment of warehouse receipts was RMB8 million).

The movements in the allowance for impairment of other assets are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	**1,382,081**	794,061
Impairment losses recognized, net of reversal (Note 14)	**66**	605,955
Amounts written off	**–**	(13,652)
Exchange difference and others	**(1,123)**	(4,283)
At the end of the period/year	**1,381,024**	1,382,081

(Amounts in thousands of Renminbi, unless otherwise stated)

29. DEPOSITS WITH EXCHANGES AND FINANCIAL INSTITUTIONS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Deposits with stock exchanges	1,605,091	422,686
Deposits with futures and commodity exchanges	29,016	8,944
Guarantee fund paid to the Shenzhen Stock Exchange	569,780	338,449
Others	831,348	751,391
	3,035,235	1,521,470
Current		
Deposits with futures and commodity exchanges	33,860,878	29,020,156
Deposits with China Securities Finance Corporation Limited (CSFCL)	3,498,994	3,268,689
	37,359,872	32,288,845

30. DEFERRED TAXATION

For presentation purposes, certain deferred tax assets and deferred tax liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Deferred tax assets	304,457	284,317
Deferred tax liabilities	881,092	1,119,652
	(576,635)	(835,335)

(Amounts in thousands of Renminbi, unless otherwise stated)

30. DEFERRED TAXATION (continued)

The movements of deferred tax assets and liabilities are set out below:

	Changes in fair value of financial instruments at fair value through profit or loss	Changes in fair value of financial assets at FVTOCI	Accrued staff costs	Allowance for impairment losses	Accrued interest expenses	Accrued expenses	Changes in fair value of derivative instruments	Accrued interest income	Provisions	Lease liabilities	Unrecovered losses	Right-of-use assets	Others	Total
As at 1 January 2025 (Audited)	(843,476)	(1,933,134)	1,154,911	399,883	778,977	45,209	(643,654)	(1,225,101)	16,203	393,615	303,303	(333,028)	155,142	(1,731,150)
(Charge)/credit to profit or loss	264,385	-	209,255	143,583	(102,325)	18,151	284,261	1,963	(1,728)	(43,172)	(258,770)	37,920	(9,556)	543,967
Credit to other comprehensive income	-	396,381	-	-	-	-	-	-	-	-	-	-	-	396,381
Credit to retained profits	-	-	-	-	-	-	-	-	-	-	(44,533)	-	-	(44,533)
As at 31 December 2025 (Audited)	(579,091)	(1,536,753)	1,364,166	543,466	676,652	63,360	(359,393)	(1,223,138)	14,475	350,443	-	(295,108)	145,586	(835,335)
(Charge)/credit to profit or loss	(542,617)	-	15,440	97,568	166,163	47,009	104,580	43,174	223	47,494	-	(93,773)	(31,074)	(145,813)
Credit to other comprehensive income	-	404,513	-	-	-	-	-	-	-	-	-	-	-	404,513
As at 30 June 2026 (Unaudited)	(1,121,708)	(1,132,240)	1,379,606	641,034	842,815	110,369	(254,813)	(1,179,964)	14,698	397,937	-	(388,881)	114,512	(576,635)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes, if any, and the taxes are to be levied by the same tax authority, and of the same taxable entity.

(Amounts in thousands of Renminbi, unless otherwise stated)

31. ADVANCES TO CUSTOMERS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Current		
Loans to margin clients	**171,991,440**	145,352,474
Other loans and advances	**256,525**	285,883
Less: Impairment	**(1,005,198)**	(650,206)
	171,242,767	144,988,151

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

No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value to the users of this interim condensed consolidated financial information in view of the nature of business of securities margin financing.

The Group determines the allowance for advances to customers based on the evaluation of collectability and on management's judgement including the assessment of change in credit quality and collateral.

(2) The movements in the allowance for impairment are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	**650,206**	455,479
Impairment losses recognized, net of reversal (Note 14)	**358,341**	193,896
Amounts written off	**–**	(2,733)
Exchange difference and others	**(3,349)**	3,564
At the end of the period/year	**1,005,198**	650,206

The concentration of credit risk is limited due to the customer base being large and diversified.

(Amounts in thousands of Renminbi, unless otherwise stated)

32. ACCOUNTS RECEIVABLE

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Accounts receivable of:		
Client securities settlement	**2,030,393**	1,981,358
Brokers and dealers	**1,874,487**	1,059,882
Clearing house	**10,064,195**	5,681,654
Underwriting and sponsors fee	**42,082**	151,612
Trading rights rental commission	**97,508**	74,748
Asset management and funds distribution handling fees	**135,206**	120,766
Others	**476,914**	341,795
Subtotal	**14,720,785**	9,411,815
Less: Impairment	**(434,069)**	(390,657)
	14,286,716	9,021,158

An ageing analysis of accounts receivable is as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Within 1 year	**14,266,401**	9,004,133
Between 1 and 2 years	**8,338**	7,547
Between 2 and 3 years	**939**	2,903
Over 3 years	**11,038**	6,575
	14,286,716	9,021,158

The movements in the allowance for impairment of accounts receivable are set out below:

	Six months ended 30 June 2026 (Unaudited)	Year ended 31 December 2025 (Audited)
At the beginning of the period/year	**390,657**	309,651
Impairment losses recognized, net of reversal (Note 14)	**60,646**	74,660
Amounts written off	**–**	(939)
Exchange difference and others	**(17,234)**	7,285
At the end of the period/year	**434,069**	390,657

(Amounts in thousands of Renminbi, unless otherwise stated)

33. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2026 (Unaudited)		
	Nominal amounts	**Assets**	**Liabilities**
Hedging instruments			
Currency forward	**470,812**	**948**	**370**
Commodity futures	**2,426,940**	**–**	**–**
Non-hedging instruments			
Equity Derivatives	**295,250,042**	**7,867,319**	**13,121,072**
Interest Rate Derivatives	**1,686,908,203**	**26,762**	**9,793**
Other Derivatives	**77,900,556**	**352,020**	**277,941**
	2,062,956,553	**8,247,049**	**13,409,176**

	As at 31 December 2025 (Audited)		
	Nominal amounts	Assets	Liabilities
Hedging instruments			
Currency forward	120,350	146	–
Commodity forward	621,850	–	–
Non-hedging instruments			
Equity Derivatives	164,725,192	3,970,672	5,983,094
Interest Rate Derivatives	1,778,872,996	628	13,985
Other Derivatives	80,490,810	975,281	584,326
	2,024,831,198	4,946,727	6,581,405

Under the daily mark-to-market and settlement arrangement, stock index futures, interest rate swaps, treasury bond futures, standard bond forward, precious metals deferred contract and commodity futures were settled daily and the corresponding receipts and payments were included in clearing settlement funds.

34. CLEARING SETTLEMENT FUNDS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Clearing settlement funds held with clearing houses for:		
– House accounts	**13,837,976**	14,878,819
– Clients accounts	**103,687,165**	38,253,353
Add: Accrued interest	**86,275**	64,881
	117,611,416	53,197,053

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

35. BANK BALANCES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
House accounts	**20,340,195**	17,920,799
Cash held on behalf of customers	**209,793,609**	166,464,038
Add: Accrued interest	**397,114**	396,701
	230,530,918	184,781,538

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

The Group maintains accounts with banks to hold customers' deposits arising from normal business transactions. The corresponding liabilities are recorded as accounts payable to brokerage clients (Note 43).

As at 30 June 2026, the expected credit losses ("ECLs") allowance for bank balances amounted to RMB0.75 million (31 December 2025: RMB0.54 million).

36. SHARE CAPITAL

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

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Issued and fully paid ordinary shares of RMB1 each (in thousands)		
Domestic shares	**7,243,417**	7,243,417
H shares	**3,690,985**	3,690,985
	10,934,402	10,934,402

37. OTHER EQUITY INSTRUMENTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Perpetual subordinated bonds	**34,942,717**	29,866,679
	34,942,717	29,866,679

On 29 March 2021, the Company issued RMB5 billion perpetual subordinated bonds ("21 Yinhe Y1") at par. At the expiration of 2026, due to the issuer's right not to exercise the renewal option, the bond was delisted, and principal and interest payments were made on 30 March, 2026.

37. OTHER EQUITY INSTRUMENTS (continued)

On 21 April 2021, the Company issued RMB5 billion perpetual subordinated bonds ("21 Yinhe Y2") at par. At the expiration of 2026, due to the issuer's right not to exercise the renewal option, the bond was delisted, and principal and interest payments were made on 21 April, 2026.

On 18 May 2023, the Company issued RMB5 billion perpetual subordinated bonds ("23 Yinhe Y1") at par, with a coupon rate of 3.63%.

On 9 June 2023, the Company issued RMB5 billion perpetual subordinated bonds ("23 Yinhe Y2") at par, with a coupon rate of 3.58%.

On 17 November 2023, the Company issued RMB5 billion perpetual subordinated bonds ("23 Yinhe Y3") at par, with a coupon rate of 3.43%.

On 18 September 2025, the Company issued RMB5 billion perpetual subordinated bonds ("25 Yinhe Y1") at par, with a coupon rate of 2.40%.

On 15 January 2026, the Company issued RMB5 billion perpetual subordinated bonds ("26 Yinhe Y1") at par, with a coupon rate of 2.37%.

On 12 March 2026, the Company issued RMB5 billion perpetual subordinated bonds ("26 Yinhe Y2") at par, with a coupon rate of 2.25%.

On 11 June 2026, the Company issued RMB5 billion perpetual subordinated bonds ("26 Yinhe Y3") at par, with a coupon rate of 2.00%.

The above seven issues of bonds remaining at the end of this period are set with the issuer's renewal option and no investor's resale option. At the end of each repricing cycle of the current bonds, the issuer has the right to choose to extend the current bonds for one repricing cycle, which is for five years, or pay the current bonds in full, while the investor has no right to require the issuer to redeem the current bonds.

The coupon rate for the perpetual subordinated bonds is fixed in the first 5 years and will be repriced every 5 years. The coupon rate will be repriced as the sum of the current basis rate, the initial spread, and an additional 300 basis points (23 Yinhe Y1, 23 Yinhe Y2 and 23 Yinhe Y3)/an additional 200 basis points (25 Yinhe Y1, 26 Yinhe Y1, 26 Yinhe Y2 and 26 Yinhe Y3). The repriced coupon rate will remain unchanged in the next 5 years. The current basis rate is defined as the average yield of 5-year treasury bonds from the interbank fixed rate bond yield curve published on China Bond website 5 working days before the interest repricing date.

The issuer has the right to defer interest payments, unless "Mandatory interest payments events" have been triggered, so that at each interest payment date, the issuer may choose to defer the current interest payment, as well as any previously deferred interest payments and accreted interests thereon, to the next payment date, without being subject to any limitation with respect to the number of deferrals. Mandatory interest payment events are only triggered when there are distributions of dividends to ordinary equity holders or reductions of registered capital.

The perpetual subordinated bonds issued by the Company are classified as equity instruments and presented under equity in the Group's statement of financial position. As at 30 June 2026, the interest payable on perpetual subordinated bonds by the Company was RMB983 million (31 December 2025: RMB924 million).

(Amounts in thousands of Renminbi, unless otherwise stated)

38. BONDS PAYABLE

As at 30 June 2026 and 31 December 2025, bonds payable comprised subordinated bonds and corporate bonds.

Details of the bonds issued by the Group are as follows:

Non-current

Value date	Maturity date	Coupon rate	As at 30 June 2026 (Unaudited) Carrying amount	As at 31 December 2025 (Audited) Carrying amount
09 January 2025	09 January 2027	1.72%	–	1,522,404
18 January 2024	18 January 2027	2.84%	–	5,129,097
11 March 2024	11 March 2027	2.60%	–	2,039,323
27 May 2024	27 May 2027	2.35%	–	2,531,057
22 July 2024	22 July 2027	2.13%	1,528,225	1,511,438
11 August 2022	11 August 2027	3.08%	5,132,613	5,054,359
22 August 2024	22 August 2027	2.10%	1,219,975	1,206,723
05 September 2022	05 September 2027	2.95%	4,093,141	4,033,116
17 October 2024	17 October 2027	2.15%	5,583,677	5,525,032
16 October 2025	16 November 2027	2.05%	3,038,041	3,005,480
19 November 2025	19 November 2027	1.92%	3,736,616	3,698,770
09 January 2025	09 January 2028	1.75%	2,516,019	2,536,502
26 January 2026	26 January 2028	1.79%	1,507,230	–
27 February 2025	27 February 2028	2.15%	1,306,906	1,320,178
06 February 2026	06 March 2028	1.80%	4,317,767	–
11 May 2026	11 May 2028	1.64%	2,996,497	–
13 May 2025	13 May 2028	1.75%	2,000,992	2,017,618
21 May 2026	21 May 2028	1.58%	1,297,810	–
17 July 2023	17 July 2028	3.08%	2,055,881	2,024,579
07 August 2025	07 August 2028	1.79%	6,073,735	6,015,039
18 August 2023	18 August 2028	2.98%	3,072,926	3,027,462
14 September 2023	14 September 2028	3.20%	1,023,789	1,007,544
19 November 2025	19 November 2028	1.97%	1,312,121	1,298,651
14 December 2023	14 December 2028	3.14%	3,045,887	2,998,042
26 January 2026	26 January 2029	1.85%	4,521,430	–
06 February 2026	06 March 2029	1.85%	1,706,946	–
11 March 2024	11 March 2029	2.75%	4,025,703	4,079,646
23 March 2026	23 March 2029	1.79%	1,001,550	–
11 May 2026	11 May 2029	1.73%	2,996,560	–
21 May 2026	21 May 2029	1.68%	4,692,119	–
27 May 2024	27 May 2029	2.45%	2,500,527	2,530,461
22 July 2024	22 July 2029	2.25%	3,566,295	3,525,923
22 August 2024	22 August 2029	2.22%	1,423,394	1,407,454
17 October 2024	17 October 2029	2.25%	3,153,057	3,119,032
27 February 2025	27 February 2030	2.25%	2,110,374	2,133,400
15 May 2025	15 May 2030	2.07%	2,999,318	3,029,490
07 August 2025	07 August 2030	1.90%	3,041,977	3,012,579
14 September 2023	14 September 2033	3.33%	1,023,753	1,007,051
			95,622,851	81,347,450

(Amounts in thousands of Renminbi, unless otherwise stated)

38. BONDS PAYABLE (continued)

Current

Value date	Maturity date	Coupon rate	As at 30 June 2026 (Unaudited) Carrying amount	As at 31 December 2025 (Audited) Carrying amount
29 January 2024	29 January 2026	2.75%	–	1,025,391
17 February 2023	17 February 2026	3.28%	–	3,085,415
09 March 2023	09 March 2026	3.35%	–	3,286,851
17 April 2023	17 April 2026	3.34%	–	4,094,172
17 July 2023	17 July 2026	2.74%	3,078,597	3,035,948
20 July 2021	20 July 2026	3.45%	1,858,867	1,827,393
18 August 2023	18 August 2026	2.66%	2,045,994	2,018,355
14 September 2023	14 September 2026	2.95%	3,069,686	3,023,913
18 October 2023	18 October 2026	3.08%	4,595,795	4,524,234
16 October 2025	16 November 2026	1.84%	4,048,002	4,005,354
14 December 2023	14 December 2026	2.98%	2,031,447	2,000,633
09 January 2025	09 January 2027	1.72%	1,510,813	–
18 January 2024	18 January 2027	2.84%	5,060,658	–
11 March 2024	11 March 2027	2.60%	2,014,329	–
27 May 2024	27 May 2027	2.35%	2,503,013	–
			31,817,201	31,927,659

All of these bonds are denominated in RMB.

39. DEBT INSTRUMENTS

	As at 30 June 2026 (Unaudited) Carrying amount	As at 31 December 2025 (Audited) Carrying amount
Non-current		
Financing notes (1)	64,124	88,713
	64,124	88,713
Current		
Corporate short-term bonds (2)	7,003,493	7,010,112
Short-term financing bills (3)	52,261,455	45,143,595
Financing notes (1)	10,881,228	7,627,886
	70,146,176	59,781,593

(1) Financing notes

Financing notes are a special type of financing allowed by CSRC.

As at 30 June 2026, for financing notes issued by the Company, their coupon rates were from 1.40% to 1.90% (31 December 2025: 1.50% to 3.15%).

(Amounts in thousands of Renminbi, unless otherwise stated)

39. DEBT INSTRUMENTS (continued)

(2) Corporate short-term bonds

The details of corporate short-term bonds as at 30 June 2026 are as follows:

Value date	Maturity date	Coupon rate	**As at 30 June 2026 (Unaudited) Carrying amount**	As at 31 December 2025 (Audited) Carrying amount
17 November 2025	20 May 2026	1.67%	**–**	3,006,177
11 December 2025	11 June 2026	1.71%	**–**	4,003,935
15 June 2026	23 December 2026	1.49%	**4,002,613**	–
24 June 2026	24 March 2027	1.53%	**3,000,880**	–
			7,003,493	7,010,112

(3) Short-term financing bills

The details of short-term financing bills as at 30 June 2026 are as follows:

Name	Issue amount RMB'000	Value date	Maturity date	Coupon rate
25 CGS CP014	3,500,000	08 July 2025	08 July 2026	1.62%
25 CGS CP018	4,000,000	06 August 2025	06 August 2026	1.67%
25 CGS CP027	4,000,000	26 November 2025	11 September 2026	1.69%
25 CGS CP028	4,000,000	08 December 2025	13 August 2026	1.74%
26 CGS CP001	4,000,000	08 January 2026	08 July 2026	1.69%
26 CGS CP002	5,000,000	14 January 2026	18 September 2026	1.71%

Name	Issue amount RMB'000	Value date	Maturity date	Coupon rate
26 CGS CP003	4,000,000	21 January 2026	24 November 2026	1.71%
26 CGS CP004	4,000,000	09 February 2026	08 December 2026	1.67%
26 CGS CP005	4,000,000	20 April 2026	21 October 2026	1.50%
26 CGS CP006	5,000,000	15 May 2026	18 November 2026	1.44%
26 CGS CP007	2,000,000	19 May 2026	24 February 2027	1.47%
26 CGS CP008	4,000,000	22 May 2026	28 January 2027	1.47%
26 CGS CP009	4,000,000	23 June 2026	23 June 2027	1.53%
Principal Protected Note	1,026	30 March 2026	03 July 2026	1.50%
Principal Protected Note	35,901	07 April 2026	06 October 2026	2.00%
Principal Protected Note	48,826	16 April 2026	15 October 2026	2.00%
Principal Protected Note	19,900	27 April 2026	26 October 2026	2.00%
Principal Protected Note	2,052	05 May 2026	06 July 2026	1.85%
Principal Protected Note	27,490	05 May 2026	04 November 2026	2.00%
Principal Protected Note	45,133	11 May 2026	09 November 2026	2.00%
Principal Protected Note	7,180	18 May 2026	16 November 2026	2.00%
Principal Protected Note	8,206	25 May 2026	23 November 2026	2.00%
Principal Protected Note	10,258	27 May 2026	18 November 2026	1.75%
Principal Protected Note	35,286	15 June 2026	08 December 2026	1.90%
Principal Protected Note	7,591	22 June 2026	14 December 2026	1.90%
Commercial paper C21	22,332	16 April 2026	16 July 2026	2.00%
Commercial paper CA15	17,482	16 April 2026	16 July 2026	4.35%
Commercial paper Series 12 SGD	51,722	16 April 2026	16 July 2026	2.00%
Commercial paper Series 12 USD	63,742	16 April 2026	16 July 2026	4.25%

(Amounts in thousands of Renminbi, unless otherwise stated)

40. FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

(1) Financial liabilities held for trading:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Current		
Equity Securities	25,746	47,026
Debt Securities	52,553,350	29,237,239
	52,579,096	29,284,265

(2) Financial liabilities designated as at fair value through profit or loss:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Financing payables [(a)]	3,549,240	2,373,440
	3,549,240	2,373,440
Current		
Financing payables [(a)]	22,784,602	17,635,045
	22,784,602	17,635,045

(a) Financing payables are financing instruments issued by the Group and their returns to holders are mainly linked to the performance of stock index, bond index, gold contracts and ETF funds.

41. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Third-party interests in consolidated structured entities	84,246	133,720
	84,246	133,720
Current		
Third-party interests in consolidated structured entities	198,732	203,367
Customer trading deposits	35,693,558	28,856,279
Other payables to trading clients	1,397,244	375,506
Settlement payable and transaction funds	16,276,527	11,886,489
—Trade payables	8,749,627	5,561,315
—Settlement payable	7,526,900	6,325,174
Value-added tax and other taxes	334,928	440,986
Accrued expenses	1,284,988	1,205,537
Sundry payables	14,415	15,381
Payable for the securities investor protection fund	78,262	70,444
Dividends payable	3,443,241	924,000
Others	6,768,214	5,994,246
	65,490,109	49,972,235

(Amounts in thousands of Renminbi, unless otherwise stated)

42. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Unsecured short-term bank loans (1)	**33,102,749**	21,135,110
Margin funds loans (2)	**–**	1,590,000
Add: Interest payable	**26,903**	55,383
	33,129,652	22,780,493

(1) As at 30 June 2026, the unsecured short-term bank loans bore interest at variable interest rates at 1.13%–6.75% (as at 31 December 2025, the unsecured short-term bank loans bore interest at 0.96%-6.78% per annum) and were repayable within 1 year (31 December 2025: within 1 year).

(2) As at 30 June 2026, there were no margin loans during the current period (as at 31 December 2025, the margin funds loans borrowed by the Group from CSFCL are secured by cash collateral of RMB24 million and shares listed in the PRC with a fair value approximately to RMB373 million).

43. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

The majority of the accounts payable balances are repayable on demand except where certain balances represent margin deposits and cash collateral received from clients for their trading activities under normal course of business. 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 to the readers of this interim condensed consolidated financial information in view of the nature of these businesses.

Accounts payable to brokerage clients mainly include money held on behalf of clients at banks and at clearing houses by the Group, and are interest-bearing at the prevailing market interest rates.

As at 30 June 2026, included in the Group's accounts payable to brokerage clients were approximately RMB26,553 million (31 December 2025: RMB17,578 million) received from clients for margin financing and securities lending arrangements.

(Amounts in thousands of Renminbi, unless otherwise stated)

44. ACCRUED STAFF COSTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Non-current		
Salaries, bonus and allowances	1,086,178	1,656,178
Supplementary retirement benefits	378,180	389,924
Early retirement benefits	262	301
	1,464,620	2,046,403
Current		
Salaries, bonus and allowances	6,952,217	5,693,558
Social welfare	41,837	38,134
Annuity schemes	37,197	33,231
Supplementary retirement benefits	23,622	23,622
Early retirement benefits	77	77
Others	166,143	191,778
	7,221,093	5,980,400
	8,685,713	8,026,803

45. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Current		
Analyzed by collateral type:		
Debt securities	153,151,265	154,460,407
Funds	15,751,170	15,488,899
Shares	29,883	20,341
Gold	760,095	1,959,730
Add: Interests payable	125,430	135,826
	169,817,843	172,065,203
Analyzed by market of collateral:		
Stock exchanges	73,786,814	76,389,709
Interbank bond market	85,920,211	86,953,078
Over the counter	9,985,388	8,586,590
Add: Interests payable	125,430	135,826
	169,817,843	172,065,203

As at 30 June 2026, Financial assets sold under repurchase agreements bear effective interest at 0.55%-6.88% (31 December 2025: 0.60%-6.00% per annum).

(Amounts in thousands of Renminbi, unless otherwise stated)

46. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Bank balances – house accounts	**16,273,574**	16,003,045
Clearing settlement funds – house accounts	**13,837,976**	14,878,819
	30,111,550	30,881,864

Cash and cash equivalents do not include bank deposits held by the Group with original maturity of more than three months and are restricted for use. As at 30 June 2026, bank deposits held by the Group with original maturity of more than three months were RMB3,406 million (31 December 2025: RMB1,082 million) and there were bank deposits restricted for use of RMB660 million (31 December 2025: RMB836 million).

47. RELATED PARTY TRANSACTIONS

(a) Transactions and balances with governmental related entities operated in the PRC

(1) Immediate holding company and its fellow subsidiaries

Galaxy Financial Holdings is a financial holding company approved by the State Council of the PRC and was established in Beijing on 8 August 2005. Galaxy Financial Holdings owned 5,186,538,364 shares (31 December 2025: 5,186,538,364 shares), representing 47.43% of the entire equity interest of the Company as at 30 June 2026 (31 December 2025: 47.43%). The shareholders of Galaxy Financial Holdings are Central Huijin Investment Ltd. ("Central Huijin") with 69.07% equity interest, the Ministry of Finance (the "MOF") with 29.32% equity interest and the National Council for Social Security Fund (the "SSF") with 1.61% equity interest.

Central Huijin is a wholly-owned subsidiary of China Investment Corporation Limited, and is established in Beijing, PRC. Central Huijin was established to hold certain equity investments as authorized by the State Council and does not engage in other commercial activities. Central Huijin exercises legal rights and obligations in the Group on behalf of the PRC Government.

The MOF is one of the ministries under the State Council, primarily responsible for state fiscal revenue and expenditures, and taxation policies.

The SSF is a government agency at the ministerial level directly under the State Council of the PRC, primarily responsible for the management and operation of National Social Security Fund.

During the six months ended 30 June 2026 and 30 June 2025, the Group provided securities brokerage and asset management services to Galaxy Financial Holdings and its subsidiaries and details of the significant transactions and balances as at 30 June 2026 and 31 December 2025 are set out below.

(Amounts in thousands of Renminbi, unless otherwise stated)

47. RELATED PARTY TRANSACTIONS (continued)

(a) Transactions and balances with governmental related entities operated in the PRC (continued)

(1) Immediate holding company and its fellow subsidiaries (Continued)

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Accounts receivable	**26,890**	2,163
Accounts payable to brokerage clients	**12,862**	48,208

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net fee and commission income	**51,250**	5,932
Interest expenses	**182**	145

As at 30 June 2026, accounts payable to brokerage clients from Galaxy Financial Holdings amounted to RMB629.18 (31 December 2025: RMB385.40).

(2) Central Huijin Group

Central Huijin holds equity interests in a number of banks and non-bank financial institutions in the PRC under the direction of the Chinese government (collectively referred to as the "Central Huijin Group"). The Group enters into transactions with Central Huijin Group under normal commercial terms. Such transactions mainly include deposits at banks, securities and futures dealing and broking, underwriting of equity and debt securities, and purchases and sales of equity and debt securities issued by banks and non-bank financial institutions within the Central Huijin Group.

The Group's material transactions with the Central Huijin Group

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net fee and commission income	**95,402**	(31,201)
Interest income from banks and other financial institutions within the Central Huijin Group	**1,132,179**	756,298
Investment gains of equity and debt securities issued by banks and other financial institutions within the Central Huijin Group	**230,600**	(53,112)
Interest expenses to brokerage clients within the Central Huijin Group	**416,100**	262,736
Other operating expenses	**3,770**	3,115

(Amounts in thousands of Renminbi, unless otherwise stated)

47. RELATED PARTY TRANSACTIONS (continued)

(a) Transactions and balances with governmental related entities operated in the PRC (continued)

(2) Central Huijin Group (continued)

The Group's material balances with the Central Huijin Group

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Equity and debt securities issued by banks and non-bank financial institutions within the Central Huijin Group classified as		
– debt instruments measured at fair value through other comprehensive income	**1,462,671**	607,010
– financial assets measured at fair value through profit or loss	**15,143,239**	11,431,134
– equity instruments measured at fair value through other comprehensive income	**8,201,159**	8,805,948
– debt instruments measured at amortised cost	**–**	105,431
Bank balances deposited with banks within the Central Huijin Group	**117,981,891**	92,326,177
Derivative financial assets	**469,780**	397,840
Derivative financial liabilities	**367,587**	442,529
Accounts receivable	**15,342**	11,661
Financial liabilities measured at fair value through profit or loss	**15,031,382**	2,569,013
Due to banks and other financial institutions	**4,627,872**	4,570,744
Accounts payable to brokerage clients within the Central Huijin Group	**10,364,719**	2,396,309
Other payables and accruals	**201,747**	840,639
Right-of-use assets	**9,639**	11,001
Other receivables and prepayments	**14,300**	414
Financial assets sold under repurchase agreements	**19,065,948**	29,118,954
Lease liabilities	**10,540**	11,814

(3) Transactions with other government-related entities in the PRC

Other than disclosed above, a significant portion of the Group's transactions are entered into with government-related entities including securities and futures dealing and broking, underwriting of debt securities, purchases and sales of government bonds, and equity and debt securities issued by other government-related entities. These transactions are entered into under normal commercial terms and conditions. At the end of the reporting period, the Group held such investments in equity and debt securities and had balances with these government-related entities including accounts payable to brokerage clients.

The directors of the Company consider that transactions with government-related entities are activities conducted in the ordinary course of business, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and those entities are government related. The Group has also established pricing policies for products and services and such pricing policies do not depend on whether or not the counterparties are government related entities.

(Amounts in thousands of Renminbi, unless otherwise stated)

47. RELATED PARTY TRANSACTIONS (continued)

(b) Related transactions with joint ventures

The Group's material transactions with the Joint ventures

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net fee and commission income	**9,074**	4,915

The Group's material balances with the Joint ventures

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Other assets	**1,154,126**	1,154,126

(c) Key management personnel compensation

Key management personnel are those persons having authorities and responsibilities for planning, directing and controlling the activities of the Group, directly or indirectly.

The key management compensation for the six months ended 30 June 2026 and 2025 comprises:

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Salaries, allowances, bonuses, social welfare and annuity scheme contribution	**5,791**	6,594

The key management personnel's final compensation packages for the six months ended 30 June 2026 have not yet been finalized in accordance with regulations of the PRC relevant authorities. Management of the Group believes that the difference between the final emoluments and that disclosed above will not have a significant impact on the interim condensed consolidated financial statements of the Group.

48. INTERESTS IN STRUCTURED ENTITIES

(a) Structured entities set up and managed by the Group

Structured entities consolidated by the Group include the asset management schemes, funds and other investments where the Group involves through launch or investment. These special vehicles issue units to investors, including the Group, to finance their operations, which are primarily investments in various debt and equity instruments.

As at 30 June 2026, the total assets of the consolidated structured entities were RMB46,523 million (31 December 2025: RMB35,266 million) and the total net assets of the consolidated structured entities were RMB45,722 million (31 December 2025: RMB35,032 million). The carrying amount of third-party interests in the consolidated structured entities were RMB283 million (31 December 2025: RMB337 million), and these interests are presented in Note 41.

The Group also has interests in unconsolidated collective asset management schemes which the remuneration of the Group is commensurate with the services provided and the variable returns the Group exposed to are not considered to be significant. The Group therefore considers such decision-making rights are acting as an agent for the investors and hence did not consolidate these structured entities.

The amount of unconsolidated structured entities managed by the Group was RMB84,847 million as at 30 June 2026 (31 December 2025: RMB103,079 million). The Group's interests are equal to the maximum exposure to loss of interests held by the Group in unconsolidated structured entities set up and managed by the Group, which amounted to RMB974 million as at 30 June 2026 (31 December 2025: RMB667 million).

During the period, management fee income and investment gains from the unconsolidated asset management schemes managed by the Group amounted to RMB178 million (Six months ended 30 June 2025: RMB278 million).

(b) Structured entities set up and managed by third party institutions in which the Group holds interests

The types of structured entities that the Group does not consolidate but in which it holds interests include funds, asset management schemes, trust schemes, asset-backed securities and wealth management products issued by banks or other financial institutions. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors. These vehicles are financed through the issue of units to investors.

(Amounts in thousands of Renminbi, unless otherwise stated)

48. INTERESTS IN STRUCTURED ENTITIES (continued)

(b) Structured entities set up and managed by third party institutions in which the Group holds interests (continued)

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 as at 30 June 2026 and 31 December 2025, which are listed below:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Carrying amount of interests held by the Group		
– Funds	**38,509,777**	38,598,751
– Trust schemes and wealth management products	**7,714,358**	5,221,461
– Asset management schemes	**954,540**	628,177
– Others	**42,380,556**	26,331,083
	89,559,231	70,779,472

49. CAPITAL COMMITMENTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Contracted but not provided for		
Leasehold improvements	**15,218**	13,839
Property and equipment	**461,466**	167,241
	476,684	181,080

50. FINANCIAL RISK MANAGEMENT

Overview

The Group's risk management objectives are to ensure its development within a sustainable and healthy direction, its business operated orderly within an acceptable risk framework and its overall risks within a measurable, controllable and acceptable manner, ultimately aiming to achieve the Group's overall development strategy. The Group's basic risk management strategy is to identify and analyze the various risks faced by the Group, establish appropriate risk tolerance, and reliably measure and monitor the risks on a timely and effective manner to ensure the risks are controlled within the defined limits of tolerance level.

In daily operation, the Group is mainly exposed to credit risk, market risk, operational risk and liquidity risk. The Group has established risk management policies and procedures to identify and analyze these risks, set appropriate risk indicators, risk limits, risk policies and internal control processes, and monitor and manage the risks continuously through its information system.

Risk management principles include the consideration of the levels of comprehensiveness, prudence, counter checking and balancing and independence.

50. FINANCIAL RISK MANAGEMENT (continued)

Risk management organizational structure

The risk management of the Company at the upper level involves the Board of Directors and the management as the major bodies of the comprehensive risk management system and according to the "three-layer defence" lays down the foundation of risk management, incorporates risk management of subsidiaries into a single system and implements vertical management of risks, among which:

Within the scope of authorisation granted at the shareholders' meeting of the Company, the Board of Directors is the highest decision-making body for risk management of the Company, which undertakes the ultimate responsibilities for risk management. The Board of Directors performs part of its functions of risk management through the Compliance and Risk Management Committee and the Audit Committee. The management is primarily responsible for risk management and the Executive Committee has established a Risk Management Committee to carry out overall management of the Group's operational risks. The chief risk officer is the person-in-charge of the overall risk management of the Company and is responsible for supervising the implementation of risk management policies and procedures and establishing comprehensive risk management systems. The compliance director is the person-in-charge of the compliance management of the Company and examines, supervises and inspects the compliance of business operation management of the Company and its employees. The Audit Committee monitors whether the Board of Directors and the management have fulfilled their responsibilities in respect of risk management in a timely and effective manner according to laws and regulations.

Business departments, functional departments and branches are charged with the primary responsibility for risk management. They shall execute the Company's risk management strategies and policies, understand and give due consideration to various risks when making decisions, and identify, assess, monitor and report relevant risks in a timely and effective manner. The Company deploys dedicated/part-time risk management and compliance personnel in business departments and branches to be responsible for the management of specific risks and compliance management. Risk Management Headquarters, Legal and Compliance Department, Case Prevention and Control Department, General Office, IT Department, Financial Management Department, Capital Management Headquarters, Audit Headquarters and Disciplinary Committee Office are responsible for monitoring and managing various risks.

Each subsidiary establishes its own sound risk management framework, policies, IT system and risk control indicator system according to the risk appetite and framework of the Company and the Company's requirement on comprehensive risk management for its subsidiaries. It has to ensure consistency and effectiveness of overall risk management, taking into account of factors such as its own capital level, risk tolerance and complexity of business.

50.1 Credit risk

Credit risk is the risk of loss due to failures or inabilities to fulfil obligations by counterparties, or the downgrade of credit rating of them. The Group's financial assets exposed to credit risk mainly include advances to customers, accounts receivable, other financial assets, financial assets measured at amortised cost, financial assets measured at FVTOCI, financial assets held under resale agreements, financial assets measured at FVTPL, deposits with exchanges and financial institutions, clearing settlement funds and bank balances. Taking no account of collateral or other credit enhancements, the maximum credit exposure of financial assets to the extent exposed to credit risk approximates to their carrying amount at the reporting date.

Bank balances of the Group are mainly deposited in state-owned commercial banks or joint-stock commercial banks with good credit rating, and clearing settlement funds are deposited with the China Securities Depository and Clearing Corporation Limited (the "CSDCC").

50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

To control the credit risk arising from proprietary trading business, counterparties are evaluated and only parties with good credit rating are authorised to trade with.

The Group has strict requirements and invests primarily in bonds with ratings of AA or above. Therefore, the Group considers the credit exposure of proprietary trading business is not significant.

Margin trading assets consist of advances to customers and securities lent to customers. The main credit risk of these financial assets is customers' failure to repay the principal, interest or securities lent to them. The Group monitors margin trading clients' accounts on an overall customer basis and sets warning lines for margin call ratio and forced liquidation ratio, call for additional margin deposits, cash collateral or securities, whenever necessary. The advances to margin clients are monitored through their collateral ratios, which ensure the value of the pledged assets is sufficient to cover the advances.

The credit risk of the Group also arises from their securities and futures brokerage business. In the case of customers failing to deposit adequate funds, the Group may have to complete trade settlements by using their own funds. To mitigate these credit risks, the Group requires cash deposit of full amounts for all transactions before they settle on behalf of customers.

As at 30 June 2026, other than those financial assets whose carrying amounts represent maximum exposure to credit risks, the Group is also exposed to credit risks arising from security lending and borrowing activities as clients may default on returning securities borrowed. Securities lent to clients may include securities collateral received from other clients under similar lending and borrowing arrangements. Therefore, these securities may not be recognized in the consolidated statement of financial position of the Group. As at 30 June 2026, the total amount of the securities (both the Group's own securities and securities borrowed by the Group) lent to clients was RMB1,460 million (31 December 2025: RMB894 million).

The concentration of credit risk is limited due to the counterparty and customer base being large and diversified.

Impairment under the ECLs model

The Group recognized a loss allowance for ECLs on financial assets which are subject to impairment under IFRS 9 using the ECLs models, including debt instruments measured at FVTOCI or amortised cost, advances to customers, accounts receivable, other receivables, financial assets held under resale agreements, deposits with exchanges and financial institutions, clearing settlement funds and bank balances. The amount of ECLs is updated at each reporting date to reflect changes in credit risk since initial recognition.

The key inputs used for measuring ECLs based on the "probability of default" approach are the probability of default (PD), loss given default (LGD) and exposure at default (EAD); or, based on the loss rate approach, the key input is the loss rate. These figures are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability-weighted forward-looking information.

50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

Impairment under the ECLs model (continued)

Significant increase in credit risk

Except for accounts receivable without significant financing component which are always measured on the lifetime ECLs basis, the Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECLs.

In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. The Group uses different criteria to determine whether credit risk has increased significantly per portfolio of assets.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- significant changes in external market indicators of credit risk for a particular financial instrument or similar financial instruments with the same expected life;
- an actual or expected significant change in the financial instrument's external credit rating;
- an actual or expected internal credit rating downgrade for the borrower;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations;
- an actual or expected significant change in the operating results of the borrower;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements;
- an actual or expected significant change in the quality of credit enhancement; and
- significant changes in the expected performance and behaviour of the borrower.

Internal credit risk ratings

The Group has developed internal credit rating models and functional internal credit rating systems based on the characteristics of different industries and target customer bases, to perform rating for borrowers or bond issuers. The Group gradually apply the internal credit rating results to business authorization, limit measurement, quota approval, risk monitoring, asset quality management and etc., which have become important tools for decision-making and risk management in credit business.

50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

Impairment under the ECLs model (continued)

Incorporation of forward-looking information

The Group uses forward-looking information that is available without undue cost or effort in its assessment of significant increase in credit risk as well as in its measurement of ECLs. The Group generates a base case scenario of future forecast of relevant economic variables, along with a series of representative ranges of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

Measurement of ECLs

The measurement of ECLs is a function of the PD, LGD and EAD based on the probability of default approach. The assessment of the PD and LGD is based on historical data adjusted by forward-looking information.

Generally, the ECLs is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For undrawn loan commitments, the ECLs is the present value of the difference between the contractual cash flows that are due to the Group if the holder of the loan commitments draws down the loan, and the cash flows that the Group expects to receive if the loan is drawn down.

The Group measures ECLs considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is a common business practice.

The measurement of ECLs is based on the probability weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis (although measurement on a collective basis is more practical for large portfolios of items). In relation to the assessment of whether there has been a significant increase in credit risk it can be necessary to perform the assessment on a collective basis as noted below.

Groupings based on shared risk characteristics

When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, such as instrument type, credit risk grade, collateral type, remaining term to maturity and the value of collateral relative to the financial asset if it has an impact on the probability of a default occurring (loan-to-value ratios). The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk

Market risk is the risk of loss arising from adverse change in fair value or movement in cash flows in respect of financial instruments, due to interest rate risk, currency risk or price risk.

Within the scope of risk partiality, the Group formulates market risk authorization for proprietary business lines, including transaction limit, risk value, sensitivity, stop loss limit, stress test, concentration and other risk indicators. According to the role and limitations of different indicators, the Group establishes complementary indicator systems of different types and levels, and manages them according to different dimensions. The Group continuously monitors the market risk status and the implementation of relevant risk authorization, and takes timely control and mitigation measures to limit, transfer and reduce market risk.

The Risk Management Headquarters, which is independent of the business department, is the centralized department of market risk management. It identifies, evaluates, monitors and reports the market risks faced by its own funds participating in business and products, and independently evaluates and verifies the valuation methods and risk measurement models of financial instruments used in the process of business development. The Risk Management Headquarters monitors the implementation of risk authorization of the business department, reveals the risks on a timely basis, reports the market risk status to the operation management or its authorized organization, the board of directors and its Risk Management Committee on a regular basis, and makes special risk reports on special or major risk issues from time to time. Each business department is the first party in charge of market risk management. According to the market risk monitoring results, they select the market risk hedging and risk mitigation strategies suitable for risk preference, mainly including risk dispersion and risk hedging, and actively transfers, controls and reduces market risk. Giving feedback about the market risk management status of the Department to the Risk Management Headquarters regularly or irregularly.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The securities price risk of the Company was mainly derived from the positions held in businesses such as proprietary investment, and market making business. In order to control risks effectively, the Company mainly adopted the following measures. Firstly, by creating securities investment portfolios, the Company made use of financial derivatives to carry out effective risk hedging. Secondly, the risk exposures of the Company's positions were managed on an unified basis. Through the defensive lines of the internal risk division of the business department and the Risk Management Headquarters, the Company implemented independent risk monitoring, analysis and reporting to discover and handle risks in a timely manner. Thirdly, the Company implemented the market risk limit management mechanism to control the size of risk exposures, risk concentration, loss limits and other indicators, and made irregular adjustments so as to cope with the ever-changing market risks, business conditions or risk tolerance level of the Company. Fourthly, the Company adopted quantitative means such as Value at Risk ("VaR") and combined with other methods such as scenario analysis and stress test to assess the relative and absolute risks of the portfolios.

(Amounts in thousands of Renminbi, unless otherwise stated)

50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Price risk (continued)

The Company adopts VaR as the risk evaluation tool for measuring the overall securities investment portfolio composed of various financial instruments. It estimates the maximum potential loss caused by adverse market movements within a specific holding period and confidence level using VaR , and employs stress testing as an effective supplement to the VaR analysis.

The analysis of the Company's VaR (confidence level of 95% and a holding period of one trading day) by types of risks is as follows:

		Six months ended 30 June 2026		
The Company	**30/6/2026**	**Average**	**Lowest**	**Highest**
VaR of equity price	**239,021**	**240,213**	**202,719**	**308,771**
VaR of interest rate	**146,664**	**146,584**	**122,347**	**168,687**
VaR of commodity price	**43,255**	**26,748**	**7,834**	**44,949**
Total portfolio VaR	**296,513**	**286,202**	**243,950**	**342,876**

		Year ended 31 December 2025		
The Company	31/12/2025	Average	Lowest	Highest
VaR of equity price	259,779	299,001	245,472	376,957
VaR of interest rate	170,128	201,772	156,588	266,982
VaR of commodity price	7,987	6,399	1,124	15,313
Total portfolio VaR	312,601	343,162	302,414	393,448

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group utilizes sensitivity analysis as the main tool of monitoring interest rate risk and measuring the impact to profit and equity for a reasonable and possible change of interest rates, assuming all other variables were held constant. Debt securities of the Group mainly comprise corporate bonds, and the Group mitigates the interest rate risk through monitoring the durations and convexities of its bond portfolios. Interest rate risk in connection with cash held on behalf of customers in bank balances and clearing settlement funds is offset by the associated accounts payable to brokerage clients because their terms match with each other.

(Amounts in thousands of Renminbi, unless otherwise stated)

50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The Group uses sensitivity analysis as the main tool to monitor interest rate risk, and measures the impact on the Group's total profit and other comprehensive income without considering the impact of corporate income tax, when the interest rate changes reasonably and possibly under the assumption that other variables remain unchanged as follows:

	Six months ended 30 June	
	2026 **(Unaudited)**	2025 (Unaudited)
Profit before income tax for the period		
Increase by 100 basis points	**(2,762,714)**	(2,788,465)
Decrease by 100 basis points	**2,762,714**	2,788,465

	Six months ended 30 June	
	2026 **(Unaudited)**	2025 (Unaudited)
Other comprehensive income before income tax		
Increase by 100 basis points	**(5,825,489)**	(5,321,626)
Decrease by 100 basis points	**5,825,489**	5,321,626

The influence on the total profit refers to the influence of certain changes in the interest rate in the middle of the next year on the net interest-generating position interest income and the changes in the fair value after the revaluation of the trading financial assets and trading financial liabilities held at the end of the period/year.

The influence on other comprehensive income refers to the influence of the changes in the fair value of other debt investments held at the end of the period based on the revaluation when a certain interest rate changes.

The above sensitivity analysis assumes that the rates of return on assets and liabilities of each maturity move up or down in parallel, so it does not reflect the possible impact for the scenario when only interest rate changes while the remaining interest rate remains unchanged. The forecast is also based on other simplified assumptions, including all positions being held to maturity.

This assumption does not represent the Group's policy on the use of funds and the management of interest rate risk, so the effects above may differ from the actual situation.

Moreover, the above analysis of the impact of interest rate changes is only an example to show the estimated changes in total profit and other comprehensive income under various projected income scenarios and the current interest rate risk profile of the Group. However, this effect does not take into account the risk management activities that management may take to manage interest rate risk.

50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The Group's currency risk primarily relates to the Group's operating activities whose settlements and payments are denominated in foreign currencies which are different from the respective group entities' functional currencies.

The foreign currency assets and liabilities held by the Group are not material compared to the total assets and liabilities. In terms of the Group's revenue structure, the majority of the business transactions are denominated in RMB, and the proportion of foreign currency transactions is not significant to the Group. The Group considers that the currency risk of the Group's operations is immaterial due to the relatively low proportion of the Group's foreign currency denominated assets, liabilities, income and expense, as compared to the Group's total assets, liabilities, income and expenses. The currency risk of the Group's business is not significant.

50.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficultly in meeting obligations associated with financial liabilities due to shortages of capital or funds. During the normal course of business, the Group may face liquidity risk caused by macroeconomic policy change, market fluctuations, poor operations, credit downgrades, mismatch of assets and liabilities, low turnover rate of assets, underwriting on a firm commitment basis, significant proprietary trading position, or any significant illiquid long-term investments. If the Group fails to address any liquidity risk by adjusting the asset structure or comply with regulatory requirements on certain risk indicators, the Group could be penalized by the regulatory authority, which could cause adverse impacts to the Group's operations and reputations.

The measures of the Group's liquidity risk management mainly include:

(1) Establishing a centralized fund management mechanism and an effective fund regulation mechanism

To cope with and manage liquidity risk effectively, the Company has strengthened monitoring and management over fund transfers of significant amounts in order to achieve centralized fund allocation and coordinated liquidity risk management: incorporated debt financing and leverage ratios into risk authorization systems; established liquidity risk index system; monitored and reported liquidity of the Company on a daily basis; risk warning in a timely manner; conducted regular and ad-hoc stress tests to analyze and evaluate the level of liquidity risk; continuously optimized asset-liability structure to build a multi-level liquidity reserve system; and achieved diversification of financing channels through money market, capital market and bank borrowings.

(2) Establishing a stable liquidity risk management report system

The Group prepares different financing plans for different periods, and reports on the implementation of financing plans to reflect the management of liquidity risk.

(Amounts in thousands of Renminbi, unless otherwise stated)

50. FINANCIAL RISK MANAGEMENT (continued)

50.3 Liquidity risk (continued)

The measures of the Group's liquidity risk management mainly include: (continued)

(3) Increasing working capital and liquidity by issuing shares and corporate bonds

The Group increases its working capital and liquidity by issuing shares, corporate bonds and debt instruments, and by transferring of rights and interests in margin loans to support the development of margin financing and other businesses.

50.4 Hedges

Fair value hedge

The Group is exposed to price risk from its spot commodities, such as rubber, manganese and silicon. The Group uses exchange-traded futures to manage the commodity price risk of the above products. The underlying assets of the future contracts which the Group hold are the same as or highly correlated with Group's spot commodities, and so both the underlying variables of hedging instruments (commodity futures) and hedged items (spot commodities) are the same or similar. The Group determines the quantity ratio of hedging instruments to hedged items through qualitative analysis. The ineffective part of hedging mainly arises from basis risk, the risk that the value of a futures contract will not move in a normal, steady correlation with the underlying asset price. The amount of hedge ineffectiveness recognised during the six months period ended 30 June 2026 is not material. In the financial statements, the gains or losses arising from the hedged risk on the fair value of the hedged item are included in the current period's profit and loss. Changes in the fair value of hedging instruments are also recognised in current period's profit or loss.

As at 30 June 2026, the nominal amount of the hedging instruments was RMB2,427 million (31 December 2025: RMB622 million), and the hedging instruments will mature within 6 months (31 December 2025: mature within 6 months).

The carrying amount and changes in fair value of hedging instruments are as follows:

Commodity price risk – commodity futures contracts	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
Line item in the statement of financial position	**Derivative financial instruments**	Derivative financial instruments
Notional amounts of hedging instruments	**2,426,940**	621,850
Carrying amount of hedging instruments	**–**	–
Changes in fair value of hedging instruments used as the basis for recognizing ineffectiveness	**219,295**	514

(Amounts in thousands of Renminbi, unless otherwise stated)

50. FINANCIAL RISK MANAGEMENT (continued)

50.4 Hedges (continued)

Fair value hedge (continued)

The carrying amount of the hedged items and related adjustments are as follows:

Commodity price risk – warehouse receipt	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
Line item in the statement of financial position	**Other assets**	Other assets
Carrying amount of hedged items	**2,432,415**	596,162
Accumulated amount of fair value hedge adjustments for the hedged item (included in the carrying amount of the hedged items)	**(181,876)**	2,425

During the six months period ended 30 June 2026, the hedge ineffectiveness of changes in fair value of hedging instruments included in the statement of profit or loss was RMB37 million.

Net investment hedge

The Group hedges the foreign exchange exposure to the net assets of some subsidiaries operating overseas that are included in the consolidated financial statements. The Group hedges part of its overseas operations with foreign exchange forward contracts in the same currency as the functional currency of the relevant subsidiaries or in currencies related to exchange rates. The Group determines the hedging ratio between the hedging instrument and the hedged item through qualitative analysis. In the financial statements, the portion of the gain or loss on the hedging instrument that is determined to be effective is recognized in other comprehensive income, and the portion that is ineffective is recognized in profit or loss for the current period.

During the six months period ended 30 June 2026, the loss of hedging instruments amounted to RMB0.13 million (six months period ended 30 June 2025: net income of RMB7.40 million) and was included in other comprehensive income. During the six months period ended 30 June 2026, the net loss related to the forward elements of forward contracts totalled RMB1.74 million (six months period ended 30 June 2025: net loss of RMB4.30 million), which was included in profit or loss. The Group separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract. There was no ineffectiveness during the six months period ended 30 June 2026 (six months period ended 30 June 2025: Nil).

As at 30 June 2026, the nominal amount of hedging instruments designated by the Group as hedging net investments in overseas operations was RMB470.81 million (31 December 2025: RMB120.35 million), and the hedging instruments will mature within 6 months.

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS

51.1 Fair value of the Group's financial assets and financial liabilities that are not measured at fair value

The carrying amounts of the Group's financial assets and financial liabilities not measured at fair value approximated to their fair values as at 30 June 2026 and 31 December 2025 except for the following financial assets and financial liabilities, for which their carrying amounts including accrued interest and fair value are disclosed below:

	As at 30 June 2026 (Unaudited)	
	Carrying amounts	**Fair value**
Non-current		
Bonds payable	**95,622,851**	**96,992,704**
Debt instruments	**64,124**	**64,791**
Financial assets held under resale agreements	**7,379,861**	**8,669,908**
Debt instruments measured at amortised cost	**526,828**	**566,234**

	As at 31 December 2025 (Audited)	
	Carrying amounts	Fair value
Non-current		
Bonds payable	81,347,450	82,441,891
Debt instruments	88,713	88,720
Financial assets held under resale agreements	5,951,332	5,993,381
Debt instruments measured at amortised cost	424,767	465,412

Fair values of these financial instruments are determined by contractual cash flows discounted by observable yield curves.

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting periods. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Level 1 to 3) based on the degree to which the inputs to the fair value measurements are observable and the significance.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted in active markets for identical assets or liabilities)

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

As at 30 June 2026 (Unaudited)	Level 1	Level 2	Level 3	Total
Financial assets:				
Debt instruments measured at FVTOCI:	–	106,105,834	–	106,105,834
– Debt securities	–	106,105,834	–	106,105,834
Equity instruments measured at FVTOCI:	16,555,473	39,045,662	1,492	55,602,627
– Perpetual bonds	–	39,045,662	–	39,045,662
– Equity investments	14,189,299	–	–	14,189,299
– Other	2,366,174	–	1,492	2,367,666
Financial assets measured at FVTPL:	69,882,744	201,247,292	9,560,527	280,690,563
– Debt securities	2,668,747	152,933,423	1,440,398	157,042,568
– Equity securities	43,658,360	1,553	532,357	44,192,270
– Funds	23,537,603	14,972,174	–	38,509,777
– Structured deposits and wealth management products	–	5,104,898	–	5,104,898
– Asset management plan	–	1,067,532	180,396	1,247,928
– Trust schemes	–	1,510,480	1,532,530	3,043,010
– Other investments	18,034	25,657,232	5,874,846	31,550,112
Derivative financial assets	1,968,339	5,651,493	627,217	8,247,049
Total	88,406,556	352,050,281	10,189,236	450,646,073
Financial liabilities:				
Financial liabilities held for trading:	25,746	52,553,350	–	52,579,096
– Debt securities	–	52,553,350	–	52,553,350
– Equity Securities	25,746	–	–	25,746
Financial liabilities designated as at fair value through profit or loss:	–	177,789	26,156,053	26,333,842
– Financing payables	–	177,789	26,156,053	26,333,842
Derivative financial liabilities	1,392,458	10,060,418	1,956,300	13,409,176
Total	1,418,204	62,791,557	28,112,353	92,322,114

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

As at 31 December 2025 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets:				
Debt instrument measured at FVTOCI:	–	99,034,329	–	99,034,329
– Debt securities	–	99,034,329	–	99,034,329
Equity instruments measured at FVTOCI:	18,520,478	43,014,478	1,549	61,536,505
– Perpetual bonds	–	43,014,478	–	43,014,478
– Equity securities	16,552,284	–	–	16,552,284
– Other investments	1,968,194	–	1,549	1,969,743
Financial assets measured at FVTPL:	56,805,628	164,779,629	8,109,307	229,694,564
– Debt securities	7,315,257	122,289,291	1,886,460	131,491,008
– Equity securities	24,318,730	2,981	893,812	25,215,523
– Funds	24,552,822	14,045,929	–	38,598,751
– Structured deposits and wealth management products	–	3,900,222	–	3,900,222
– Asset management plan	–	729,564	–	729,564
– Trust schemes	–	378,777	1,457,544	1,836,321
– Other investments	618,819	23,432,865	3,871,491	27,923,175
Derivative financial assets	3,314,256	1,348,672	283,799	4,946,727
Total	78,640,362	308,177,108	8,394,655	395,212,125
Financial liabilities:				
Financial liabilities held for trading:	47,026	29,237,239	–	29,284,265
– Debt securities	–	29,237,239	–	29,237,239
– Equity Securities	47,026	–	–	47,026
Financial liabilities designated as at fair value through profit or loss:	–	–	20,008,485	20,008,485
– Financing payables	–	–	20,008,485	20,008,485
Derivative financial liabilities	4,774,080	800,272	1,007,053	6,581,405
Total	4,821,106	30,037,511	21,015,538	55,874,155

There were no significant transfers between Level 1 and 2 during the six months ended 30 June 2026 and 2025.

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

51.2.1 Basis for recurring fair value measurement categorised within Level 1

For the measurement for Level 1, the Group adopts the closing price in active markets. Instruments included in Level 1 comprise equity securities, funds and other investments traded on stock exchanges.

51.2.2 Valuation techniques used and the qualitative information of key parameters for recurring fair value measurement categorised within Level 2

For bonds in the inter-bank market and stock exchanges classified as FVTPL-assets, FVOCI-bond and FVOCI-equity, as well as bond lending classified as FVTPL-liabilities, the fair value is estimated by using Chinese bonds, and the future cash flows are estimated based on the contract amount and coupon rate, and discounted at the interest rate reflecting the credit risk of the counterparty.

For equity investments at FVTOCI, unlisted funds (open-ended mutual funds, structured deposits, wealth management products and other investments at FVTPL), the fair value is calculated based on the fair value of the underlying investments which are money market instruments, debt securities and publicly traded equity investments listed in the PRC in each portfolio.

For equity securities at FVTPL traded on National Equities Exchange and Quotations, recent transaction prices and the latest quoted bid prices are used and adjusted based on the index of National Equities Exchange and Quotations.

For derivative financial instruments, the fair value is determined by different valuation techniques. For interest rate swaps, equity return swaps and currency forward, the fair value is measured by discounting the differences between the contract prices and market prices of the underlying financial instruments.

During the six months ended 30 June 2026, there were no significant changes of valuation techniques for Level 2.

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

51.2.3 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3

The quantitative information of fair value measurement for Level 3 is as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)	**Valuation technique(s) and key input(s)**	**Significant unobservable input(s)**
Financial assets				
Financial assets measured at FVTPL:				
– Bonds	**1,440,398**	1,886,460	Discounted cash flows with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)
– Equity securities traded on National Equities Exchange and Quotations	**18,490**	16,817	Use of comparable company approach, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)
– Equity securities traded on stock exchanges with lock-up periods	**513,867**	876,995	Market quotes based on the option pricing model taking into account the liquidity discount adjustment.	Volatility (Note 1)
– Trust schemes	**1,532,530**	1,457,544	Discounted cash flows with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)
– Other investments	**18,617**	107,435	Market quotes based on the option pricing model taking into account the liquidity discount adjustment.	Volatility (Note 1)
– Other investments	**2,807,678**	2,406,342	Determined by reference to the quoted market prices or using comparable company approach, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)
– Other investments	**3,228,947**	1,357,714	Discounted cash flow with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

51.2.3 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3 (continued)

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)	Valuation technique(s) and key input(s)	Significant unobservable input(s)
Financial assets				
Equity instruments measured at FVTOCI:				
– Equity investments	1,492	1,549	Valuation using multiples, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)
Derivative financial instruments:				
– Options-assets	571,350	264,101	Calculated based on the option pricing model.	Volatility (Note 1)
– Other forward contract-assets	55,867	19,698	Discounted cash flows with future cash flows that are estimated based on contractual amounts, discounted at a rate that reflects the credit risk of the counterparty.	Discount rate (Note 2)
Total	10,189,236	8,394,655		
Financial liabilities				
Financial liabilities designated as at fair value through profit or loss:				
– Financing payables	26,156,053	20,008,485	Calculated based on the option pricing model.	Volatility (Note 1)
Derivative financial instruments:				
– Options-liabilities	1,942,113	999,965	Calculated based on the option pricing model.	Volatility (Note 1)
– Forward contract-liabilities	14,187	7,088	Discounted cash flows with future cash flows that are estimated based on contractual amounts, discounted at a rate that reflects the credit risk of the counterparty.	Discount rate (Note 2)
Total	28,112,353	21,015,538		

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.2 Fair value of the Group's financial assets and financial liabilities that are measured at fair value (continued)

51.2.3 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3 (continued)

Notes:

(1) The significant unobservable input to fair value measurement is the implied volatility of the underlying securities, which ranges from 0.50% to 190.00% (31 December 2025: 2.80% to 94.23%).

(2) The unobservable input to fair value is the discount rate, determined by reference to the credit risk of underlying investments, ranging from 0.92% to 99.99% (31 December 2025: 3.50% to 99.99%). The higher the discount rate, the lower the fair value.

(3) The unobservable input to fair value is the discount rate for lack of marketability, which ranges from 26.16% to 88.70% (31 December 2025: 9.38% to 88.04%). The higher the discount rate for lack of marketability, the lower the fair value.

51.3 Reconciliation of Level 3 fair value measurements

	Financial assets measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income	Derivative financial assets	Derivative financial liabilities	Financial liabilities designated as at fair value through profit or loss
As at 1 January 2026 (Audited)	8,109,307	1,549	283,799	(1,007,053)	(20,008,485)
Total gains/(losses) :					
– in profit or loss	(1,894,796)	–	315,428	(42,463)	(166,733)
– in other comprehensive income	–	(45)	–	–	–
Purchases	3,351,691	–	546,327	(1,816,661)	(15,451,673)
Disposals and settlement	–	–	(518,337)	909,877	9,470,838
Transfers into	–	–	–	–	–
Transfers out (Note)	(5,682)	(6)	–	–	–
Exchange differences and others	7	(6)	–	–	–
As at 30 June 2026 (Unaudited)	9,560,527	1,492	627,217	(1,956,300)	(26,156,053)
Total gains/(losses) for assets/liabilities held at 30 June 2026					
– unrealized gains/(losses) recognized in profit or loss	(121,546)	–	259,512	(15,358)	(177,798)

(Amounts in thousands of Renminbi, unless otherwise stated)

51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.3 Reconciliation of Level 3 fair value measurements (continued)

	Financial assets measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income	Derivative financial assets	Derivative financial liabilities	Financial liabilities designated as at fair value through profit or loss
As at 1 January 2025 (Audited)	6,618,448	1,540	1,983,252	(787,197)	–
Total gains/(losses):					
– in profit or loss	(1,320,004)	–	98,932	(168,332)	–
– in other comprehensive income	–	9	–	–	–
Purchases	3,187,556	–	354,895	(979,741)	–
Disposals and settlement	–	–	(2,153,280)	928,217	–
Transfers into	–	–	–	–	(20,008,485)
Transfers out (Note)	(376,693)	–	–	–	–
As at 31 December 2025 (Audited)	8,109,307	1,549	283,799	(1,007,053)	(20,008,485)
Total gains/(losses) for assets/liabilities held at 31 December 2025 – unrealized gains/(losses) recognized in profit or loss	26,151	–	(1,135)	(79,458)	–

Note: These are equity securities traded on stock exchanges with lock-up periods or asset management schemes which hold listed shares with lock-up periods. They were transferred from Level 3 to Level 1 when the lock-up period lapsed and the securities became unrestricted.

52. EVENTS AFTER THE END OF THE REPORTING PERIOD

Proposed profit distribution after the reporting period

On 28 August 2026, a dividend in respect of the period ended 30 June 2026 of RMB1.50 per 10 shares (inclusive of tax), in an aggregate amount of RMB1,640.16 million (inclusive of tax), based on a total of 10,934,402,256 shares in issue, has been considered by the Board of Directors of the Company at its 19th (regular) meeting of the 5th session and is subject to approval at the forthcoming shareholders' general meeting.

Issuance of Public Offering of Corporate Bonds

Subsequent to the end of the reporting period, the Company has completed the issuance of the fifth tranche of public corporate bonds in July 2026, comprising two tranches: Tranche A with a term of 2 years, an actual issuance size of RMB1,800 million, and a coupon rate of 1.60%; and Tranche B with a term of 3 years, an actual issuance size of RMB4,000 million, and a final coupon rate of 1.67%. The proceeds from the issuance of the public corporate bonds are fully used to supplement the Company's working capital.

中国银河证券 | CGS

SERVE OUR COUNTRY THROUGH FINANCE
PUT CUSTOMERS FIRST

CHINA GALAXY
SECURITIES

For more information,
please refer to