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## GLOSSARY OF TECHNICAL TERMS

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*This glossary of technical terms contains explanations of certain technical terms used in this prospectus in connection with our Group and our business. These terms and their meanings may not correspond to standard industry meanings or usage of these terms.*

“A shares”	the shares that are traded on the Shanghai Stock Exchange or the Shenzhen Stock Exchange in Renminbi
“active customer(s)”	our customer(s) who conducted at least one trade with us in the last 36 months
“AUM”	assets under management
“average securities brokerage commission rate”	equals the commission income from our trading of stocks and funds on behalf of clients as divided by our brokerage trading volume for stocks and funds
“B shares”	shares denominated in Renminbi, subscribed for and traded in foreign currency on the Shanghai Stock Exchange or the Shenzhen Stock Exchange
“CAGR”	compound annual growth rate
“ChiNext Board”	the growth enterprise board launched by the Shenzhen Stock Exchange
“collective asset management scheme(s)”	a type of mutual fund managed by PRC securities firms in the PRC for retail customers
“CSI 300 Index”	a capitalization-weighted stock market index designed to replicate the performance of 300 stocks traded on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, which is compiled by the China Securities Index Company, Ltd. (中證指數有限公司)
“dim sum bonds”	RMB-denominated bonds issued in Hong Kong
“enterprise annuity”	the supplementary pension insurance scheme established voluntarily by enterprises and their employees in addition to the basic pension insurance in which they participate in accordance with the law

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“first-tier cities”	the metropolises which play a significant role in national politics, economics and other social activities, including Beijing, Shanghai, Guangzhou and Shenzhen
“FOF”	Fund of Funds
“futures IB business”	the business activities in which securities firms, as commissioned by futures companies, introduce customers to futures companies to provide futures brokerage and other related services
“high net worth customer(s)”	our individual customer(s) whose account(s) with us have a minimum balance of RMB10.0 million in investment assets
“high net worth individual(s)”	individual(s) having total investable assets of at least RMB10.0 million
“International Board”	a board to be established on the Shanghai Stock Exchange where foreign companies can list their shares
“IPO”	initial public offering
“M&A”	mergers and acquisitions
“margin and securities refinancing”	a business in which securities firms can act as intermediaries to borrow funds or securities from the Securities Finance Company and other financial institutions, including banks, fund management companies and insurance companies and lend such funds and securities to their customers
“Net Capital”	equals net assets minus risk-adjusted financial assets minus other risk-adjusted assets and contingent liability plus/minus other adjustments recognized or approved by the CSRC
“New OTC Board”	an OTC board to be established for high-growth enterprises in the PRC
“OTC”	over-the-counter

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“OTCBB”	OTC Bulletin Board, which is an inter-dealer electronic quotation system in the U.S. that displays real-time quotes, last-sale prices and volume information for many OTC equity securities that are not listed on a national securities exchange in the U.S.
“Pink Sheets”	formally known as the OTC Markets Group, Inc., which is a private company that provides services to the U.S. OTC securities market, including electronic quotations, trading, messaging and information platforms
“QDII”	Qualified Domestic Institutional Investor (合格境內機構投資者)
“QFII”	Qualified Foreign Institutional Investor (合格境外機構投資者)
“RQFII”	Renminbi Qualified Foreign Institutional Investor (人民幣合格境外機構投資者), a pilot program to be launched in the PRC which will allow Hong Kong subsidiaries of PRC brokerage companies and fund houses to facilitate investments of offshore Renminbi into the PRC capital markets
“second and third-tier cities”	cities and municipalities in fast growing provinces in the PRC that are not first-tier cities
“securities brokerage net revenue”	brokerage commission and fee income received less commission paid to account executives and brokerage transaction fees and other services expenses primarily paid to the exchanges
“Shibor”	Shanghai Interbank Offered Rate
“SIFMA”	Securities Industry and Financial Markets Association in the U.S.
“SME Board”	the Small and Medium Enterprises Board of the Shenzhen Stock Exchange

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“sponsor representative”	professional representative qualified in the PRC to sponsor and execute the offerings and listings of securities pursuant to the Measures for the Administration of the Sponsorship of the Offering and Listing of Securities of the PRC
“SSE 50 Index”	an index of 50 representative stocks that are traded on the Shanghai Stock Exchange
“SSE Corporate Governance Index”	an index comprising all the stocks from the SSE Corporate Governance Board, which is intended to encourage other listed companies on the Shanghai Stock Exchange to strengthen their corporate governance and internal controls
“stock index futures”	cash-settled standardized futures contracts on the value of a particular stock market index
“SZSE Component Index”	an index of 40 representative stocks that are traded on the Shenzhen Stock Exchange
“targeted asset management scheme(s)”	a type of special vehicle managed by PRC securities firms for annuity plans, other institutional investors and individual investors with large amount of investment assets